

# Notice of Extraordinary General Meeting and Explanatory Memorandum

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Mako Gold Limited ACN 606 241 829

**Date of Meeting:** 22 June 2023

**Time of Meeting:** 3:30pm (Brisbane time)

**Place of Meeting:** Mako Gold Limited  
Level 6  
140 Edward Street  
Brisbane, Qld 4000

This is an important document. Please read it carefully.

This Notice of Extraordinary General Meeting and Explanatory Memorandum should be read in their entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

**Notice to U.S. persons:**

Mako Gold Limited is incorporated in the Commonwealth of Australia and its securities have not been registered under the U.S. Securities Act of 1933, as amended (**Securities Act**) or the laws of any state or other jurisdiction in the United States. The securities offered and sold in the Placement have not been, and will not be, registered under the Securities Act, or the securities laws of any state or other jurisdiction of the United States. Accordingly, the securities may not be offered or sold, directly or indirectly, to any person in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any applicable securities laws of any state or other jurisdiction of the United States.

This Notice and the accompanying Explanatory Memorandum may not be distributed or released in the United States.

# Notice of Extraordinary General Meeting

Dear Shareholder,

Enclosed is a notice of an extraordinary general meeting (**Meeting**) of shareholders of Mako Gold Limited ACN 606 241 829 (**Company** or **Mako**) to be held at the office of Mako Gold Limited, Level 6, 140 Edward Street, Brisbane, Qld 4000, on 22 June 2023 at 3:30pm (Brisbane time).

The Meeting has been convened to consider Resolutions for:

1. The ratification of the prior issue of 70,747,704 Placement Shares (Tranche 1 Shares).
2. The issue of 35,373,852 Placement Options (Tranche 1 Options).
3. The issue of 11,000,000 Advisor Options.
4. The issue of 13,585,660 Placement Shares (Tranche 2 Shares) and 6,792,830 Placement Options (Tranche 2 Options) to Unrelated T2 Participants.
5. Subject to the approval of Resolution 4, the issue of 3,396,415 T2 Loyalty Options to Unrelated T2 Participants.
6. The issue of 333,334 Placement Shares (Tranche 2 Shares) and 166,667 Placement Options (Tranche 2 Options) to Michele Muscillo.
7. The issue of 1,666,667 Placement Shares (Tranche 2 Shares) and 833,334 Placement Options (Tranche 2 Options) to Peter Ledwidge.
8. The issue of 333,334 Placement Shares (Tranche 2 Shares) and 166,667 Placement Options (Tranche 2 Options) to Steven Zaninovich.
9. Subject to the approval of Resolution 6, the issue of 83,334 T2 Loyalty Options (Director Loyalty Options) to Michele Muscillo .
10. Subject to the approval of Resolution 7, the issue of 416,667 T2 Loyalty Options (Director Loyalty Options) to Peter Ledwidge.
11. Subject to the approval of Resolution 8, the issue of 83,334 T2 Loyalty Options (Director Loyalty Options) to Steven Zaninovich.
12. The issue of up to 50,333,333 Shares to GeoDrill Limited (GeoDrill Shares).

Shareholders are encouraged to monitor the Company's website for any further updates in relation to the arrangements for the Meeting.

Your continued support is greatly appreciated.

Yours sincerely

Michele Muscillo  
Non-executive Chairman

# Notice of Extraordinary General Meeting

Notice is given that an Extraordinary General Meeting of Shareholders of Mako Gold Limited ACN 606 241 829 will be held:

Date of Meeting: 22 June 2023

Time of Meeting: 3:30pm (Brisbane time)

Place of Meeting: Mako Gold Limited, Level 6, 140 Edward Street, Brisbane, Qld 4000

Terms used in this Notice of Meeting are defined in Section 7.1 of the accompanying Explanatory Memorandum.

## Agenda

The agenda for the meeting is as follows:

## Ordinary Business

### 1. Resolution 1: Ratification of prior issue of 70,747,704 Placement Shares (Tranche 1 Shares)

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To consider and, if thought fit, pass the following Resolution, with or without amendment, as an Ordinary Resolution of the Company:

*“That, for the purposes of Listing Rule 7.4 and all other purposes, the Shareholders approve and ratify the issue of 70,747,704 Shares in the Company issued at an issue price of \$0.030 per Share (**Tranche 1 Shares**) to unrelated professional, sophisticated or other investors that fall within one or more of the classes of exemptions specified in section 708 of the Corporations Act (**Tranche 1 Participants**) on the terms and conditions set out in the Explanatory Memorandum.”*

#### Voting exclusion statement pursuant to Listing Rule 7.5

The Company will disregard any votes cast in favour of this Resolution by or on behalf of the Tranche 1 Participants and any of their associates.

However, this does not apply to a vote cast in favour of this Resolution by:

- a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on this Resolution; and
  - the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

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## 2. Resolution 2: Issue of 35,373,852 Placement Options (Tranche 1 Options)

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To consider and, if thought fit, pass the following resolution, with or without amendment, as an Ordinary Resolution of the Company:

*“That for the purposes of Listing Rule 7.1 and all other purposes, approval is given for the Company to issue up to 35,373,852 Options, to be issued as a free attaching option exercisable at \$0.05 with an expiry date which is 24 months from the date of issue (**Tranche 1 Options**) to the Tranche 1 Participants on the basis of one (1) Tranche 1 Option for every two (2) Tranche 1 Shares issued pursuant to the Placement, and otherwise on the terms and conditions set out in the Explanatory Memorandum.”*

### Voting exclusion statement pursuant to Listing Rule 7.3

The Company will disregard any votes cast in favour of this Resolution by or on behalf:

- 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); and
- any associate of them.

However, this does not apply to a vote cast in favour of this Resolution by:

- a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on this Resolution; and
  - the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## 3. Resolution 3: Issue of 11 million Advisor Options

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To consider and, if thought fit, pass the following Resolution as an Ordinary Resolution of the Company, with or without amendment:

*“That for the purposes of Listing Rule 7.1 and all other purposes, approval is given for the Company to issue 5,500,000 Options to Discovery Capital Partners Pty Limited and 5,500,000 Advisor Options to Euroz Hartleys Limited (or their respective nominees) in consideration for their roles as Joint Lead Managers to the Placement, (**Advisor Options**), to be issued at an issue price of \$0.0001 and exercisable at \$0.05 with an expiry date which is 36 months from the date of issue and otherwise on the terms and conditions set out in the Explanatory Memorandum.”*

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## Voting exclusion statement pursuant to Listing Rule 7.3

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- 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); and
- any associate of them.

However, this does not apply to a vote cast in favour of this Resolution by:

- a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on this Resolution; and
  - the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## 4. Resolution 4: Issue of 13,585,660 Placement Shares and 6,792,830 Placement Options to the Unrelated T2 Participants

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To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company, with or without amendment:

*“That, in accordance with Listing Rule 7.1, and for all other purposes, approval is given for the Company to issue up to 13,585,660 Shares in the Company at an issue price of \$0.030 per Share, and 6,792,830 Options to be issued as a free attaching option on the basis of one (1) Option for every two (2) Shares issued, with an exercise price of \$0.05 and expiring on the date which is 24 months from the date of issue, to unrelated professional, sophisticated or other investors that fall within one or more of the classes of exemptions specified in section 708 of the Corporations Act (**Unrelated T2 Participants**), and otherwise on the terms and conditions set out in the Explanatory Memorandum.”*

## 5. Resolution 5: Issue of 3,396,415 T2 Loyalty Options to the Unrelated T2 Participants

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To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company, with or without amendment:

*“Subject to the approval of Resolution 4, that for the purposes of Listing Rule 7.1 and all other purposes, approval is given for the Company to issue up to 3,396,415 Options at an issue price of \$0.005, with an exercise price of \$0.04 and expiring on the date which is twelve months from the date of issue (**T2 Loyalty Options**) to the Unrelated T2 Participants, on the*

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*basis of one (1) Loyalty Option for every four (4) Shares issued under the Placement, and otherwise on the terms and conditions set out in the Explanatory Memorandum.”*

## **A Voting Exclusion Statement for Resolutions 4 and 5 is set out below.**

### **Voting exclusion statement pursuant to Listing Rule 7.3 – Resolutions 4 and 5**

The Company will disregard any votes cast in favour of Resolutions 4 and 5 by or on behalf of:

- 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); and
- any associate of them.

However, this does not apply to a vote cast in favour of Resolutions 4 and 5 by:

- a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the relevant Resolution; and
  - the holder votes on the relevant Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **6. Resolution 6: Issue of 333,334 Placement Shares and 166,667 Placement Options to Michele Muscillo**

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company, with or without amendment:

*“That, for the purposes of the provisions of Listing Rule 10.11 and for all other purposes, the Company be authorised to issue 333,334 Shares in the Company at an issue price of \$0.030 per Share and 166,667 Options to be issued as a free attaching option on the basis of one (1) Option for every two (2) Shares issued pursuant to the Placement, exercisable at \$0.05 and expiring on the date which is 24 months from the date of issue and otherwise on the terms and conditions set out in the Explanatory Memorandum which accompanies and forms part of this Notice of Meeting, to Michele Muscillo (or his nominee), being a Director of the Company.”*

## **7. Resolution 7: Issue of 1,666,667 Placement Shares and 833,334 Placement Options to Peter Ledwidge**

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company, with or without amendment:

*“That, for the purposes of the provisions of Listing Rule 10.11 and for all other purposes, the Company be authorised to issue 1,666,667 Shares in the Company at an issue price of \$0.030 per Share and 833,334 Options to be issued as a free attaching option on the basis of one (1) Option for every two (2) Shares issued pursuant to the Placement, exercisable at \$0.05 and expiring on the date which is 24 months from the date of issue and otherwise on the terms and conditions set out in the Explanatory Memorandum which accompanies and forms*

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*part of this Notice of Meeting, to Peter Ledwidge (or his nominee), being a Director of the Company.”*

## **8. Resolution 8: Issue of 333,334 Placement Shares and 166,667 Placement Options to Steven Zaninovich**

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To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company, with or without amendment:

*“That, for the purposes of Listing Rule 10.11 and for all other purposes, the Company be authorised to issue 333,334 Shares in the Company at an issue price of \$0.030 per Share and 1,66,667 Options to be issued as a free attaching option on the basis of one (1) Option for every two (2) Shares issued pursuant to the Placement, exercisable at \$0.05 and expiring on the date which is 24 months from the date of issue and otherwise on the terms and conditions set out in the Explanatory Memorandum which accompanies and forms part of this Notice of Meeting, to Steven Zaninovich (or his nominee), being a Director of the Company.”*

## **9. Resolution 9: Issue of 83,334 T2 Loyalty Options to Michele Muscillo**

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To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company, with or without amendment:

*“Subject to the approval of Resolution 6, that, for the purposes of the provisions of Listing Rule 10.11 and for all other purposes, the Company be authorised to issue up to 83,334 Options on the basis of one (1) Option for every four (4) Shares issued pursuant to the Placement, with an issue price of \$0.005, an exercise price of \$0.04 and expiring on the date which is 12 months from the date of issue of the Loyalty Options and otherwise on the same terms and conditions as the Loyalty Options as set out in the Explanatory Memorandum which accompanies and forms part of this Notice of Meeting, to Michele Muscillo (or his nominee), being a Director of the Company.”*

## **10. Resolution 10: Issue of 416,667 T2 Loyalty Options to Peter Ledwidge**

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To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company, with or without amendment:

*“Subject to the approval of Resolution 7, that, for the purposes of the provisions of Listing Rule 10.11 and for all other purposes, the Company be authorised to issue up to 416,667 Options on the basis of one (1) Option for every four (4) Shares issued pursuant to the Placement, with an issue price of \$0.005, an exercise price of \$0.04 and expiring on the date which is 12 months from the date of issue of the Loyalty Options and otherwise on the same terms and conditions as the Loyalty Options as set out in the Explanatory Memorandum which accompanies and forms part of this Notice of Meeting, to Peter Ledwidge (or his nominee), being a Director of the Company.”*

## **11. Resolution 11: Issue of 83,334 T2 Loyalty Options to Steven Zaninovich**

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To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company, with or without amendment:

