



AUSGOLD LIMITED
ABN 67 140 164 496

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY MEMORANDUM

PROXY FORM

Date: Friday 14 October 2022

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 14 October 2022 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 2022 and the reports of the directors and auditors on those statements.

RESOLUTION 1 – RE-ELECTION OF DIRECTOR – MR NEIL FEARIS

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 Neil Fearis, 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 RICHARD LOCKWOOD

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

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

RESOLUTION 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 2022 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.

RESOLUTION 5 – ISSUE OF PERFORMANCE RIGHTS TO MATTHEW GREENTREE

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

“That for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Company be authorised to issue 13,200,000 Performance Rights to Dr Matthew Greentree, a Director of the Company, or his nominee, on the terms and conditions set out in Schedule 1 to the Explanatory Memorandum.”

Voting exclusion statement:

The Company will disregard any votes cast in favour on Resolution 5 by Dr Matthew Greentree and any of his associates or 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 entity) and their associates.

However, this does not apply to a vote cast in favour of a 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 Chair 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 provided that that person has ticked the relevant box on the Proxy form 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.

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

RESOLUTION 6 – ISSUE OF PERFORMANCE RIGHTS TO DENIS RAKICH

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

“That for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Company be authorised to issue 9,000,000 Performance Rights to Mr Denis Rakich, a Director of the Company, or his nominee, on the terms and conditions set out in Schedule 1 to the Explanatory Memorandum.”

Voting exclusion statement:

The Company will disregard any votes cast in favour on Resolution 6 by Mr Denis Rakich and any of his associates or 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 entity) and their associates.

However, this does not apply to a vote cast in favour of a 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 Chair 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 provided that that person has ticked the relevant box on the Proxy form ; 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.

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

RESOLUTION 7 – ISSUE OF PERFORMANCE RIGHTS TO RICHARD LOCKWOOD

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

“That for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Company be authorised to issue 5,000,000 Performance Rights to Mr Richard Lockwood, a Director of the Company, or his nominee, on the terms and conditions set out in Schedule 1 to the Explanatory Memorandum.”

Voting exclusion statement:

The Company will disregard any votes cast in favour on Resolution 7 by Mr Richard Lockwood and any of his associates or 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 entity) and their associates.

However, this does not apply to a vote cast in favour of a 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 Chair 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 provided that that person has ticked the relevant box on the Proxy form ; 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.

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

RESOLUTION 8 – ISSUE OF PERFORMANCE RIGHTS TO GEOFFREY JONES

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

“That for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Company be authorised to issue 2,500,000 Performance Rights to Mr Geoffrey Jones, a Director of the Company, or his nominee, on the terms and conditions set out in Schedule 1 to the Explanatory Memorandum.”

Voting exclusion statement:

The Company will disregard any votes cast in favour on Resolution 8 by Mr Geoffrey Jones and any of his associates or 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 entity) and their associates.

However, this does not apply to a vote cast in favour of a 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 Chair 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 provided that that person has ticked the relevant box on the Proxy form ; 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.

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

RESOLUTION 9 – ISSUE OF PERFORMANCE RIGHTS TO NEIL FEARIS

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

“That for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Company be authorised to issue 2,500,000 Performance Rights to Mr Neil Fearis, a Director of the Company, or his nominee, on the terms and conditions set out in Schedule 1 to the Explanatory Memorandum.”

Voting exclusion statement:

The Company will disregard any votes cast in favour on Resolution 9 by Mr Neil Fearis and any of his associates or 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 entity) and their associates.

However, this does not apply to a vote cast in favour of a 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 Chair 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 provided that that person has ticked the relevant box on the Proxy form ; 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.

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

PROXIES

In accordance with section 249L of the Corporations Act, 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 4, 251 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 12 October 2022 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

5 September 2022

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 14 October 2022 at 11.00am (AWST).

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

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

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

2. RESOLUTIONS 1 AND 2 – RE-ELECTION OF DIRECTORS

Background to Resolutions 1 and 2

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 – Neil Fearis (Resolution 1)

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

Mr Fearis is a corporate and commercial lawyer specialising in mergers and acquisitions, capital raisings and corporate reconstructions, with a particular focus on the mining and resources sector. He has been in practice for more than 40 years and worked as a commercial lawyer in London, Sydney and Perth. He provides corporate and commercial legal advice to public company clients and has advised on some of the largest corporate transactions ever undertaken in Australia. Prior to studying law, Neil spent several years engaged in mineral exploration in both Australia and southern Africa and as a result has a good understanding of the practical issues facing companies developing resource projects in remote locations, both in Australia and overseas

Mr Fearis was appointed as a director of the Company on 15 April 2016.

