



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

**NOTICE OF ANNUAL GENERAL MEETING**

**EXPLANATORY MEMORANDUM**

**PROXY FORM**

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**Date:** Friday 26 November 2021

**Time:** 11.00am AWST

**Venue:** Level 1,  
111 St Georges Terrace  
Perth, WA 6000

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

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

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of Ausgold Limited will be held at Level 1, 111 St Georges Terrace, Perth, Western Australia on Friday 26 November 2021 at 11.00am (AWST).

**AGENDA**

**ORDINARY BUSINESS**

**FINANCIAL STATEMENTS**

To receive, consider and discuss the Company's financial statements for the year ended 30 June 2021 and the reports of the directors and auditors on those statements.

**RESOLUTION 1 – RE-ELECTION OF DIRECTOR – MR DENIS RAKICH**

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

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

**RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR TIM KESTELL**

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

***“That, for the purpose of ASX Listing Rule 14.4 and rule 57.2 of the Constitution, and for all other purposes, Mr Timothy Kestell, a Director who retires in accordance with the Constitution and, being eligible, offers himself for re-election, is re-elected as a Director.”***

**RESOLUTION 3 – ADOPTION OF REMUNERATION REPORT**

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

***“That, for the purposes of section 250R (2) of the Corporations Act and for all other purposes, the Remuneration Report contained in the 2021 Annual Report be adopted by shareholders.”***

**Note:**

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

**Voting exclusion statement:**

The Company will disregard any votes cast on Resolution 3 by, or on behalf of, any member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report, or any Closely Related Party of such a member.

However, the Company need not disregard a vote on this Resolution if:

- (a) it is cast by a person appointed as a proxy in accordance with a direction on the Proxy Form that specifies the way the proxy is to vote on the Resolution and it cast on behalf of a person who is entitled to vote; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the Chairman decides and expressly authorises the Chairman to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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

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

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

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

### **Voting exclusion statement:**

The Company will disregard any votes cast in favour on Resolution 4 by, or on behalf of, any individual who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

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

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chairman as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chairman to vote on the Resolution as the Chairman decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) 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 Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **PROXIES**

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

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and

- a member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

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

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

Facsimile Number: (08) 9220 9820

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

Email: info@ausgoldlimited.com

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

In accordance with regulation 7.11.38 of the Corporations Regulations, the Company determines that shares held as at 5.00 pm (AWST) on Wednesday 24 November 2021 will be taken, for the purposes of the general meeting, to be held by the persons who held them at that time.

**By order of the Board**



**DENIS I RAKICH**  
Executive Director

20 October 2021

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

## EXPLANATORY MEMORANDUM TO SHAREHOLDERS

### 1. INTRODUCTION

This Explanatory Memorandum has been prepared for the information of shareholders of Ausgold in connection with the business to be transacted at the Annual General Meeting of the Company to be held on Friday 26 November 2021 at 11.00am (AWST).

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

- re-electing a director who retires by rotation;
- re-electing a director who retires following appointment as an addition to the Board ;
- adopting the remuneration report; and
- approving an additional 10% placement facility.

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

### 2. RESOLUTION 1 – RE-ELECTION OF MR DENIS RAKICH AS A DIRECTOR

#### **Background to Resolution 1**

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

#### **Re-election of Director**

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

Mr Rakich is an Accountant and Company Secretary with extensive knowledge and experience within the mineral and petroleum production and exploration industries. Mr. Rakich is responsible for the legal, financial and corporate management of Ausgold Limited. He is a fellow of the CPA Australia and has served as a Director and Company Secretary on other ASX-listed companies within the resources sector.

Mr Rakich was appointed as a director of the Company on 31 January 2013.

#### **Board recommendation**

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

### 3. RESOLUTION 2 – RE-ELECTION OF MR TIM KESTELL AS A DIRECTOR

#### Background

Mr Kestell was appointed as a director of the Company on 12 August 2021, and pursuant to Rule 57.2 of the Constitution at the first annual general meeting following his appointment must retire from office. Any Director retiring pursuant to Rule 57.2 of the Constitution is entitled to offer himself for re-election as a Director at the Annual General Meeting

#### Re-election of Director

Mr Kestell will retire in accordance with the requirements of the Constitution at the Meeting. Mr Kestell, being eligible, now seeks re-election as a director of the Company at the Meeting.