*“Subject to the approval of Resolution 8, that, for the purposes of Listing Rule 10.11 and for all other purposes, the Company be authorised to issue up to 83,334 Options on the basis of one (1) Option for every four (4) Shares issued pursuant to the Placement, with an issue price of \$0.005, an exercise price of \$0.04 and expiring on the date which is 12 months from the date*

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*of issue of the Loyalty Options and otherwise on the same terms and conditions as the Loyalty Options as set out in the Explanatory Memorandum which accompanies and forms part of this Notice of Meeting, to Steven Zaninovich (or his nominee), being a Director of the Company.”*

## **A Voting Exclusion Statement for Resolutions 6 to 11 is set out below.**

### **Voting exclusion statement pursuant to Listing Rule 10.13 – Resolutions 6 to 11**

The Company will disregard any votes cast on:

- Resolution 6 by or on behalf of:
  - the person who is to receive the securities in question (including Michele Muscillo (and his nominees)) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company); and
  - an associate of that person or those persons.
- Resolution 7 by or on behalf of:
  - the person who is to receive the securities in question (including Peter Ledwidge (and his nominees)) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company); and
  - an associate of that person or those persons.
- Resolution 8 by or on behalf of:
  - the person who is to receive the securities in question (including Steven Zaninovich (and his nominees)) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company); and
  - an associate of that person or those persons.
- Resolution 9 by or on behalf of:
  - the person who is to receive the securities in question (including Michele Muscillo (and his nominees)) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company); and
  - an associate of that person or those persons.
- Resolution 10 by or on behalf of:
  - the person who is to receive the securities in question (including Peter Ledwidge (and his nominees)) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company); and
  - an associate of that person or those persons.
- Resolution 11 by or on behalf of:
  - the person who is to receive the securities in question (including Steven Zaninovich (and his nominees)) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company); and



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- an associate of that person or those persons.

However, this does not apply to a vote cast in favour of these Resolutions by:

- a person as proxy or attorney for a person who is entitled to vote on Resolutions 6 to 11 (inclusive), in accordance with directions given to the proxy or attorney to vote on Resolutions 6 to 11 (inclusive) in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolutions 6 to 11 (inclusive), in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolutions 6 to 11 (inclusive); and
  - the holder votes on the Resolutions 6 to 11 (inclusive) in accordance with directions given by the beneficiary to the holder to vote in that way.

## **Proxy Appointment Restriction – Resolutions 6 to 11**

In accordance with section 250BD of the Corporations Act, the Company will disregard any votes cast on Resolutions 6 to 11 (inclusive) by a member of the Key Management Personnel of the Company or their Closely Related Parties who has been appointed as a proxy unless:

- the appointed proxy votes for a person who is permitted to vote and in accordance with a direction on the proxy form (directed proxy); or
- the appointed proxy is the chair of the meeting and the appointment of the chair as proxy:
  - does not specify the way the proxy is to vote on the Resolutions 6 to 11 (inclusive); and
  - expressly authorises the chair of the meeting to exercise the proxy even if the Resolutions 6 to 11 (inclusive) are connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

## **12. Resolution 12: Issue of Shares to GeoDrill**

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company, with or without amendment:

*That, in accordance with Listing Rule 7.1, and for all other purposes, the Company be authorised to issue up to 50,333,333 of Shares (**GeoDrill Shares**) to GeoDrill on the terms and conditions contained in this Notice of Meeting and attached Explanatory Memorandum.”*

### **Voting exclusion statement pursuant to Listing Rule 7.3.8**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- GeoDrill and any other person who is expected to participate in, or will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of Shares in the entity); and
- an associate of those persons.

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- However, the Company need not disregard a vote if:
- 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
  - it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.
  - a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
    - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on this Resolution; and
    - the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## Notes

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- (a) Terms used in this Notice of Meeting are defined in the “Interpretation” section of the accompanying Explanatory Memorandum.
- (b) A detailed summary of the Resolutions is contained within the Explanatory Memorandum.

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the Resolutions the subject of this Meeting, subject to compliance with the Corporations Act. In exceptional circumstances, the Chair of the Meeting may change their voting intention on any resolution.

All Resolutions at this Meeting will be voted on by poll and Shareholders who are entitled to vote may vote either prior to the Meeting by appointing a proxy or by poll during the Meeting.

## General business

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To consider any other business as may be lawfully put forward in accordance with the Constitution of the Company.

### By order of the board

Paul Marshall

Company Secretary  
23 May 2023

# Explanatory Memorandum

## Explanatory Memorandum

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This Explanatory Memorandum is provided to shareholders of Mako Gold Limited ACN 606 241 829 in connection with the business to be considered at the Extraordinary General Meeting of Shareholders to be held at the offices of Mako Gold Limited, Level 6, 140 Edward Street, Brisbane, Qld 4000, on 22 June 2023 at 3:30pm (Brisbane time).

The Notice of Meeting, which is also **enclosed**, sets out details of proposals concerning the Resolutions to be put to Shareholders.

The purpose of this Explanatory Memorandum is to provide Shareholders with information that is reasonably required by Shareholders to decide how to vote upon the Resolutions. The Company's Notice of Extraordinary General Meeting and this Explanatory Memorandum should be read in their entirety and in conjunction with each other.

Subject to the abstentions noted below, the Directors unanimously recommend that Shareholders vote in favour of all Resolutions. The Chairman of the Meeting intends to vote all available undirected proxies in favour of each resolution.

The Directors recommend that Shareholders read the accompanying Notice of Meeting and this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

The Resolutions are Ordinary Resolutions, which require that a simple majority of votes cast by Shareholders present and entitled to vote on the resolutions must be in favour of the Resolutions.

Terms used in this Explanatory Memorandum are defined in Section 8.

## **Summary of the Placement and the Entitlement Offer**

### **Background**

#### *Placement*

On 1 May 2023, the Company announced that it had undertaken a private placement to sophisticated and professional investors to raise \$2.6 million (before costs) (**Placement**) through an offer of up to 86,666,699 Shares in the Company at an issue price of \$0.030 per Share (**Placement Shares**), and 43,333,350 attaching Options having an exercise price of \$0.05 per Option and expiring on the date which is 24 months from the date of issue (**Placement Options**).

The issue of the Placement Shares is to be conducted in two tranches, referred to as the **Tranche 1 Placement** and the **Tranche 2 Placement** (together, the **Tranches**). The Tranche 1 Placement (representing 81.63% of the Placement Shares) was able to be completed under the Company's existing placement capacity under Listing Rule 7.1 and was completed on 9 May 2023. The Tranche 2 Placement for the remaining Placement Shares has been subscribed for subject to Shareholder approval. The issue of Placement Options for both the Tranche 1 Placement and the Tranche 2 Placement is also subject to Shareholder approval.

Proceeds from the Placement will be used to execute the Company's strategic plan, including:

- undertaking exploration drilling to grow the Napié Gold Project in Côte d'Ivoire that hosts a Maiden JORC 2012 Mineral Resource Estimate of 22.5Mt at 1.2g/t for 868koz Au at the Tchaga and Gogbala Prospects;
- drill testing high priority auger anomalies and resource extensional targets at Napié Gold Project;
- completing technical studies, including structural geology in respect of the Napié Gold Project;

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- undertaking further exploration activities advancing gold and newly discovered manganese prospects at the Korhogo Projects;
- the costs of the Placement and the Entitlement Offer; and
- general working capital.

Subject to Shareholder approval, the Directors will participate in the Tranche 2 Placement, as described below.

## *Entitlement Offer*

As announced on 1 May 2023 and 9 May 2023, the Company is also undertaking a loyalty issue to existing Shareholders in the form of a one (1) for four (4) non-renounceable entitlement offer of Options to all eligible Shareholders registered on a Record Date of Friday, 12 May 2023 (**Entitlement Offer**).

The Options available under the Entitlement Offer will be issued at a price of \$0.005 per Option, will have an exercise price of \$0.04 per Option and will expire on the date that is 12 months from the date of issue (**Loyalty Options**). The issue of the Loyalty Options pursuant to the Entitlement Offer is not subject to Shareholder approval, in accordance with Listing Rule 7.2 (Exception 1).

The Tranche 1 Participants will be eligible to participate in the Entitlement Offer. However, since the issue of the Tranche 2 Placement will (subject to Shareholder approval) not be completed until after the Record Date under the Entitlement Offer, the Tranche 2 Participants (comprising the Unrelated T2 Participants and the Directors) will not be eligible to participate in the Entitlement Offer. Accordingly, to ensure that the Tranche 2 Participants are placed in the same position as the Tranche 1 Participants, the Company proposes after the Meeting to offer to the Tranche 2 Participants options on the same terms as the Loyalty Options and at the same ratio as the Tranche 1 Participants, subject to Shareholder approval being obtained under Resolution 5 and Resolutions 9 to 11 (**T2 Loyalty Offer**).

## **The Tranches**

### *Tranche 1*

As announced on 1 May 2023, the Company has completed the first stage of the Tranche 1 Placement, comprising the issue of 70,747,704 Placement Shares (**Tranche 1 Shares**) to the Tranche 1 Participants. The Tranche 1 Shares were issued on 9 May 2023 and are the subject of Resolution 1.

The second stage of the Tranche 1 Placement, comprising the issue of 35,373,852 Placement Options (**Tranche 1 Options**) to the Tranche 1 Participants, is subject to Shareholder approval being obtained pursuant to Resolution 2.

### *Tranche 2*

The Tranche 2 Placement comprises the issue of 15,918,995 Placement Shares and 7,959,498 Placement Options, as follows:

- 13,585,660 Placement Shares and 6,792,830 Placement Options to the Unrelated T2 Participants, subject to Shareholder approval being obtained pursuant to Resolution 4; and
- 2,333,335 Placement Shares and 1,166,668 Placement Options to the Directors as follows:
  - 333,334 Placement Shares and 166,667 Placement Options to Michele Muscillo, subject to Shareholder approval being obtained pursuant to Resolution 6;

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- 1,666,667 Placement Shares and 833,334 Placement Options to Peter Ledwidge, subject to Shareholder approval being obtained pursuant to Resolution 7; and
- 333,334 Placement Shares and 166,667 Placement Options to Steven Zaninovich, subject to Shareholder approval being obtained pursuant to Resolution 8.

## Joint Lead Managers and the Advisor Options

The Company appointed Discovery Capital Partners Pty Limited ACN 615 635 982 (**Discovery**) and Euroz Hartleys Limited ACN 104 195 057 (**Euroz Hartleys**) to act as the joint lead managers (**Joint Lead Managers**) to the Placement.

The Company intends to issue a total of 11 million unlisted Options (with an exercise price of \$0.05 and an expiry date that is 36 months from the date of issue) to the Joint Lead Managers (or their respective nominees or assignees) in accordance with the terms and conditions set out in an offer management agreement dated 27 April 2023 (**Advisor Options**). The Advisor Options are the subject of Resolution 3.

If Shareholder approval is obtained pursuant to Resolution 3, Discovery and Euroz Hartleys will be issued 5.5 million Advisor Options each.

## 1. Resolution 1: Ratification of prior issue of Tranche 1 Shares

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Resolution 1 is an Ordinary Resolution and seeks Shareholder approval and ratification of prior issue of the 70,747,704 Placement Shares issued under the Tranche 1 Placement (**Tranche 1 Shares**), in accordance with Listing Rule 7.4.

### 1.1 Placement Capacity under Listing Rule 7.1

This Resolution proposes that Shareholders of the Company approve and ratify the issue of the Tranche 1 Placement Shares.

A total of 70,747,704 Placement Shares were issued within Company's capacity under Listing Rule 7.1.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period (**15% Capacity**).

In addition, and subject to a number of exceptions, pursuant to Listing Rule 7.1A shareholders can give prior approval (by Special Resolution at an annual general meeting) to the issue of securities equivalent to an additional 10% of its capital over a 12 month period. Shareholders of the Company were not asked to give their approval for the issue of additional shares under Listing Rule 7.1A at the last annual general meeting of the Company held on 17 November 2022.