Re-election of Director – Mr Richard Lockwood (Resolution 2)

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

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

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

Board recommendation

The Board (other than Mr Fearis with respect to Resolution 1 and Mr Lockwood with respect to Resolution 2) recommends that Shareholders vote in favour of Resolutions 1 and 2.

3. 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 2022. 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 2022.

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

Previous voting results

At the Company's 2021 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.

4. 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, however, 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.

As at the date of this Notice, the Company has 2,029,474,541 Shares on issue. Accordingly, if Shareholders approve Resolution 4, the Company will have the capacity to issue an additional approximately 202,947,454 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 Listing 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 2,029,474,541 Shares on issue. Accordingly, if Shareholders approve Resolution 4, the Company will have the capacity to issue approximately 202,947,454 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 \$0.048 (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 | | |
|---|---|---|---------------------------|--|
| | | \$0.024 50% decrease in Issue Price | \$0.048 Issue Price | \$0.096 100% increase in Issue Price |
| Current Variable A 2,029,474,541 Shares | Shares issued (10% Voting Dilution) | 202,947,454 New Shares | 202,947,454 New Shares | 202,947,454 New Shares |
| | Funds raised | \$4,870,739 | \$9,741,478 | \$19,482,956 |
| 50% increase in current Variable A 3,044,211,811 Shares | Shares issued (10% Voting Dilution) | 304,421,181 New Shares | 304,421,181 New Shares | 304,421,181 New Shares |
| | Funds raised | \$7,306,108 | \$14,612,216 | \$29,224,433 |
| 100% increase in current Variable A 4,058,949,082 Shares | Shares issued (10% Voting Dilution) | 405,894,908 New Shares | 405,894,908 New Shares | 405,894,908 New Shares |
| | Funds raised | \$9,741,478 | \$19,482,956 | \$38,965,911 |

The table has been prepared on the following assumptions:

1. Variable A is 2,029,474,541 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 their own shareholding depending on their specific circumstances.

7. The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
8. The issue of Equity Securities under the Additional 10% Placement Facility consists only of Shares.
9. The issue price is \$0.048, being the closing price of the Shares on ASX on 5 September 2022.

(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 2021 (**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 148,434,954 Equity Securities were issued in reliance of the Previous Approval, which represents 9.36% of the total number of Equity Securities on issue at the date of the Previous Approval (being the commencement of the 12 month period for which the Previous Approval applied).

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 |
|---------------|--|--|---|---|
| 14 March 2022 | 148,434,954 Fully Paid Ordinary Shares | Institutional and sophisticated investors, including Jupiter Asset Management (among others) | Issue price of \$0.040 per Share Issued at a 4.1% discount per Share to the closing market price of \$0.043 on Tuesday 1 March 2022. | Funds raised were approximately \$5,900,000 (inclusive of fees payable to Argonaut Securities Pty Ltd and Euroz Hartleys Securities Limited as joint lead managers to the placement). Funds remaining as at 5 September 2022 are \$5,581,155. Funds were raised to continue an extensive exploration and Resource development drill program and feasibility studies at the Company's Katanning Gold Project, meet costs of the raise and to provide 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.

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

General

The Company proposes, subject to obtaining requisite Shareholder approvals, to grant a total of 32,200,000 performance rights (**Related Party Performance Rights**) to Dr Matthew Greentree, Mr Denis Rakich, Mr Richard Lockwood, Mr Geoffrey Jones and Mr Neil Fearis (or their respective nominees) (**Related Parties**) on the terms and conditions detailed below and in the amount as follows:

| Name of Related Party | Performance Rights |
|-----------------------|--------------------|
| M Greentree | 13,200,000 |
| D Rakich | 9,000,000 |
| R Lockwood | 5,000,000 |
| G Jones | 2,500,000 |
| N Fearis | 2,500,000 |

The Company considers that a vesting hurdle tied to the Company's share price is the most appropriate milestone for Director performance at its current stage of growth. Further details of this milestone is set out in Schedule 1 to this Explanatory Memorandum.