Mr Kestell has over 25 years of capital markets experience including working for HSBC, Paterson Securities Limited and Euroz Securities Limited. He played a key role in a number of transactions including Indago Resources Limited's spin-out of Tusker Resources Limited, which was subsequently acquired by Barrick Gold Corporation, as well as the recent purchase of the Kaylekera uranium asset from Paladin Energy Ltd by Lotus Resources Ltd.

Tim was also instrumental as a director of both Capricorn Metals Limited and Emerald Resources NL, enabling the transition by each company from explorer to gold producer that delivered significant shareholder value in the process.

#### Board recommendation

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

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

#### Background

The Corporations Act includes disclosure requirements for a company whose shares are quoted on the ASX by requiring that the directors of the company include a remuneration report in the Company's annual report and that a resolution be put to shareholders each year to adopt that report.

Pursuant to section 250R(2) of the Corporations Act, the Company submits to Shareholders for consideration and adoption by way of a non-binding resolution, its remuneration report for the year ended 30 June 2021. The remuneration report, which is set out in the Company's Annual Report:

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

The vote on Resolution 3 is advisory only and does not bind the directors or the Company, nor does it affect the remuneration paid or payable to the Company's directors or the executives. However, the Board will take the outcome of the Resolution into account when considering future remuneration policy.

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

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

The remuneration report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The remuneration report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2021.

A reasonable opportunity will be provided for discussion of the remuneration report at the Meeting.

#### **Previous voting results**

At the Company's 2020 Annual General Meeting, less than 25% of the total votes cast on the resolution to approve the remuneration report considered at that meeting were cast against the resolution. Accordingly, a Spill Resolution is not relevant for this Annual General Meeting.

#### **Proxy voting restrictions**

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

#### **Board recommendation**

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

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

### **General**

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the number 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 securities it had on issue at the start of that period.

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase the 15% limit under Listing Rule 7.1 by an extra 10% to 25%.

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and which has a market capitalisation of \$300 million or less. The Company is an eligible entity for these purposes.

Resolution 4 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval (the **Additional 10% Placement Facility**).

If Resolution 4 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 4 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

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

#### **The number of Equity Securities which may be issued pursuant to the Additional 10% Placement Facility**

Any Equity Securities issued under the Additional 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company. The Company, as at the date of this Notice of Meeting, has one quoted class of Equity Securities on issue, being Shares. As such, as at the date of this Notice of Meeting, the only class of Equity Securities that the Company may issue under Listing Rule 7.1A is Shares.

Based on the number of Shares on issue at the date of this Notice, the Company has 1,585,349,541 Shares on issue. Accordingly, if Shareholders approve Resolution 4, the Company will have the capacity to issue an additional approximately 158,534,954 Equity Securities in accordance with Listing Rule 7.1A. Shareholders should note that the calculation of the number of Equity Securities permitted to be issued under the Additional 10% Placement Capacity is a moving calculation and will be based on the formula set out in Listing Rule 7.1A at the time of issue of the Equity Securities. The table below demonstrates various examples as to the number of Equity Securities that may be issued under the Additional 10% Placement Capacity.

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

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

Where:

- A is the number of Shares on issue 12 months before the date of issue or agreement (the **Relevant Period**):
  - (i) plus the number of Shares issued in the Relevant Period under an exception in Listing Rule 7.2 other than exceptions 9, 16 or 17;
  - (ii) plus the number of Shares issued in the Relevant Period on the conversion of convertible securities within Listing Rule 7.2, exception 9 where:

- (A) the convertible securities were issued or agreed to be issued before the commencement of the Relevant Period; or
  - (B) the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
  - (iii) plus the number of Shares issued in the Relevant Period under an agreement to issue securities within Listing Rule 7.2, exception 16 where:
    - (A) the agreement was entered into before the commencement of the Relevant Period; or
    - (B) the agreement or issue was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
  - (iv) plus the number of Shares issued in the Relevant Period with approval under Listing Rule 7.1 or Listing Rule 7.4;
  - (v) plus the number of partly paid shares that became fully paid in the Relevant Period; and
  - (vi) less the number of Shares cancelled in the Relevant Period.
- D is 10%.
- E is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the Relevant Period where the issue or agreement has not been subsequently approved by the holders of its Ordinary Securities under Rule 7.4.