The Tranche 1 Shares are Equity Securities and their issue does not fit within any of the exceptions to Listing Rules 7.1. The number of Tranche 1 Shares effectively uses up all of the Company's 15% Capacity in Listing Rule 7.1 thereby reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rules 7.1 for the 12 month period following the issue date.

### 1.2 Exception under Listing Rule 7.4

Listing Rule 7.4 provides that where a company in a general meeting ratifies a previous issue of securities made or agreed to be made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1, and so will

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not reduce the Company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain shareholder approval for such issues under Listing Rules 7.1.

Accordingly, the Company seeks ratification by the Shareholders to the issue of the Tranche 1 Shares pursuant to Listing Rule 7.4 under Resolution 1 so that the issue of the Tranche 1 Shares does not count towards the Company's 15% Capacity and enables the Company's to issue up to 15% of its issued capital under Listing Rule 7.1, if required, in the next 12 months without Shareholder approval to the extent of the Tranche 1 Shares.

The effect of this Resolution 1 is that the Company, for the purposes of Listing Rules 7.1, will be able to refresh its 15% Capacity with effect from the date of the Meeting, to the extent of the Tranche 1 Shares.

If Resolution 1 is passed, the Tranche 1 Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without shareholder approval over the 12 month period following the issue date.

If Resolution 1 is not passed, the Tranche 1 Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1. As the number of Placement 1 Shares represents the full limit of the Company's capacity under Listing Rule 7.1, the Company will not be able to issue any more equity securities over the 12 month period following the issue date without shareholder approval.

## 1.3 Listing Rule 7.5

Pursuant to Listing Rule 7.5, the following information is provided in respect of the Listing Rule 7.4 ratification sought under Resolution 1:

<b>The name of the person to whom the entity issued or agreed to issue the securities or the basis on which those persons were identified or selected</b>	<p>The Tranche 1 Shares were issued to the Tranche 1 Participants. For the purposes of ASX Guidance Note 21, none of the Tranche 1 Participants are:</p> <ul style="list-style-type: none"><li>• a related party of the Company;</li><li>• members of the Company's Key Management Personnel;</li><li>• a substantial holder in the Company;</li><li>• an adviser to the Company; or</li><li>• an associate of any of the above,</li></ul> <p>and therefore, are not considered to be "material investors" for the purposes of ASX Guidance Note 21, paragraph 7.4.</p> <p>The participants of the Tranche 1 Placement were introduced by the Joint Lead Managers or were prospective investors already known to the Board. Pursuant to the Offer Management Agreement, Discovery and Euroz Hartleys were appointed as joint lead managers to undertake the Placement and will receive:</p>
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	<ul style="list-style-type: none"> <li>• a distribution fee of 4% of the funds raised under the Placement and the placement of any shortfall from the Entitlement Offer;</li> <li>• a management fee of 2.0% of the funds raised under the Placement and the placement of any shortfall from the Entitlement Offer; and</li> <li>• subject to Shareholder approval and completion of the Placement, 10 million Advisor Options which are the subject of Resolution 3,</li> </ul> <p>each of which are to be split equally between the Joint Lead Managers.</p> <p>The unlisted Advisor Options are exercisable at \$0.05 per Option (a 167% premium to the issue price of the Placement Shares) and expire on the date which is 36 months from the date of issue. The Advisor Options are to be split as follows:</p> <ul style="list-style-type: none"> <li>• 5.5 million Advisor Options to Euroz Hartleys (or their nominees);</li> <li>• 5.5 million Advisor Options to Discovery (or their nominees); and</li> <li>•</li> </ul>
<p><b>The number and class of securities to be issued</b></p>	<p>The Company issued 70,747,704 fully paid, ordinary shares under the Tranche 1 Placement (<b>Tranche 1 Shares</b>).</p>
<p><b>If the securities are not fully paid ordinary securities, a summary of the material terms of the securities</b></p>	<p>The Tranche 1 Shares were fully paid on issue and ranked equally in all aspects with all existing Shares previously issued by the Company.</p>
<p><b>The date or dates on or by which the entity will issue the securities</b></p>	<p>The Tranche 1 Shares were issued on 9 May 2023.</p>
<p><b>The price or other consideration the entity will receive for the issue</b></p>	<p>The issue price of the Tranche 1 Shares was \$0.030 per Share.</p>
<p><b>The purpose of the issue, including the intended use of any funds raised by the issue</b></p>	<p>The primary purpose of the issue of the Tranche 1 Shares is to raise capital for the Company.</p> <p>Approximately \$1,768,692 was raised from the issue of the Tranche 1 Shares.</p> <p>Funds raised from the issue of the Tranche 1 Shares (together with funds raised from the Tranche 1 Options, Tranche 2 Placement, Entitlement Offer and</p>

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	<p>T2 Loyalty Offer) will be used to execute the Company's strategic plan, including:</p> <ul style="list-style-type: none"> <li>• undertaking exploration drilling to grow the Napié Gold Project in Côte d'Ivoire that hosts a Maiden JORC 2012 Mineral Resource Estimate of 22.5Mt at 1.2g/t for 868koz Au at the Tchaga and Gogbala Prospects;</li> <li>• drill testing high priority auger anomalies and resource extensional targets at Napié Gold Project;</li> <li>• completing technical studies, including structural geology in respect of the Napié Gold Project;</li> <li>• undertaking further exploration activities advancing gold and newly discovered manganese prospects at the Korhogo Projects;</li> <li>• the costs of the Placement and the Entitlement Offer; and</li> <li>• general working capital.</li> </ul>
<b>If the securities are being issued under an agreement, a summary of any other material terms of the agreement</b>	The Tranche 1 Shares are not issued under any agreement.
<b>Voting exclusion statement</b>	A voting exclusion statement is set out under Resolution 1 of the Notice of Meeting.

## 1.4 Recommendation

The Directors unanimously recommend that you vote in favour of Resolution 1.

## 2. Resolution 2: Issue of 35,373,852 Placement Options (Tranche 1 Options)

### 2.1 Background

As explained under the Summary to the Placement and the Entitlement Offer, for every two Placement Shares issued under the Placement, the Company will also issue one Placement Option to the recipients of the Placement Shares.

The Company has already completed the first stage of the Tranche 1 Placement (the subject of Resolution 1) and is seeking Shareholder approval for the issue of 35,373,852 Placement Options (**Tranche 1 Options**) to the Tranche 1 Participants.

Resolution 2 is an Ordinary Resolution and seeks Shareholder approval to issue the Tranche 1 Options in connection with the Placement and for the purposes of Listing Rule 7.1.



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## 2.2 Listing Rule 7.1 - Issues exceeding 15% of capital

A summary of Listing Rule 7.1 is set out in Section 1.1 above.

The Tranche 1 Options are Equity Securities and their issue does not fall within any of the exceptions to Listing Rule 7.1 and exceeds the 15% limit in Listing Rule 7.1. Shareholder approval is therefore required under Listing Rule 7.1 for the Company to issue the Tranche 1 Options and so that the Tranche 1 Options are not counted towards the Company's 15% Capacity.

If Resolution 2 is passed, the Company will be able to issue the Tranche 1 Options to the Tranche 1 Participants. In addition, the Tranche 1 Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 2 is not passed, the Company will not be entitled to issue the Tranche 1 Options to the Tranche 1 Participants pursuant to the Placement.

## 2.3 Information for Listing Rule 7.3

Pursuant to Listing Rule 7.3, the following information is provided in respect of the Listing Rule 7.1 approval sought under Resolution 2:

<b>The name of the person</b>	<p>The Tranche 1 Options will be issued and allotted to the Tranche 1 Participants.</p> <p>The Tranche 1 Participants are participants in the Placement who were introduced by the Joint Lead Managers or were prospective investors already known to the Board.</p>
<b>The number and class of securities to be issued</b>	<p>The Company will issue 35,373,852 Placement Options to the Tranche 1 Participants under the Tranche 1 Placement on the basis of one (1) Placement Option for every two (2) Placement Shares subscribed for under the Placement.</p>
<b>If the securities are not fully paid ordinary securities, a summary of the material terms of the securities</b>	<p>A summary of the terms of the Placement Options is set out in Schedule 1 to this Explanatory Memorandum.</p>
<b>The date or dates on or by which the entity will issue the securities</b>	<p>The Tranche 1 Options will be issued as soon as possible following the passing of Resolution 2 and, in any event, within three months of the date of the Meeting or such later date as is permitted by an ASX waiver or modification of the Listing Rules.</p>
<b>The price or other consideration the entity will receive for the issue</b>	<p>The Tranche 1 Options will be:</p> <ul style="list-style-type: none"><li>• issued as free attaching Options; and</li><li>• exercisable at a price of \$0.05 per Option.</li></ul>
<b>The purpose of the issue, including the intended use of any funds raised by the issue</b>	<p>The primary purpose of the issue of the Tranche 1 Options is to raise capital for the Company in support of the issue of the Tranche 1 Shares and as part of the current capital raising activities.</p>

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	<p>The Company will raise approximately \$1,768,693 through the exercise of the Tranche 1 Options (assuming all Tranche 1 Options are exercised).</p> <p>Funds raised from the issue of the Tranche 1 Options (together with funds raised from the Tranche 1 Shares, Tranche 2 Placement, Entitlement Offer and T2 Loyalty Offer) will be used to execute the Company's strategic plan, including:</p> <ul style="list-style-type: none"> <li>• undertaking exploration drilling to grow the Napié Gold Project in Côte d'Ivoire that hosts a Maiden JORC 2012 Mineral Resource Estimate of 22.5Mt at 1.2g/t for 868koz Au at the Tchaga and Gogbala Prospects;</li> <li>• drill testing high priority auger anomalies and resource extensional targets at Napié Gold Project;</li> <li>• completing technical studies, including structural geology in respect of the Napié Gold Project;</li> <li>• undertaking further exploration activities advancing gold and newly discovered manganese prospects at the Korhogo Projects;</li> <li>• the costs of the Placement and the Entitlement Offer; and</li> <li>• general working capital.</li> </ul>
<b>If the securities are being issued under an agreement, a summary of any other material terms of the agreement</b>	The Tranche 1 Options are not issued under any agreement.
<b>If the securities are being issued under, or to fund, a reverse takeover, information about the reverse takeover</b>	The Tranche 1 Options are not being issued under, or to fund, a reverse takeover.
<b>Voting exclusion statement</b>	A voting exclusion statement is set out under Resolution 2 of the Notice of Meeting.

## 2.4 Recommendation

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

## 3. Resolution 3: Issue of 11 million Advisor Options

### 3.1 Background

As discussed above, the Company appointed Discovery and Euroz Hartleys to act as Joint Lead Managers in respect of the Placement on the terms and conditions set out in an offer management agreement dated 27 April 2023 (**Offer Management Agreement**).

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In consideration of the provision of services by the Joint Lead Managers, the Company has agreed to allot and issue 11 million unlisted Options to the Joint Lead Managers (or their nominees) exercisable at \$0.05 per Option and expiring on the date which is 36 months from the date of issue, to be split equally between the Joint Lead Managers and otherwise on terms and conditions set out in Schedule 2 (**Advisor Options**).

Resolution 3 is an Ordinary Resolution and seeks Shareholder approval to the issue of the 11 million Advisor Options, in connection with the Placement and for the purposes of Listing Rule 7.1.

## 3.2 Listing Rule 7.1 - Issues exceeding 15% of capital

A summary of Listing Rule 7.1 is set out in Section 1.1 above.

The Advisor Options are Equity Securities and their issue does not fall within any of the exceptions to Listing Rule 7.1 and exceeds the 15% limit in Listing Rule 7.1. Shareholder approval is therefore required under Listing Rule 7.1 for the Company to issue the Advisor Options and so that the Advisor Options are not counted towards the Company's 15% Capacity.

If Resolution 3 is passed, the Company will be able to issue the Advisor Options to the Joint Lead Managers (or their respective nominees) in consideration for the services provided by those parties in connection with the Placement. In addition, the Advisor Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 3 is not passed, the Company will not be entitled to issue the Advisor Options to the Joint Lead Managers (or their respective nominees) in consideration for the services provided by those parties in connection with the Placement.