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

2020 Performance Rights

The Company notes that each of the directors (other than Mr Kestell, who was not a director of the Company at the time) were issued a total of 52 million performance rights in October 2020 following approval by the Company's Shareholders (the **2020 Performance Rights**). The 2020 Performance Rights were subject to vesting conditions (50%) concerning the company's announcement of a 1.6m ounce JORC resource and (50%) upon completion and announcement of a pre-feasibility study for the Company's Katanning Gold Project. In July 2022, approximately 30 million 2020 Performance Rights lapsed unvested due to performance conditions regarding the Company's Katanning Gold Project Pre-feasibility Study were not met. As announced by the Company at that time, the pre-feasibility study outcomes were delayed due to key employees contracting COVID and longer than anticipated turnaround from external service providers. As announced by the Company on 1 August 2022, the Company was able to confirm a 1.28 Moz maiden ore reserve and announced a prefeasibility study inclusive of internal rate of returns greater than the vesting conditions applicable to the 2020 Performance Rights. Accordingly, had the Company been able to complete its pre-feasibility study ahead of the July 2022 vesting date, those 2020 Performance Rights would have vested. The Company has taken this into account when determining the quantum of Related Party Performance Rights proposed to be issued at the Meeting and consider that these proposed issues will provide partial reward for the excellent work of the Company's board in delivering the Katanning Gold Project's Maiden Ore Reserve only 1 month later than the original target deadline.

Regulatory Requirements – 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:

- (a) a related party (Listing Rule 10.11.1);
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company (Listing Rule 10.11.2);

- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so (Listing Rule 10.11.3);
- (d) an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3 (Listing Rule 10.11.4); or
- (e) a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders (Listing Rule 10.11.5), unless it obtains the approval of its shareholders.

The proposed issue of the Related Party Performance Rights falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of the Company's shareholders under Listing Rule 10.11.

Resolutions 5 to 9 (inclusive) seek the required shareholder approval to issue Related Party Performance Rights to Dr Matthew Greentree, Mr Denis Rakich, Mr Richard Lockwood, Mr Geoffrey Jones and Mr Neil Fearis (each of whom is a director of the Company) under and for the purposes of Listing Rule 10.11.

If Resolutions 5 to 9 (inclusive) are passed, the Company will be able to proceed with the issue of Related Party Performance Rights to Dr Matthew Greentree, Mr Denis Rakich, Mr Richard Lockwood, Mr Geoffrey Jones and Mr Neil Fearis within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Related Party Performance Rights to Dr Matthew Greentree, Mr Denis Rakich, Mr Richard Lockwood, Mr Geoffrey Jones and Mr Neil Fearis (because approval is being obtained under Listing Rule 10.11), the issue of the Related Party Performance Rights will not use up any of the Company's 15% annual placement capacity.

If Resolutions 5 to 9 (inclusive) are not passed, the Company will not be able to proceed with the issue of Related Party Performance Rights to Dr Matthew Greentree, Mr Denis Rakich, Mr Richard Lockwood, Mr Geoffrey Jones and Mr Neil Fearis and the Company may need to explore alternative means of adequately remunerating the Company's directors, which may include increased cash payments where possible.

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

Regulatory Requirements – Chapter 2E of the Corporations Act

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

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

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

A "financial benefit" is construed widely and in determining whether a financial benefit is being given, section 229 of the Corporations Act requires that any consideration that is given is disregarded, even if the consideration is adequate. It is necessary to look at the economic and commercial substance and the effect of the transaction in determining the financial benefit. Section 229 of the Corporations Act

includes as an example of a financial benefit, the issuing of securities or the granting of an option to a related party.

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

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

The Directors (other than Dr Greentree in relation to Resolution 5, Mr Rakich in relation to Resolution 6, Mr Lockwood in relation to Resolution 7, Mr Jones in relation to Resolution 8 and Mr Fearis in relation to Resolution 9 who have a material personal interest in those respective Resolutions) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Related Party Performance Rights because the agreement to issue the Related Party Performance Rights, reached as part of the remuneration packages for each Director, is considered to be reasonable remuneration in the circumstances .