### Specific information required by Listing Rule 7.3A

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

#### (a) Issue Period

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

- (i) the date that is 12 months after the date of this Annual General Meeting;
- (ii) the time and date of the Company's next annual general meeting; and
- (iii) the time and date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking) (the **Additional 10% Placement Period**).

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

#### (b) Minimum Issue Price

The Equity Securities to be issued will be in an existing class of quoted securities, being Shares, and will be issued for cash consideration at an issue price per Equity Security of not less than 75% of the volume weighted average market price for the Company's Equity Securities over the 15 Trading Days on which trades in the class were recorded immediately before:

- (i) the date on which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities (**Agreed Date**); or

- (ii) if the Equity Securities are not issued within 10 trading days of the Agreed Date, the date on which the Equity Securities are issued.

**(c) Purpose of Issues**

The Company intends to use any funds raised under the Additional 10% Placement Facility towards an acquisition of new assets (including expenses associated with such acquisition(s)), continued exploration on the Company's current tenements, advancement of the development of its Katanning Gold Project, or general working capital.

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

**(d) Dilution**

As at the date of the Notice of Meeting, the Company has 1,585,349,541 Shares on issue. Accordingly, if Shareholders approve Resolution 4, the Company will have the capacity to issue approximately 158,534,954 Equity Securities under the Additional 10% Placement Facility in accordance with Listing Rule 7.1A.

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

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
  - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,
- which may have an effect on the amount of funds raised by the issue of the Equity Securities.

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

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

The table shows:

- (i) examples of where variable "A" is at its current level and where variable "A" has increased by 50% and by 100%;
- (ii) examples of where the issue price of ordinary securities is the current market price as at the date of this Notice of Meeting, being \$0.046 (current market price), and where the current market price is halved, and where it is doubled; and
- (iii) the dilutionary effect will always be 10% if the maximum number of Equity Securities that may be issued under the Additional 10% Placement Capacity are issued.

| Variable "A" in Listing Rule 7.1A.2                                       |                                           | Dilution                                  |                           |                                            |
|---------------------------------------------------------------------------|-------------------------------------------|-------------------------------------------|---------------------------|--------------------------------------------|
|                                                                           |                                           | \$0.023<br>50% decrease<br>in Issue Price | \$0.046<br>Issue Price    | \$0.092<br>100% increase<br>in Issue Price |
| <b>Current Variable A</b><br>1,585,349,541<br>Shares                      | Shares issued<br>(10% Voting<br>Dilution) | 158,534,954<br>New Shares                 | 158,534,954<br>New Shares | 158,534,954<br>New Shares                  |
|                                                                           | Funds raised                              | \$3,646,303                               | \$7,292,607               | \$14,585,215                               |
| <b>50% increase in<br/>current Variable A</b><br>2,378,024,312<br>Shares  | Shares issued<br>(10% Voting<br>Dilution) | 237,802,431<br>New Shares                 | 237,802,431<br>New Shares | 237,802,431<br>New Shares                  |
|                                                                           | Funds raised                              | \$5,469,455                               | \$10,938,911              | \$21,877,823                               |
| <b>100% increase in<br/>current Variable A</b><br>3,170,699,082<br>Shares | Shares issued<br>(10% Voting<br>Dilution) | 317,069,908<br>New Shares                 | 317,069,908<br>New Shares | 317,069,908<br>New Shares                  |
|                                                                           | Funds raised                              | \$7,292,607                               | \$14,585,215              | \$29,170,431                               |

The table has been prepared on the following assumptions:

1. Variable A is 1,585,349,541 being the number of Shares on issue at the date of this Notice of Meeting.
2. The Company issues the maximum number of Equity Securities available under the Additional 10% Placement Facility.
3. No Options are converted into Shares before the date of issue of the Equity Securities.
4. The Company has not issued any other Equity Securities using its placement capacity under Listing Rule 7.1 or 7.1A in the 12 months preceding this Notice of Meeting.
5. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
6. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the Additional 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting. Each Shareholder should consider the dilution caused to his own shareholding depending on his specific circumstances.
7. The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
8. The issue of Equity Securities under the Additional 10% Placement Facility consists only of Shares.
9. The issue price is \$0.046, being the closing price of the Shares on ASX on 20 October 2021.

**(e) Allocation Policy**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the Additional 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to factors that include, but are not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;

- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the Additional 10% Placement Facility have not been determined as at the date of this Notice but may include existing Shareholders or new investors who are not Related Parties of the Company or their associates.

If Resolution 4 is approved by Shareholders, the Company may issue Equity Securities under the Additional 10% Placement Facility during the 10% Placement Period, as and when the circumstances of the Company require.

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

The Company previously obtained Shareholder approval under Listing Rule 7.1A at its Annual General Meeting held on 20 November 2020 (**Previous Approval**). The Company has previously issued Equity Securities under Listing Rule 7.1A.2 in the 12 months preceding the date of this Meeting. A total of 127,000,000 Equity Securities were issued in reliance of the Previous Approval, which represents 9.76% of the total number of Equity Securities on issue at the commencement of the 12 month period.

The details of the issue of Equity Securities under Listing Rule 7.1A.2 in the 12 months preceding the date of this Meeting are set out in the table below.

| Date of Issue | Number and Class of Equity Securities (and summary of terms, if any) | Names of recipients or basis on which recipients determined | Issue Price of Equity Securities and Discount to Market Price on the trading day prior to the Issue                        | Consideration                                                                                                                                                                                                                                       |
|---------------|----------------------------------------------------------------------|-------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 30 April 2021 | 127,000,000<br><br>Fully Paid Ordinary Shares                        | Institutional and sophisticated investors.                  | Issue price of \$0.045 per share.<br><br>Discount of 10% to the closing market price on 30 April 2021 of \$0.05 per share. | Funds raised were \$5,715,000.<br><br>Funds remaining as at 20 October 2021 are \$5,465,917.<br><br>Funds were used to advance exploration and development at the Company's Katanning Gold Project as well as providing additional working capital. |

**(g) Voting exclusion statement**

A voting exclusion statement for Resolution 4 is included in the Notice of Meeting.

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

In these circumstances (and in accordance with the note set out in ASX Listing Rule 14.11.1 relating to ASX Listing Rules 7.1 and 7.1A), for a person's vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will

participate in the proposed issue (as is the case in respect of any Equity Securities issued under the Additional 10% Placement Facility), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted, and there is no reason to exclude their votes.