## 3.3 Information for Listing Rule 7.3

Pursuant to Listing Rule 7.3, the following information is provided in respect of the Listing Rule 7.1 approval sought under Resolution 3:

<b>The name of the person</b>	The Advisor Options will be issued and allotted to the Joint Lead Managers (or their respective nominees, which may, at the discretion of each Joint Lead Manager, include other brokers who assisted the Joint Lead Managers with the introduction of participants to the Placement).
<b>The number and class of securities to be issued</b>	The Company will issue 11 million Advisor Options as follows: <ul style="list-style-type: none"><li>• 5.5 million Advisor Options to Euroz Hartleys (or their nominees);</li><li>• 5.5 million Advisor Options to Discovery (or their nominees).</li></ul>

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<p><b>If the securities are not fully paid ordinary securities, a summary of the material terms of the securities</b></p>	<p>A summary of the terms of the Advisor Options is set out in Schedule 2 to this Explanatory Memorandum.</p>
<p><b>The date or dates on or by which the entity will issue the securities</b></p>	<p>The Advisor Options will be issued as soon as possible following the passing of Resolution 3 and, in any event, within three months of the date of the Meeting or such later date as is permitted by an ASX waiver or modification of the Listing Rules.</p>
<p><b>The price or other consideration the entity will receive for the issue</b></p>	<p>The exercise price of each Advisor Option is \$0.05 per Option.</p> <p>The Advisor Options were issued for \$0.00001 per Option.</p>
<p><b>The purpose of the issue, including the intended use of any funds raised by the issue</b></p>	<p>The Advisor Options will be issued in consideration for Discovery and Euroz Hartleys acting as joint lead managers to the Placement and for the Other Brokers providing assistance to the Joint Lead Managers in completing the Placement.</p> <p>The Company will raise:</p> <ul style="list-style-type: none"> <li>• \$110.00 through the issue of the Advisor Options; and</li> <li>• \$550,000 through the exercise of the Advisor Options (assuming all Advisor Options are exercised).</li> </ul> <p>Funds raised by the Company will be applied towards the working capital of the Company.</p>
<p><b>If the securities are being issued under an agreement, a summary of any other material terms of the agreement</b></p>	<p>The Joint Lead Managers were engaged under the Offer Management Agreement to act as the joint lead bookrunners and joint lead managers of the Placement.</p> <p>Under the Offer Management Agreement, based on the amount raised under the Placement the Company has agreed to allot and issue 11 million unlisted Options in the Company with an exercise price of \$0.05 each and expiring on the date which is 36 months from the date of issue, and otherwise on terms and conditions set out in Schedule 2, as follows:</p> <ul style="list-style-type: none"> <li>• 5.5 million Advisor Options to Discovery (or their nominees); and</li> </ul> <p>5.5 million Advisor Options to Euroz Hartleys (or their nominees); The Company must also pay the Joint Lead Managers a distribution fee of 4% of the funds raised under the Placement and the placement of any shortfall from the Entitlement Offer and a management fee of 2% of the funds raised under the Placement and the placement of any shortfall from the Entitlement</p>

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	Offer (each of which is to be split equally between the Joint Lead Managers).  The terms of the Offer Management Agreement with the Joint Lead Managers are otherwise on market standard terms
<b>If the securities are being issued under, or to fund, a reverse takeover, information about the reverse takeover</b>	The Advisor Options are not being issued under, or to fund, a reverse takeover.
<b>Voting exclusion statement</b>	A voting exclusion statement is set out under Resolution 3 of the Notice of Meeting.

## 3.4 Recommendation

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

## 4. Resolution 4: Issue of 13,585,660 Placement Shares and 6,792,830 Placement Options to Unrelated T2 Participants

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### 4.1 Background

As discussed in relation to the above Resolutions, the Company is conducting the Placement over two tranches.

Resolution 4 is an Ordinary Resolution and seeks Shareholder approval to issue 13,585,660 Placement Shares under the Tranche 2 Placement together with 6,792,830 Placement Options (**Unrelated Party Securities**) to the Unrelated T2 Participants, in connection with the Placement and for the purposes of Listing Rule 7.1.

In addition to the issue of the Unrelated Party Securities, the Company also proposes to issue 2,333,335 Placement Shares under the Tranche 2 Placement together with 1,166,668 Placement Options (**Director Securities**) to the Directors, subject to Shareholder approval being obtained pursuant to Resolutions 6 to 8 (see below).

### 4.2 Listing Rule 7.1 - Issues exceeding 15% of capital

A summary of Listing Rule 7.1 is set out in Section 1.1 above.

The Unrelated Party Securities are Equity Securities and their issue does not fall within any of the exceptions to Listing Rule 7.1 and exceeds the 15% limit in Listing Rule 7.1. Shareholder approval is therefore required under Listing Rule 7.1 for the Company to issue the Unrelated Party Securities and so that the Unrelated Party Securities are not counted towards the Company's 15% Capacity.

If Resolution 4 is passed, the Company will be able to issue the Unrelated Party Securities to the Unrelated T2 Participants. In addition, the Unrelated Party Securities will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 4 is not passed, the Company will not be entitled to issue the Unrelated Party Securities to the Unrelated T2 Participants pursuant to the Placement.

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## 4.3 Information for Listing Rule 7.3

Pursuant to Listing Rule 7.3, the following information is provided in respect of the Listing Rule 7.1 approval sought under Resolution 4:

<p><b>The name of the person</b></p>	<p>The Unrelated Party Securities will be issued and allotted to the Unrelated T2 Participants.</p> <p>The Unrelated Tranche 2 Participants are participants in the Placement who were introduced by the Joint Lead Managers or who were prospective investors already known to the Board.</p> <p>Dundee Resources Limited (<b>Dundee</b>), a prominent North American resource fund and existing major Shareholder, has subscribed for approximately 8.3 million Placement Shares under the Tranche 2 Placement to maintain their holding of 9.6% in the Company's pro-forma issued capital following completion of the Placement (discussed below).</p> <p>Other than Dundee, no other participant who acquired 1% or more of the Company's issued capital pursuant to the Placement is a substantial shareholder of the Company.</p> <p>For the purposes of ASX Guidance Note 21, none of the Unrelated T2 Participants (other than Dundee) are a:</p> <ul style="list-style-type: none"> <li>• a related party of the Company;</li> <li>• members of the Company's Key Management Personnel;</li> <li>• a substantial holder in the Company;</li> <li>• an adviser to the Company; or</li> <li>• an associate of any of the above,</li> </ul> <p>and therefore, are not considered to be "material investors" for the purposes of ASX Guidance Note 21, paragraph 7.2.</p>
<p><b>The number and class of securities to be issued</b></p>	<p>The Company will issue 13,585,660 Placement Shares and 6,792,830 Placement Options under the Tranche 2 Placement.</p> <p>The Placement Options will be issued to the Unrelated T2 Participants on the basis of one (1) Placement Option for every two (2) Placement Shares subscribed for under the Placement.</p>

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<p><b>If the securities are not fully paid ordinary securities, a summary of the material terms of the securities</b></p>	<p>The Placement Shares are fully paid ordinary securities in the Company.</p> <p>A summary of the terms of the Placement Options is set out in Schedule 1 to this Explanatory Memorandum.</p>
<p><b>The date or dates on or by which the entity will issue the securities</b></p>	<p>The Unrelated Party Securities will be issued as soon as possible following the passing of Resolution 4 and, in any event, within three months of the date of the Meeting or such later date as is permitted by an ASX waiver or modification of the Listing Rules.</p>
<p><b>The price or other consideration the entity will receive for the issue</b></p>	<p>The Placement Shares will be issued for a price of \$0.30 per Share.</p> <p>The Placement Options will be:</p> <ul style="list-style-type: none"> <li>• issued as free attaching Options; and</li> <li>• exercisable at a price of \$0.05 per Option.</li> </ul>
<p><b>The purpose of the issue, including the intended use of any funds raised by the issue</b></p>	<p>The primary purpose of the issue of the Unrelated Party Securities is to raise capital for the Company.</p> <p>The Company will raise approximately:</p> <ul style="list-style-type: none"> <li>• \$407,570 through the issue of the 13,585,660 Placement Shares; and</li> <li>• \$339,642 through the exercise of the 6,792,830 Placement Options (assuming all 6,792,830 Placement Options are exercised).</li> </ul> <p>Funds raised from the issue of the Unrelated Party Securities (together with funds raised from the Tranche 1 Placement, Entitlement Offer and T2 Loyalty Offer) will be used to execute the Company's strategic plan, including:</p> <ul style="list-style-type: none"> <li>• undertaking exploration drilling to grow the Napié Gold Project in Côte d'Ivoire that hosts a Maiden JORC 2012 Mineral Resource Estimate of 22.5Mt at 1.2g/t for 868koz Au at the Tchaga and Gogbala Prospects;</li> <li>• drill testing high priority auger anomalies and resource extensional targets at Napié Gold Project;</li> <li>• completing technical studies, including structural geology in respect of the Napié Gold Project;</li> <li>• undertaking further exploration activities advancing gold and newly discovered manganese prospects at the Korhogo Projects;</li> <li>• the costs of the Placement and the Entitlement Offer; and</li> </ul>

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	<ul style="list-style-type: none"><li>• general working capital.</li></ul>
<b>If the securities are being issued under an agreement, a summary of any other material terms of the agreement</b>	The Unrelated Party Securities are not issued under any agreement.
<b>If the securities are being issued under, or to fund, a reverse takeover, information about the reverse takeover</b>	The Unrelated Party Securities are not being issued under, or to fund, a reverse takeover.
<b>Voting exclusion statement</b>	A voting exclusion statement is set out under Resolution 4 of the Notice of Meeting.

## 4.4 Recommendation

The Directors unanimously recommend that you vote in favour of Resolution 4.

## 5. Resolution 5: Issue of 3,396,415 T2 Loyalty Options to Unrelated T2 Participants

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### 5.1 Background

As discussed above, the Company will make the T2 Loyalty Offer after the Meeting, comprising an offer of 3,396,415 T2 Loyalty Options (being options having the same terms as the Loyalty Options) to the Unrelated T2 Participants.

The purpose of the T2 Loyalty Offer is to give Tranche 2 Participants the same opportunity as Tranche 1 Participants to apply for options having the same terms as the Loyalty Options on the same basis of one (1) T2 Loyalty Option for every four (4) Tranche 2 Shares issued after the Meeting (subject to Shareholder approval under Resolution 4).

Resolution 5 is an Ordinary Resolution and seeks Shareholder approval to issue up to 3,396,415 T2 Loyalty Options to the Unrelated T2 Participants.

The terms of the T2 Loyalty Options are as set out in more detail below.

Approval for the issue of 3,396,415 T2 Loyalty Options to the Unrelated T2 Participants = is sought in accordance with the provisions of Listing Rule 7.1.

As the offer and issue of the T2 Loyalty Options to the Unrelated T2 Participants is dependent upon those Unrelated T2 Participants being issued the Tranche 2 Shares, this Resolution 5 is subject to the prior approval of Resolution 4.

### 5.2 Listing Rule 7.1 - Issues exceeding 15% of capital

A summary of Listing Rule 7.1 is set out in Section 1.1 above.

The T2 Loyalty Options are Equity Securities and their issue does not fall within any of the exceptions to Listing Rule 7.1 and exceeds the 15% limit in Listing Rule 7.1. Shareholder approval is therefore required under Listing Rule 7.1 for the Company to issue the T2 Loyalty Options and so that the T2 Loyalty Options are not counted towards the Company's 15% Capacity.



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If Resolution 5 and Resolution 4 are both passed, the Company will be able to issue the T2 Loyalty Options to the Unrelated T2 Participants (following the issue of the Tranche 2 Shares). In addition, the T2 Loyalty Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If neither Resolution 5 nor Resolution 4 are passed, the Company will not be entitled to issue either the Tranche 2 Shares or the T2 Loyalty Options to the Unrelated T2 Participants.

If Resolution 5 is passed but Resolution 4 is not passed, the Company will not offer to issue the T2 Loyalty Options to the Unrelated T2 Participants because they will not be entitled to the issue of the Tranche 2 Shares and will, therefore, not be entitled to be recipients of Loyalty Options.

If Resolution 5 is not passed but Resolution 4 is passed, the Company will remain entitled to issue the Tranche 2 Shares under the operation of Resolution 4 but will not be entitled to issue the T2 Loyalty Options to the Unrelated T2 Participants.

## 5.3 Information for Listing Rule 7.3

Pursuant to Listing Rule 7.3, the following information is provided in respect of the Listing Rule 7.1 approval sought under Resolution 5:

<b>The name of the person</b>	<p>The T2 Loyalty Options will be issued and allotted to the Unrelated T2 Participants.</p> <p>The Unrelated Tranche 2 Participants are participants in the Placement who were introduced by the Joint Lead Managers or who were prospective investors already known to the Board.</p> <p>As noted in relation to Resolution 4, Dundee Resources Limited (<b>Dundee</b>), a prominent North American resource fund and existing major Shareholder, subscribed for approximately 8.3 million Placement Shares under the Tranche 2 Placement to maintain their holding of 9.6% in the Company's pro-forma issued capital following completion of the Placement (discussed below).</p> <p>Other than Dundee, no other participant who acquired 1% or more of the Company's issued capital pursuant to the Placement is a substantial shareholder of the Company.</p> <p>For the purposes of ASX Guidance Note 21, none of the Unrelated T2 Participants (other than Dundee) are a:</p> <ul style="list-style-type: none"><li>• a related party of the Company;</li><li>• members of the Company's Key Management Personnel;</li><li>• a substantial holder in the Company;</li><li>• an adviser to the Company; or</li><li>• an associate of any of the above,</li></ul>
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	and therefore, are not considered to be "material investors" for the purposes of ASX Guidance Note 21, paragraph 7.2
<b>The number and class of securities to be issued</b>	<p>The Company will issue 3,396,415 T2 Loyalty Options.</p> <p>The T2 Loyalty Options will be issued to the Unrelated T2 Participants on the basis of one (1) T2 Loyalty Option for every four (4) Placement Shares subscribed for under the Placement.</p>
<b>If the securities are not fully paid ordinary securities, a summary of the material terms of the securities</b>	<p>The T2 Loyalty Options are issued on the same terms as the Loyalty Options issued pursuant to the Entitlement Offer.</p> <p>A summary of the terms of the Loyalty Options is set out in Schedule 3 to this Explanatory Memorandum.</p>
<b>The date or dates on or by which the entity will issue the securities</b>	<p>The T2 Loyalty Options will be issued as soon as possible following the passing of Resolution 5 and, in any event, within three months of the date of the Meeting or such later date as is permitted by an ASX waiver or modification of the Listing Rules.</p>
<b>The price or other consideration the entity will receive for the issue</b>	<p>The T2 Loyalty Options will be issued at a price of \$0.005 per Option and will be exercisable at a price of \$0.04 per Option.</p>
<b>The purpose of the issue, including the intended use of any funds raised by the issue</b>	<p>The primary purpose of the issue of the T2 Loyalty Options is to raise capital for the Company as part of the current capital raising activities.</p> <p>The Company will raise approximately:</p> <ul style="list-style-type: none"> <li>• \$16,982 through the issue of the T2 Loyalty Options; and</li> <li>• \$135,857 through the exercise of the T2 Loyalty Options (assuming all T2 Loyalty Options are exercised).</li> </ul> <p>Funds raised from the issue of the T2 Loyalty Options (together with funds raised from the Placement and Entitlement Offer) will be used to execute the Company's strategic plan, including:</p> <ul style="list-style-type: none"> <li>• undertaking exploration drilling to grow the Napié Gold Project in Côte d'Ivoire that hosts a Maiden JORC 2012 Mineral Resource Estimate of 22.5Mt at 1.2g/t for 868koz Au at the Tchaga and Gogbala Prospects;</li> <li>• drill testing high priority auger anomalies and resource extensional targets at Napié Gold Project;</li> <li>• completing technical studies, including structural geology in respect of the Napié Gold Project;</li> </ul>

# Explanatory Memorandum

	<ul style="list-style-type: none"> <li>• undertaking further exploration activities advancing gold and newly discovered manganese prospects at the Korhogo Projects;</li> <li>• the costs of the Placement and the Entitlement Offer; and</li> <li>• general working capital.</li> </ul>
<b>If the securities are being issued under an agreement, a summary of any other material terms of the agreement</b>	The T2 Loyalty Options are not issued under any agreement.
<b>If the securities are being issued under, or to fund, a reverse takeover, information about the reverse takeover</b>	The T2 Loyalty Options are not being issued under, or to fund, a reverse takeover.
<b>Voting exclusion statement</b>	A voting exclusion statement is set out under Resolution 5 of the Notice of Meeting.

## 5.4 Recommendation

The Directors unanimously recommend that you vote in favour of Resolution 5.

## 6. Resolutions 6 to 8: Issue of Placement Shares and Placement Options to Directors

### 6.1 Background

Resolutions 6 to 8 are Ordinary Resolutions seeking Shareholder approval for the issue of a total of 2,333,335 Placement Shares and 1,166,668 Placement Options to the Directors of the Company, being Peter Ledwidge, Michele Muscillo and Steven Zaninovich (or their respective nominees) (each a **Recipient**) (**Director Securities**).

The terms of the Director Securities are set out in more detail below.

Approval for the issue of the Director Securities is sought in accordance with the provisions of Listing Rule 10.11.

As approval is being sought under Listing Rule 10.11, approval will not be required under Listing Rule 7.1.

### 6.2 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to, inter alia, a related party of the Company, unless it obtains the approval of its shareholders.

If approval is given under Listing Rule 10.11, approval will not be required under Listing Rule 7.1, and the securities issued pursuant to Resolutions 6 to 8 will not be included in the calculation of the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

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It is the view of the Company that the exceptions set out in Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of Director Securities.

If Resolutions 6 to 8 are passed, the Directors will be able to participate in the Placement. In addition, the Director Securities will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolutions 6 to 8 are not passed, the Director Securities will not be issued and the Directors will not participate in the Placement.

If Resolutions 6 to 8 are passed the issue of the Director Securities will not count towards the Company's 15% Capacity for the purposes of Listing Rule 7.1.

## 6.3 Information for Listing Rule 10.13

<b>The name of the person</b>	The Director Securities will be issued to Peter Ledwidge, Michele Muscillo and Steven Zaninovich (or their respective nominees).
<b>Which category in rules 10.11.1 – 10.11.5 the person falls within and why</b>	Peter Ledwidge, Michele Muscillo and Steven Zaninovich are Directors of the Company and, therefore, related parties for the purpose of Listing Rule 10.11.1.
<b>The number and class of securities to be issued to the person</b>	The total number of Director Securities to be issued pursuant to Resolutions 6 to 8 is 3,500,003 comprising: <ul style="list-style-type: none"> <li>a) 333,334 Placement Shares and 166,667 Placement Options to Michele Muscillo;</li> <li>b) 1,666,667 Placement Shares and 833,334 Placement Options to Peter Ledwidge;</li> <li>c) 333,334 Placement Shares and 166,667 Placement Options to Steven Zaninovich.</li> </ul>
<b>If the securities are not fully paid ordinary securities, a summary of the material terms of the securities</b>	The Placement Shares are fully paid ordinary securities in the Company.  A summary of the terms of the Placement Options is set out in Schedule 1 to this Explanatory Memorandum.
<b>The price or other consideration the entity will receive for the issue</b>	The Placement Shares will be issued for \$0.030 per Share.  The Placement Options will be: <ul style="list-style-type: none"> <li>• issued as free attaching Options; and</li> <li>• exercisable at a price of \$0.05 per Option.</li> </ul>
<b>The date or dates on or by which the entity will issue the securities</b>	The Director Securities will be issued as soon as possible following the passing of Resolutions 6 to 8, but no later than 1 month after the date of the Meeting

# Explanatory Memorandum

	(or such later date to the extent permitted by an ASX waiver or modification of the ASX Listing Rules).
<b>The purpose of the issue, including the intended use of any funds raised by the issue</b>	<p>The primary purpose of the issue of the Director Securities is to raise capital for the Company.</p> <p>The Company will raise approximately:</p> <ul style="list-style-type: none"> <li>• \$70,000 through the issue of Director Securities which are Placement Shares; and</li> <li>• \$58,333 through the exercise of the Director Securities which are Placement Options (assuming all such options are exercised).</li> </ul> <p>Funds raised from the issue of the Director Securities (together with funds raised from the Placement, Entitlement Offer and T2 Loyalty Offer) will be used to execute the Company's strategic plan, including:</p> <ul style="list-style-type: none"> <li>• undertaking exploration drilling to grow the Napié Gold Project in Côte d'Ivoire that hosts a Maiden JORC 2012 Mineral Resource Estimate of 22.5Mt at 1.2g/t for 868koz Au at the Tchaga and Gogbala Prospects;</li> <li>• drill testing high priority auger anomalies and resource extensional targets at Napié Gold Project;</li> <li>• completing technical studies, including structural geology in respect of the Napié Gold Project;</li> <li>• undertaking further exploration activities advancing gold and newly discovered manganese prospects at the Korhogo Projects;</li> <li>• the costs of the Placement and the Entitlement Offer; and</li> <li>• general working capital.</li> </ul> <p>The Board believes the issue of Director Securities to each of the Directors is reasonable in the circumstances for the reasons set out below:</p> <ol style="list-style-type: none"> <li>1. the grant of the Director Securities is a reasonable and appropriate method to raise capital and align the financial interests of the Directors with those of the Shareholders; and</li> <li>2. it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Director Securities upon the terms proposed.</li> </ol>
<b>Details of the director's current total remuneration package</b>	N/A (the issue of the Director Securities is not intended to remunerate or incentivise the Directors)

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<b>If the securities are being issued under an agreement, a summary of any other material terms of the agreement</b>	The Director Securities are not issued under any agreement.
<b>Voting exclusion statement</b>	There are restrictions on voting on Resolutions 6 to 8 (inclusive) by Directors and their associates. A voting exclusion statement is included in the Notice of Meeting.

## 6.4 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and
- (b) give the financial benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Director Securities will constitute giving a financial benefit and the Directors are related parties of the Company by virtue of being Directors.

However, the Board considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the participation by the Directors in the Placement, because the Director Securities will be issued to the Directors on the same terms as those securities issued to non-related parties participating in the Placement. As such, the giving of the financial benefit is on arm's length terms.

## 6.5 Recommendation

The Directors, due to their material personal interests in the outcome of the Resolutions, abstain from making any recommendations in relation to Resolutions 6 to 8.

## 7. Resolutions 9 to 11: Issue of T2 Loyalty Options to Directors

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### 7.1 Background

Resolutions 9 to 11 are Ordinary Resolutions seeking Shareholder approval for the issue of a total of 583,335 T2 Loyalty Options to the Directors of the Company, being Peter Ledwidge, Michele Muscillo and Steven Zaninovich (or their respective nominees) (each a **Recipient**) (**Director Loyalty Options**).

The Director Loyalty Options will be issued as T2 Loyalty Options on the terms as set out in more detail below.

Approval for the issue of the Director Loyalty Options is sought in accordance with the provisions of Listing Rule 10.11.

As approval is being sought under Listing Rule 10.11, approval will not be required under Listing Rule 7.1.

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As the offer and issue of T2 Loyalty Options to each Director is dependent upon each Director being issued their Tranche 2 Shares, Resolutions 9, 10 and 11 are each subject to the prior approval of Resolutions 6, 7 and 8 respectively.

## 7.2 Listing Rule 10.11

A summary of Listing Rule 10.11 is set out in Section 6.2 above.

It is the view of the Company that the exceptions set out in Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of the Director Loyalty Options.

If all of Resolutions 6 to 8 and all of Resolutions 9 to 11 are passed, the Company will be able to issue to the Directors their Tranche 2 Shares and the Directors will be able to participate in the offer of the T2 Loyalty Options, resulting in the issue of the Director Loyalty Options (to the extent of the Director Securities referred to in Section 6 above). In addition, the Director Loyalty Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If none of Resolutions 9 to 11 are passed, the Company will not be entitled to issue any of the Tranche 2 Shares or Director Loyalty Options to the Directors.