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

**Board Recommendation**

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

**6. ACTION TO BE TAKEN BY SHAREHOLDERS**

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

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

## 7. GLOSSARY

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

|                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>\$</b>                                 | means Australian Dollars.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Annual General Meeting or Meeting</b>  | the annual general meeting of the Company to be held on 26 November 2021.                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>AWST</b>                               | means Australian Western Standard Time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>ASIC</b>                               | Australian Securities and Investments Commission.                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Associate</b>                          | has the meaning given to it by Division 2 of Part 1.2 of the Corporations Act.                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>ASX</b>                                | ASX Limited (ACN 008 624 691).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>ASX Listing Rules or Listing Rules</b> | the Official Listing Rules of ASX, as amended from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Board</b>                              | the board of directors of the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Chair</b>                              | the person appointed to chair the Meeting convened by the Notice.                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Closely Related Party</b>              | means:<br><ul style="list-style-type: none"> <li>(a) a spouse or child of the member;</li> <li>(b) a child of the member's spouse;</li> <li>(c) a dependent of the member or the member's spouse;</li> <li>(d) anyone else who is one of the member's family and may be expected to influence the member or be influenced by the member, in the member's dealing with the entity;</li> <li>(e) a company the member controls; or</li> <li>(f) a person prescribed by the <i>Corporations Regulations 2001</i> (Cth).</li> </ul> |
| <b>Company or Ausgold</b>                 | Ausgold Limited (ABN 67 140 164 496).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Constitution</b>                       | means the Company's constitution.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Corporations Act</b>                   | <i>Corporations Act 2001</i> (Cth) as amended from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Corporations Regulations</b>           | <i>Corporations Regulations 2001</i> (Cth) as amended from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Equity Securities</b>                  | includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Explanatory Memorandum</b>             | the explanatory memorandum which accompanies and forms part of the Notice of Meeting.                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Key Management Personnel</b>           | has the same meaning as in the accounting standards and, broadly, includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.                                                                                                                                                                                                                             |
| <b>Notice of Meeting</b>                  | the notice convening the Meeting which accompanies this Explanatory Memorandum.                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Proxy Form</b>                         | the proxy form which accompanies this Explanatory Memorandum.                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Shares or Ausgold Shares</b>           | fully paid ordinary shares in the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Shareholder</b>                        | a registered holder of a Share.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

# Proxy Voting Form

If you are attending the meeting  
in person, please bring this with you  
for Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **11.00am (AWST) on Wednesday, 24 November 2021**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

## SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

### YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

### STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

### DEFAULT TO THE CHAIR OF THE MEETING

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

### STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking 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 SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

### SIGNING INSTRUCTIONS

**Individual:** Where the holding is in one name, the Shareholder must sign.

**Joint holding:** Where the holding is in more than one name, all Shareholders should sign.

**Power of attorney:** If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

**Companies:** To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

**Email Address:** Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

### Lodging your Proxy Voting Form:

#### BY MAIL:

Ausgold Limited  
PO Box 7654  
Cloisters Square Perth WA 6850

#### IN PERSON:

Ausgold Limited  
Level 16, AMP Building  
140 St Georges Terrace  
Perth WA 6000

#### BY EMAIL:

[info@ausgoldlimited.com](mailto:info@ausgoldlimited.com)

#### BY FACSIMILE:

+61 8 9220 9820



**AUTOMIC**

I/We being a Shareholder entitled to attend and vote at the Annual General Meeting of Ausgold Limited, to be held at **11.00am (AWST) on Friday, 26 November 2021 at Level 1, 111 St Georges Terrace, Perth WA 6000** hereby:

[illegible]

Unless indicated otherwise by ticking the “for,” “against” or “abstain” box you will be authorising the Chair to vote in accordance with the Chair’s voting intention.

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 3 (except where I/we have indicated a different voting intention below) even though Resolution 3 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair

| Resolutions                                      | For                      | Against                  | Abstain                  |
|--------------------------------------------------|--------------------------|--------------------------|--------------------------|
| 1. Re-Election of Director – Mr Denis Rakich     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Re-Election of Director – Mr Tim Kestell      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Adoption of Remuneration Report               | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Approval of Additional 10% Placement Facility | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

**Please note:** If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

| Individual or Securityholder 1           | Securityholder 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Securityholder 3             |
|------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|
|                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                              |
| Sole Director and Sole Company Secretary | Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Director / Company Secretary |
| Contact Name:                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                              |
|                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                              |
| Email Address:                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                              |
|                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                              |
| Contact Daytime Telephone                | Date (DD/MM/YY)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                              |
|                                          | <div style="display: inline-block; width: 30px; height: 30px; border: 1px solid black; margin-right: 5px;"></div> <div style="display: inline-block; width: 30px; height: 30px; border: 1px solid black; margin-right: 5px;"></div> / <div style="display: inline-block; width: 30px; height: 30px; border: 1px solid black; margin-right: 5px;"></div> <div style="display: inline-block; width: 30px; height: 30px; border: 1px solid black; margin-right: 5px;"></div> <div style="display: inline-block; width: 30px; height: 30px; border: 1px solid black;"></div> |                              |

**By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).**