If all of Resolutions 9 to 11 are passed, but none of Resolutions 6 to 8 are passed, then the Company will not be able to offer the Director Loyalty Options to the Directors because they will not be entitled to the issue of their Tranche 2 Shares and will not, therefore, be entitled to be the recipients of T2 Loyalty Options.

If none of Resolutions 9 to 11 are passed but all of Resolutions 6 to 8 are passed, the Company will remain entitled to issue the Tranche 2 Shares to the Directors under the operation of Resolutions 6 to 8 but will not be entitled to issue the Director Loyalty Options to the Directors.

If one or more of Resolutions 9 to 11 is not passed, then the Director or Directors the subject of the Resolution or Resolutions which have not passed will not be entitled to the issue of Director Loyalty Options. Whether or not that Director or those Directors is entitled to receive their Tranche 2 Shares will be dependent upon the outcome of the applicable Resolution out of Resolutions 6 to 8.

If Resolutions 9 to 11 are passed the issue of the Director Loyalty Options will not count towards the Company's 15% Capacity for the purposes of Listing Rule 7.1.

## 7.3 Information for Listing Rule 10.13

<b>The name of the person</b>	The Director Loyalty Options will be issued to Peter Ledwidge, Michele Muscillo and Steven Zaninovich (or their respective nominees).
<b>Which category in rules 10.11.1 – 10.11.5 the person falls within and why</b>	Peter Ledwidge, Michele Muscillo and Steven Zaninovich are Directors of the Company and, therefore, related parties for the purpose of Listing Rule 10.11.1.
<b>The number and class of securities to be issued to the person</b>	The total number of Director Loyalty Options to be issued pursuant to Resolutions 9 to 11 is 583,335 comprising:

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	<ul style="list-style-type: none"> <li>a) 83,334 Director Loyalty Options to Michele Muscillo;</li> <li>b) 416,667 Director Loyalty Options to Peter Ledwidge; and</li> <li>c) 83,334 Director Loyalty Options to Steven Zaninovich.</li> </ul>
<p><b>If the securities are not fully paid ordinary securities, a summary of the material terms of the securities</b></p>	<p>The Director Loyalty Options are issued on the same terms as the Loyalty Options issued pursuant to the Entitlement Offer.</p> <p>A summary of the terms of the Loyalty Options is set out in Schedule 3 to this Explanatory Memorandum.</p>
<p><b>The price or other consideration the entity will receive for the issue</b></p>	<p>The Director Loyalty Options will be:</p> <ul style="list-style-type: none"> <li>• issued at a price of \$0.005 per Option; and</li> <li>• exercisable at a price of \$0.040 per Option.</li> </ul>
<p><b>The date or dates on or by which the entity will issue the securities</b></p>	<p>The Director Loyalty Options will be issued as soon as possible following the passing of Resolutions 9 to 11, but no later than 1 month after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the ASX Listing Rules).</p>
<p><b>The purpose of the issue, including the intended use of any funds raised by the issue</b></p>	<p>The primary purpose of the issue of the Director Loyalty Options is to raise capital for the Company as part of the current capital raising activities.</p> <p>The Company will raise approximately:</p> <ul style="list-style-type: none"> <li>• \$2,917 through the issue of Director Loyalty Options; and</li> <li>• \$23,333 through the exercise of the Director Loyalty Options (assuming all Director Loyalty Options are exercised).</li> </ul> <p>Funds raised from the issue of the Director Loyalty Options (together with funds raised from the Placement, Entitlement Offer and T2 Loyalty Offer) will be used together with funds from the Placement and Entitlement Offer to execute the Company's strategic plan, including:</p> <ul style="list-style-type: none"> <li>• undertaking exploration drilling to grow the Napié Gold Project in Côte d'Ivoire that hosts a Maiden JORC 2012 Mineral Resource Estimate of 22.5Mt at 1.2g/t for 868koz Au at the Tchaga and Gogbala Prospects;</li> <li>• drill testing high priority auger anomalies and resource extensional targets at Napié Gold Project;</li> </ul>



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	<ul style="list-style-type: none"> <li>• completing technical studies, including structural geology in respect of the Napié Gold Project;</li> <li>• undertaking further exploration activities advancing gold and newly discovered manganese prospects at the Korhogo Projects;</li> <li>• the costs of the Placement and the Entitlement Offer; and</li> <li>• general working capital.</li> </ul> <p>The Board believes the issue of Director Loyalty Options to each of the Directors is reasonable in the circumstances for the reasons set out below:</p> <ol style="list-style-type: none"> <li>1. the grant of the Director Loyalty Options is a reasonable and appropriate method to raise capital and align the financial interests of the Directors with those of the Shareholders; and</li> <li>2. it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Director Loyalty Options upon the terms proposed.</li> </ol>
<b>Details of the director's current total remuneration package</b>	N/A (the issue of the Director Loyalty Options is not intended to remunerate or incentivise the Directors)
<b>If the securities are being issued under an agreement, a summary of any other material terms of the agreement</b>	The Director Loyalty Options are not issued under any agreement.
<b>Voting exclusion statement</b>	There are restrictions on voting on Resolutions 9 to 11 (inclusive) by Directors and their associates. A voting exclusion statement is included in the Notice of Meeting.

## 7.4 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, to give a financial benefit to a related party, the Company must:

- (c) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and
- (d) give the financial benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Director Securities will constitute giving a financial benefit and the Directors are related parties of the Company by virtue of being Directors.

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However, the Board considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the participation by the Directors in the Placement, because the Director Securities will be issued to the Directors on the same terms as those securities issued to non-related parties participating in the Placement. As such, the giving of the financial benefit is on arm's length terms.

## 7.5 Recommendation

The Directors, due to their material personal interests in the outcome of the Resolutions, abstain from making any recommendations in relation to Resolutions 9 to 11.

## 8. Resolution 12: Issue of Shares to GeoDrill

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### 8.1 Background

As announced by the Company on 27 February 2023, the Company has entered into a new memorandum of understanding (**MoU**) with GeoDrill Limited (**GeoDrill**) for the supply of drilling services by GeoDrill at the Company's Napié Project and the Korhogo Project in Côte d'Ivoire (**Projects**) (**Drilling Program**). The Company will commit up to US\$2,000,000 for this drilling program over a 12 month period, with the first stage (6 months) consisting of up to US\$1,000,000 worth of drilling activity.

GeoDrill may (at Mako's election) be remunerated for these services in part, and subject to any required approvals being obtained, by the issue of Shares. Specifically, the Company will receive monthly invoices from GeoDrill and (subject to receiving all necessary approvals) during the first stage of the MoU has the option to pay 50% in cash and 50% via the issue of Shares, at a deemed issue price equal to the 15-day VWAP of Company Shares immediately prior to the date of the relevant monthly invoice (**Issue Price**).

Progression into the second stage (a further 6 months) is at the discretion of the Company, and subject to the parties agreeing on the terms of payment for the continuation of the activities. However, it is anticipated by the Company that the combination of cash and shares will be utilised for payment of the second stage of drilling activities.

Either party can also terminate the MOU (before further transaction documents are entered into) by giving 14 days notice.

Resolution 12 seeks Shareholder approval to issue up to a maximum of 50,333,333 Shares (the **GeoDrill Shares**) to GeoDrill in consideration for the performance of the drilling services under the MoU. This number represents the maximum number of GeoDrill Shares that the Company would look to issue over the full potential duration of 12 months of the MoU from 1 March 2023 through to 29 February 2024. On the basis of a minimum issue price of \$0.03 per Share and assuming a conversion rate of 1 US\$ to 1.51AU\$, this would allow the Company to pay for up to 50% of the drilling activities over the full 12 month period in Shares, at a value of US\$1,000,000. The Company notes that the number of GeoDrill Shares that will ultimately be issued under the MoU (up to the maximum number) will depend on:

- whether or not a waiver is granted by ASX with respect to Listing Rule 7.3 4 to enable the Company to issue GeoDrill Shares later than three months after the date of the Meeting (refer to further commentary below in section 8.3);
- the exchange rate and the 15 day VWAP immediately prior to each invoice date where the Company elects to make payment in Shares;
- the level of drilling services actually performed under the MoU; and

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- whether the Company proceeds to exercise its option under the MoU to proceed with the second 6 month period of drilling activity commencing from 23 June 2023.

The \$0.03 floor is included in order to meet ASX Listing Rules that require a minimum issue price to be included in any such resolution.

If the 50,333,333 maximum total is not sufficient to meet the number of shares needing to be issued, or if the Issue Price falls below \$0.03, the Company has the option to pay in cash or to seek further Shareholder approval at the relevant time.

## *Dilution*

If the maximum number of 50,333,333 GeoDrill Shares are issued, this will represent:

- 8.49% of the shares on issue at present (after the issue of the Tranche 1 Placement Shares); and
- 8.27% of the shares on issue after the issue of the Tranche 2 Placement Shares.

If all of the Loyalty Options are exercised during the 12 months from their date of issue, the maximum number of GeoDrill Shares will represent 6.73% of the total shares then on issue.

## 8.2 **Listing Rule 7.1 - Issues exceeding 15% of capital**

A summary of Listing Rule 7.1 is set out in Section 1.1 above.

The GeoDrill Shares are Equity Securities and the proposed issue falls within Exception 17 to Listing Rule 7.1. Shareholder approval is therefore required under Listing Rule 7.1 for the issue of the GeoDrill Shares. Under the operation of Exception 17 of Listing Rule 7.2, the GeoDrill Shares cannot be issued without Shareholder approval.

If Resolution 12 is passed, the Company will be able to issue the GeoDrill Shares to GeoDrill to pay for the services provided by GeoDrill. In addition, the GeoDrill Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 12 is not passed, the Company will not be entitled to issue the GeoDrill Shares to GeoDrill. In such event, the Company can pay GeoDrill in cash for the services provided under the MoU (which will reduce its cash reserves and may require the Company to consider limiting the amount of drilling which the Company undertakes pursuant to the MoU) and consider whether or not to exercise its discretion to extend the MoU into the second stage of drilling activity. The Company could also elect to terminate the MoU if the parties have not yet proceeded to formal documentation.

## 8.3 **Listing Rule 7.3.4**

Under Listing Rule 7.3.4, shares approved for issue under Listing Rule 7.1 must be issued within three months of the date of the Meeting. As the Company is seeking approval to be able to issue the GeoDrill Shares in relation to the performance of services for the full duration of 9 months remaining under the MoU (through to 29 February 2024), the Company has lodged with ASX an application for a waiver from the application of the three month period to the issue of the GeoDrill Shares so as to enable their issue up to 30 March 2024 (one month after the end of the period for delivery of the services if extended to the full 12 month period). At the date of issue of this Notice, a decision has not been made in relation to that waiver application. The application is not for a standard waiver and will be considered at the discretion of the ASX.

If ASX does not grant the waiver from the application of Listing Rule 7.3.4, the Company will only be able to issue GeoDrill Shares during the three months following the date of the Meeting. In such event, the Company will need to consider whether it elects to extend the

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MoU for the second stage of drilling activity under the MoU (commencing from 1 September 2023), in which case the Company can either pay GeoDrill in cash for the services provided after the expiration of the three month period (which will reduce its cash reserves and may require the Company to consider limiting the amount of drilling which the Company undertakes pursuant to the MoU) or seek further Shareholder approval.

If the Company is granted the waiver by ASX, it will announce the terms of that waiver on the ASX prior to the date of the Meeting.

## 8.4 Information for Listing Rule 7.3

Pursuant to Listing Rule 7.3, the following information is provided in respect of the Listing Rule 7.1 approval sought under Resolution 12:

<p><b>The name of the person</b></p>	<p>The GeoDrill Shares will be issued and allotted to GeoDrill.</p> <p>For the purposes of ASX Guidance Note 21, GeoDrill is not:</p> <ul style="list-style-type: none"> <li>• a related party of the Company;</li> <li>• a member of the Company's Key Management Personnel;</li> <li>• a substantial holder in the Company;</li> <li>• an adviser to the Company; or</li> <li>• an associate of any of the above,</li> </ul> <p>and therefore, is not considered to be a "material investor" for the purposes of ASX Guidance Note 21, paragraph 7.2</p>
<p><b>The number and class of securities to be issued</b></p>	<p>The Company will be able to issue up to a maximum of 50,333,333 fully paid ordinary shares. The number issued will depend upon the factors identified in section 8.1 above.</p>
<p><b>If the securities are not fully paid ordinary securities, a summary of the material terms of the securities</b></p>	<p>The GeoDrill Shares are fully paid ordinary securities.</p>
<p><b>The date or dates on or by which the entity will issue the securities</b></p>	<p>The GeoDrill Shares will be issued at the discretion of the Company in response to monthly invoices issued by GeoDrill, but will not be issued later than within three months of the date of the Meeting or such later date as is permitted by an ASX waiver or modification of the Listing Rules.</p>
<p><b>The price or other consideration the entity will receive for the issue</b></p>	<p>The GeoDrill Shares will be issued at a price being the previous 15-day VWAP immediately prior to the date of the relevant monthly invoice for which the Company elects to make payment by the issue of GeoDrill Shares.</p> <p>Any GeoDrill Shares issued under the approval will be issued at a minimum issue price of \$0.03 per share. If</p>

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	<p>the Issue Price drops below this minimum amount, the Company will not issue Shares under this approval. If the Company still wished to remunerate GeoDrill via the issue of Shares, it will seek further shareholder approval.</p>
<p><b>The purpose of the issue, including the intended use of any funds raised by the issue</b></p>	<p>The primary purpose of the issue of the GeoDrill Shares is part of the consideration under the MoU (see below).</p>
<p><b>If the securities are being issued under an agreement, a summary of any other material terms of the agreement</b></p>	<p>Refer to the details in the “Background” for Resolution 8.1.</p> <p>The MoU has a term of 12 months, unless otherwise agreed by the parties or superseded by Transaction Documents. Either party can also terminate the MoU (before Transaction Documents are entered into) by giving 14 days notice.</p> <p>If Shareholder approval is not obtained for the issue of shares to GeoDrill, the Company will make all payments under the contract in cash.</p> <p>Before the end of the first stage, the Company can elect to proceed to the second stage of the Drilling Program. Progression of the second stage will be subject to the parties reaching agreement on the method for payment for that second stage. The consideration may be paid in cash or by a combination of cash and Shares. Up to an additional US\$1,000,000 of drilling services can be provided under the second stage.</p> <p>Any Shares issued to GeoDrill in payment for the drilling services undertaken pursuant to the Drilling Program (<b>Consideration Shares</b>) will be issued at a price being the previous 15-day VWAP immediately prior to the date of the relevant monthly invoice. Consideration Shares will be subject to a minimum three-month escrow period from the date of issue. Further, if GeoDrill elects to sell any Consideration Shares, it must first give 5 days advance notice to the Company allow the Company to find a purchaser for those Consideration Shares prior to selling to a third party or via a public trade on the ASX.</p>
<p><b>If the securities are being issued under, or to fund, a reverse takeover, information about the reverse takeover</b></p>	<p>The GeoDrill Shares are not being issued under, or to fund, a reverse takeover.</p>
<p><b>Voting exclusion statement</b></p>	<p>A voting exclusion statement is set out under Resolution 12 of the Notice of Meeting.</p>

## 8.5 Recommendation

The Directors unanimously recommend that you vote in favour of Resolution 12.

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## 9. Interpretation

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**Advisor Options** means 11 million unlisted Options with an exercise price of \$0.05 expiring on the date which is 36 months from the date of issue and otherwise on the terms set out in Schedule 1, to be issued to the Joint Lead Managers (or their nominees).

**ASIC** means the Australian Securities and Investments Commission.

**Associate** has the meaning given to that term in the Listing Rules.

**ASX** means ASX Limited ACN 008 624 691 or the Australian Securities Exchange (as applicable).

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

**Chair** means the person who chairs the Meeting.

**Closely Related Parties** means (as defined in the Corporations Act) of a member of the Key Management Personnel for an entity means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the regulations for the purposes of this definition.

**Company** or **Mako Gold** means Mako Gold Limited ACN 606 241 829.

**Constitution** means the constitution of the Company from time to time.

**Corporations Act** means the *Corporations Act 2001* (Cth) as amended, varied or replaced from time to time.

**Director** means a director of the Company.

**Director Securities** means the 2,333,335 Placement Shares and the 1,166,668 Placement Options to be issued to the Directors shortly after the Meeting) under the Tranche 2 Placement, subject to Shareholder approval being obtained under Resolutions 6 to 8.

**Discovery** or **Discovery Capital Partners** means Discovery Capital Partners Pty Ltd ACN 615 635 982.

**Dundee** means Dundee Resources Limited (an Ontario corporation) and its related entities.

**Entitlement Offer** means the offer of Loyalty Options to eligible Shareholders pursuant to the Prospectus dated 9 May 2023 prepared by the Company in accordance with section 713 of the Corporations Act and lodged with ASIC on 9 May 2023 and the Supplementary Prospectus lodged with ASIC on 11 May 2023.

**Equity Securities** has the meaning given to that term in the Listing Rules.

**Euroz Hartleys** means Euroz Hartleys Limited ACN 104 195 057.

# Explanatory Memorandum

**Explanatory Memorandum** means this explanatory memorandum accompanying the Notice of Meeting.

**Joint Lead Managers** means Discovery and Euroz Hartleys.

**Key Management Personnel** has the definition given in *Accounting Standards AASB 124 Related Party Disclosure* as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any director (whether executive or otherwise) of that entity.

**Korhogo Projects** means the Company's projects in Côte d'Ivoire, located north of the Napié Gold Project.

**Listing Rules** means the official listing rules of the ASX as amended from time to time.

**Loyalty Options** means the Options available under the Entitlement Offer, being issued at a price of \$0.005 per Option, having an exercise price of \$0.04 per Option and expiring on the date that is twelve months from the date of issue and otherwise on the terms set out in Schedule 3.

**Meeting** or **Extraordinary General Meeting** or **EGM** means the extraordinary general meeting to be held on 22 June 2023 as convened by the accompanying Notice of Meeting.

**Napié Gold Project** means the Company's flagship project in Côte d'Ivoire.

**Notice of Meeting** or **Notice** means the notice of meeting giving notice to shareholders of the Meeting, accompanying this Explanatory Memorandum.

**Offer Management Agreement** has the meaning given to that term in section 3.1 of the Explanatory Memorandum.

**Official List** means the official list of ASX.

**Options** means an option to subscribe for a Share in the Company.

**Ordinary Resolution** means a resolution passed by more than 50% of the votes cast at a general meeting of shareholders.

**Placement** means the placement of a total of up to 86,666,699 Shares conducted over the Tranche 1 Placement and the Tranche 2 Placement, as described in Section 4.1 of this Explanatory Memorandum.

**Placement Options** means the options to acquire Shares, exercisable at \$0.05 and expiring on the date which is 24 months from the date of issue and otherwise on the terms set out in Schedule 1, issued on the basis of one Placement Option for every two Placement Shares issued pursuant to the Placement.

**Placement Shares** means the Shares issued pursuant to the Placement, at an issue price of \$0.030 per Share.

**Record Date** means, with respect to the Entitlement Offer, 7:00pm (AEST) Friday, 12 May 2023.

**Resolution** means a resolution proposed at the Meeting.

**Securities** has the meaning in section 92(1) of the Corporations Act.

**Share** means an ordinary fully paid share in the issued capital of the Company.

**Shareholder** means a holder of Shares in the Company.

**Share Registry** means Link Market Services Limited.

# Explanatory Memorandum

**Special Resolution** means a resolution:

- (a) of which notice has been given as set out in paragraph 249L(1)(c) of the Corporations Act; and
- (b) that has been passed by at least 75% of the votes cast by members entitled to vote on the resolution.

**T2 Loyalty Options** means options to be offered under the T2 Loyalty Offer, having the same terms as the Loyalty Options.

**T2 Loyalty Offer** means a proposed offer of 3,979,749 T2 Loyalty Options to Tranche 2 Participants on the basis of one T2 Loyalty Option for every four Tranche 2 Shares issued to the Tranche 2 Participants.

**Tranche 1 Options** means the 35,373,852 Placement Options proposed to be issued to the Tranche 1 Participants, subject to Shareholder approval being obtained.

**Tranche 1 Participants** means those sophisticated and professional investors that participated in the Tranche 1 Placement.

**Tranche 1 Placement** means the issue of the Tranche 1 Shares and the proposed issue of the Tranche 1 Options.

**Tranche 1 Shares** means the 70,747,704 Placement Shares issued on 9 May 2023 to the Tranche 1 Participants.

**Tranche 2 Options** means the 7,959,498 Placement Options proposed to be issued to the Tranche 2 Participants, subject to Shareholder approval being obtained.

**Tranche 2 Participants** means the Unrelated T2 Participants and the Directors.

**Tranche 2 Placement** means the proposed issue of the Tranche 2 Shares and the Tranche 2 Options.

**Tranche 2 Shares** means the 15,918,995 Placement Shares proposed to be issued to the Tranche 2 Participants, subject to Shareholder approval being obtained.

**Unrelated T2 Participants** means those sophisticated and professional investors that intend to participate in the Tranche 2 Placement, other than the Directors.

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Any inquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to Paul Marshall (**Company Secretary**) by email to [pmarshall@makogold.com.au](mailto:pmarshall@makogold.com.au)



# Explanatory Memorandum

## Schedule 1 - Summary of the Placement Option terms

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1. The Placement Options shall be issued as free attaching Options.
2. The exercise price of each Placement Option is \$0.05 (**Exercise Price**).
3. The Placement Options will expire on the date which is 24 months from the date of issue (**Expiry Date**) unless earlier exercised.
4. The Placement Options are non-transferable.
5. The Placement Options may be exercised at any time wholly or in part by delivering a duly completed form of notice of exercise together with payment for the Exercise Price per Placement Option to the Company at any time on or after the date of issue of the Placement Options and on or before the Expiry Date. Payment may be made as directed by the Company from time to time, which may include by cheque, electronic funds transfer or other methods.
6. The number of Placement Options that may be exercised at one time must be not less than 100,000, unless the Option holder holds less than 100,000 Placement Options in which case all Placement Options must be exercised at one time.
7. Upon the valid exercise of the Placement Options and payment of the Exercise Price, the Company will issue fully paid ordinary shares ranking *pari passu* with the then issued ordinary shares.
8. Option holders do not have any right to participate in new issues of securities in the Company made to shareholders generally. The Company will, where required pursuant to the ASX Listing Rules, provide Placement Option holders with notice prior to the books record date (to determine entitlements to any new issue of securities made to shareholders generally) to exercise the Placement Options, in accordance with the requirements of the Listing Rules.
9. Placement Option holders do not participate in any dividends unless the Placement Options are exercised and the resultant shares of the Company are issued prior to the record date to determine entitlements to the dividend.
10. Placement Options do not confer any voting rights on the holders. If the Placement Options are exercised then the holders will, upon issue of the resulting Shares, be granted voting rights in accordance with the terms of the fully paid, ordinary shares of the Company.
11. All Placement Options will automatically lapse on the earlier of:
  - (a) receipt by the Company of notice from the Placement Option holder that the Placement Option holder has elected to surrender the Placement Option; and
  - (b) the Expiry Date.
12. In the event of liquidation of the Company, all unexercised Placement Options will lapse.
13. In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company:
  - (a) the number of Placement Options, the Exercise Price of the Placement Options, or both will be reorganised (as appropriate) in a manner consistent with the ASX Listing Rules as applicable at the time of reorganisation, but with the intention that such reorganisation will not result in any benefits being conferred on the holders of the Placement Options which are not conferred on shareholders; and

# Explanatory Memorandum

- (b) subject to the provisions with respect to rounding of entitlements as sanctioned by a meeting of shareholders approving a reorganisation of capital, in all other respects the terms for the exercise of the Placement Options will remain unchanged.

14. If there is a pro rata issue (except a bonus issue), the Exercise Price of a Placement Option may be reduced according to the following formula:

$$O^n = O - \frac{E [P - (S + D)]}{N + 1}$$

Where:

- $O^n$  = the new exercise price of the Placement Option;  
 $O$  = the old exercise price of the Placement Option;  
 $E$  = the number of underlying securities into which one Placement Option is exercisable;  
 $P$  = the volume weighted average market price per security of the underlying securities during the five trading days ending on the day before the ex right date or the ex entitlements date;  
 $S$  = the subscription price for a security under the pro rata issue;  
 $D$  = dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue); and  
 $N$  = the number of securities with rights or entitlements that must be held to receive a right to one new security.

15. If there is a bonus issue to the holders of shares in the Company, the number of shares over which the Placement Option is exercisable may be increased by the number of shares which the Placement Option holder would have received if the Placement Option had been exercised before the record date for the bonus issue.
16. The terms of the Placement Options shall only be changed if holders (whose votes are not to be disregarded) of ordinary shares in the Company approve of such a change. However, unless all necessary waivers of the ASX Listing Rules are obtained, the terms of the Placement Options shall not be changed to reduce the Exercise Price, increase the number of Placement Options or change any period for exercise of the Placement Options.
17. The Company does not intend to make an application to ASX for quotation of the Placement Options.
18. The Company will apply to the ASX for, and will use its best endeavours to obtain, quotation of any resulting Shares issued upon the exercise of Placement Options. The Company gives no assurance that such quotation will be granted.

# Explanatory Memorandum

## Schedule 2 - Summary of the Advisor Option terms

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1. The Advisor Options shall be issued at a price of \$0.00001 per Option.
2. The exercise price of each Advisor Option is \$0.05 (**Exercise Price**).
3. The Advisor Options will expire on the date which is 36 months from the date of issue (**Expiry Date**) unless earlier exercised.
4. The Options are non-transferable.
5. The Advisor Options may be exercised at any time wholly or in part by delivering a duly completed form of notice of exercise together with payment for the Exercise Price per Advisor Option to the Company at any time on or after the date of issue of the Advisor Options and on or before the Expiry Date. Payment may be made as directed by the Company from time to time, which may include by cheque, electronic funds transfer or other methods.
6. The number of Advisor Options that may be exercised at one time must be not less than 100,000, unless the Option holder holds less than 100,000 Advisor Options in which case all Advisor Options must be exercised at one time.
7. Upon the valid exercise of the Advisor Options and payment of the Exercise Price, the Company will issue fully paid ordinary shares ranking *pari passu* with the then issued ordinary shares.
8. Option holders do not have any right to participate in new issues of securities in the Company made to shareholders generally. The Company will, where required pursuant to the ASX Listing Rules, provide Advisor Option holders with notice prior to the books record date (to determine entitlements to any new issue of securities made to shareholders generally) to exercise the Advisor Options, in accordance with the requirements of the Listing Rules.
9. Advisor Option holders do not participate in any dividends unless the Advisor Options are exercised and the resultant shares of the Company are issued prior to the record date to determine entitlements to the dividend.
10. Advisor Options do not confer any voting rights on the holders. If the Advisor Options are exercised then the holders will, upon issue of the resulting Shares, be granted voting rights in accordance with the terms of the fully paid, ordinary shares of the Company.
11. All Advisor Options will automatically lapse on the earlier of:
  - (a) receipt by the Company of notice from the Advisor Option holder that the Advisor Option holder has elected to surrender the Advisor Option; and
  - (b) the Expiry Date.
12. In the event of liquidation of the Company, all unexercised Advisor Options will lapse.
13. In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company:
  - (a) the number of Advisor Options, the Exercise Price of the Advisor Options, or both will be reorganised (as appropriate) in a manner consistent with the ASX Listing Rules as applicable at the time of reorganisation, but with the intention that such reorganisation will not result in any benefits being conferred on the holders of the Advisor Options which are not conferred on shareholders; and

# Explanatory Memorandum

(b) subject to the provisions with respect to rounding of entitlements as sanctioned by a meeting of shareholders approving a reorganisation of capital, in all other respects the terms for the exercise of the Advisor Options will remain unchanged.

14. If there is a pro rata issue (except a bonus issue), the Exercise Price of a Advisor Option may be reduced according to the following formula:

$$O^n = O - \frac{E [P - (S + D)]}{N + 1}$$

Where:

- $O^n$  = the new exercise price of the Advisor Option;  
 $O$  = the old exercise price of the Advisor Option;  
 $E$  = the number of underlying securities into which one Advisor Option is exercisable;  
 $P$  = the volume weighted average market price per security of the underlying securities during the five trading days ending on the day before the ex right date or the ex entitlements date;  
 $S$  = the subscription price for a security under the pro rata issue;  
 $D$  = dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue); and  
 $N$  = the number of securities with rights or entitlements that must be held to receive a right to one new security.

15. If there is a bonus issue to the holders of shares in the Company, the number of shares over which the Advisor Option is exercisable may be increased by the number of shares which the Advisor Option holder would have received if the Advisor Option had been exercised before the record date for the bonus issue.
16. The terms of the Advisor Options shall only be changed if holders (whose votes are not to be disregarded) of ordinary shares in the Company approve of such a change. However, unless all necessary waivers of the ASX Listing Rules are obtained, the terms of the Advisor Options shall not be changed to reduce the Exercise Price, increase the number of Advisor Options or change any period for exercise of the Advisor Options.
17. The Company does not intend to make an application to ASX for quotation of the Advisor Options.
18. The Company will apply to the ASX for, and will use its best endeavours to obtain, quotation of any resulting Shares issued upon the exercise of Advisor Options. The Company gives no assurance that such quotation will be granted.

# Explanatory Memorandum

## Schedule 3 - Summary of the Loyalty Option terms (including for the T2 Loyalty Options and the Director Loyalty Options)

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1. The Loyalty Options shall be issued at a price of \$0.005 per Option.
2. The exercise price of each Loyalty Option is \$0.040 (**Exercise Price**).
3. The Loyalty Options will expire on the date being 12 months from the date of issue of the Loyalty Options (**Expiry Date**) unless earlier exercised.
4. The Loyalty Options are non-transferable.
5. The Loyalty Options may be exercised at any time wholly or in part by delivering a duly completed form of notice of exercise together with payment for the Exercise Price per Loyalty Option to the Company at any time on or after the date of issue of the Loyalty Options and on or before the Expiry Date. Payment may be made as directed by the Company from time to time, which may include by cheque, electronic funds transfer or other methods.
6. The number of Loyalty Options that may be exercised at one time must be not less than 100,000, unless the Option holder holds less than 100,000 Loyalty Options in which case all Loyalty Options must be exercised at one time.
7. Upon the valid exercise of the Loyalty Options and payment of the Exercise Price, the Company will issue fully paid ordinary shares ranking *pari passu* with the then issued ordinary shares.
8. Option holders do not have any right to participate in new issues of securities in the Company made to shareholders generally. The Company will, where required pursuant to the ASX Listing Rules, provide Loyalty Option holders with notice prior to the books record date (to determine entitlements to any new issue of securities made to shareholders generally) to exercise the Loyalty Options, in accordance with the requirements of the Listing Rules.
9. Loyalty Option holders do not participate in any dividends unless the Loyalty Options are exercised and the resultant shares of the Company are issued prior to the record date to determine entitlements to the dividend.
10. Loyalty Options do not confer any voting rights on the holders. If the Loyalty Options are exercised then the holders will, upon issue of the Resulting Shares, be granted voting rights in accordance with the terms of the fully paid, ordinary shares of the Company.
11. All Loyalty Options will automatically lapse on the earlier of:
  - (a) receipt by the Company of notice from the Loyalty Option holder that the Loyalty Option holder has elected to surrender the Loyalty Option; and
  - (b) the Expiry Date.
12. In the event of liquidation of the Company, all unexercised Loyalty Options will lapse.
13. In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company:
  - (a) the number of Loyalty Options, the Exercise Price of the Loyalty Options, or both will be reorganised (as appropriate) in a manner consistent with the ASX Listing Rules as applicable at the time of reorganisation, but with the intention that such reorganisation will not result in any benefits being conferred on the holders of the Loyalty Options which are not conferred on shareholders; and

# Explanatory Memorandum

- (b) subject to the provisions with respect to rounding of entitlements as sanctioned by a meeting of shareholders approving a reorganisation of capital, in all other respects the terms for the exercise of the Loyalty Options will remain unchanged.

14. If there is a pro rata issue (except a bonus issue), the Exercise Price of a Loyalty Option may be reduced according to the following formula:

$$O^n = O - \frac{E [P - (S + D)]}{N + 1}$$

Where:

- $O^n$  = the new exercise price of the Loyalty Option;  
 $O$  = the old exercise price of the Loyalty Option;  
 $E$  = the number of underlying securities into which one Loyalty Option is exercisable;  
 $P$  = the volume weighted average market price per security of the underlying securities during the five trading days ending on the day before the ex right date or the ex entitlements date;  
 $S$  = the subscription price for a security under the pro rata issue;  
 $D$  = dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue); and  
 $N$  = the number of securities with rights or entitlements that must be held to receive a right to one new security.


15. If there is a bonus issue to the holders of shares in the Company, the number of shares over which the Loyalty Option is exercisable may be increased by the number of shares which the Loyalty Option holder would have received if the Loyalty Option had been exercised before the record date for the bonus issue.
16. The terms of the Loyalty Options shall only be changed if holders (whose votes are not to be disregarded) of ordinary shares in the Company approve of such a change. However, unless all necessary waivers of the ASX Listing Rules are obtained, the terms of the Loyalty Options shall not be changed to reduce the Exercise Price, increase the number of Loyalty Options or change any period for exercise of the Loyalty Options.
17. The Company does not intend to make an application to ASX for quotation of the Loyalty Options.
18. The Company will apply to the ASX for, and will use its best endeavours to obtain, quotation of any resulting Shares issued upon the exercise of Loyalty Options. The Company gives no assurance that such quotation will be granted.

## LODGE YOUR VOTE


 **ONLINE**  
<https://investorcentre.linkgroup.com>

 **BY MAIL**  
Mako 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  
Parramatta Square, Level 22, Tower 6,  
10 Darcy Street, Parramatta NSW 2150

\*During business hours Monday to Friday

 **ALL ENQUIRIES TO**  
Telephone: 1300 554 474      Overseas: +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 **3:30pm (Brisbane time) on Tuesday, 20 June 2023**, 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**  
<https://investorcentre.linkgroup.com>

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).

## 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" must 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](http://www.linkmarketservices.com.au).

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE EXTRAORDINARY 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 Mako Gold Limited and entitled to attend and vote hereby appoint:

STEP 1

### 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 Extraordinary General Meeting of the Company to be held at **3:30pm (Brisbane time) on Thursday, 22 June 2023 at Mako Gold Limited, Level 6, 140 Edward Street, Brisbane, Qld 4000 (the Meeting)** and at any postponement or adjournment of the Meeting.

**Important for Resolutions 6, 7, 8, 9, 10, & 11:** 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 **6, 7, 8, 9, 10, & 11**, 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.**

STEP 2

### 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 Ratification of prior issue of 70,747,704 Placement Shares (Tranche 1 Shares)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Issue of 83,334 T2 Loyalty Options to Michele Muscillo	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Issue of 35,373,852 Placement Options (Tranche 1 Options)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Issue of 416,667 T2 Loyalty Options to Peter Ledwidge	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Issue of 11 million Advisor Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11 Issue of 83,334 T2 Loyalty Options to Steven Zaninovich	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Issue of 13,585,660 Placement Shares and 6,792,830 Placement Options to the Unrelated T2 Participants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12 Issue of Shares to GeoDrill	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Issue of 3,396,415 T2 Loyalty Options to the Unrelated T2 Participants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
6 Issue of 333,334 Placement Shares and 166,667 Placement Options to Michele Muscillo	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
7 Issue of 1,666,667 Placement Shares and 833,334 Placement Options to Peter Ledwidge	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
8 Issue of 333,334 Placement Shares and 166,667 Placement Options to Steven Zaninovich	<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.

STEP 3

### 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).

MKG PRX2301D