Information required by Listing Rule 10.13

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

(a) Name of person to receive securities

The Related Party Performance Rights will be issued to Dr Greentree, Mr Rakich, Mr Lockwood, Mr Jones and Mr Fearis, each of whom is a Related Party of the Company by virtue of being a Director.

(b) Maximum number of securities to be issued

The total number of Related Party Performance Rights to be issued under Resolutions 5 - 9 is 32,200,000 made up as follows:

| Resolution | Name of Related Party | Performance Rights |
|--------------|-----------------------|--------------------|
| Resolution 5 | M Greentree | 13,200,000 |
| Resolution 6 | D Rakich | 9,000,000 |
| Resolution 7 | R Lockwood | 5,000,000 |
| Resolution 8 | G Jones | 2,500,000 |
| Resolution 9 | N Fearis | 2,500,000 |

(c) Date of issue and allotment

The Related Party Performance Rights to be issued pursuant to Resolutions 5 – 9 (inclusive) will be issued on a date no later than one month after the date of the Meeting. The Company expects to issue all of the Related Party Performance Rights on the same date.

(d) Relationship with the Company

Each of Dr Greentree, Mr Rakich, Mr Lockwood, Mr Jones and Mr Fearis is a related party of the Company by virtue of being a Director and accordingly fall within the category set out in Listing Rule 10.11.1.

(e) Issue price

The Related Party Performance Rights will be granted for nil consideration and no funds will be raised by their issue.

(f) Terms of the Securities

The securities are not fully paid ordinary securities but Performance Rights. The terms and conditions of the Related Party Performance Rights are set out in Schedule 1 to this Explanatory Memorandum.

Each of the Related Party Performance Rights proposed to be issued to Dr Greentree, Mr Rakich, Mr Lockwood, Mr Jones and Mr Fearis will be subject to the following vesting conditions:

- **(Employment condition):** the holder (or if the holder is a nominee, the relevant person to whom the Related Party Performance Rights were proposed to be issued to and who nominated the nominee to hold such securities on their behalf) must be employed by, and / or be a director of the Company at the time of vesting;
- **(Share price condition)** each Related Party Performance Right vests upon the Ausgold share price, as quoted on ASX, achieving a 20 day consecutive VWAP of \$0.12 per share at any time before 31 October 2024.

(g) Intended use of the funds raised

No funds will be raised by the issue of the Related Party Performance Rights.

(h) Purpose of issue

The purpose of the issue of the Related Party Performance Rights is to provide a performance linked incentive component in the remuneration package for the Directors to align the interests of the Directors with those of Shareholders, to motivate and reward the performance of the Directors in their roles as Directors and to provide a cost effective way from the Company to remunerate the Directors, which will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Directors.

(i) Annual Remuneration Package

Each of Dr Greentree, Mr Rakich, Mr Lockwood, Mr Jones and Mr Fearis are Directors of the Company and the Related Party Performance Rights are being issued as remuneration to the relevant Directors. The total remuneration package for each of the Directors is as follows:

| Director | Financial Year | Remuneration | | | |
|----------------------|----------------|--------------------|--------------------------------|----------------------|-----------------------|
| | | Base Salary & Fees | Superannuation (if applicable) | Share based payments | Total Salary and Fees |
| Dr Matthew Greentree | 2021/22 | \$267,000 | \$25,085 | \$314,160* | \$606,245 |
| | 2020/21 | \$267,000 | \$25,085 | \$527,309 | \$819,394 |
| Mr Denis Rakich | 2021/22 | \$213,083 | \$19,950 | \$214,200* | \$447,233 |
| | 2020/21 | \$213,083 | \$19,950 | \$320,019 | \$553,052 |
| Mr Richard Lockwood | 2021/22 | \$50,000 | nil | \$119,000* | \$169,000 |
| | 2020/21 | \$50,000 | nil | \$220,850 | \$270,850 |
| Mr Geoffrey Jones | 2021/22 | \$40,000 | \$3,800 | \$59,500* | \$103,300 |
| | 2020/21 | \$40,000 | \$3,800 | \$155,486 | \$199,286 |
| Mr Neil Fearis | 2021/22 | \$40,000 | nil | \$59,500* | \$99,500 |
| | 2020/21 | \$40,000 | nil | \$155,486 | \$195,486 |
| Mr Timothy Kestell | 2021/22 | \$32,160 | 3,216 | nil | \$36,376 |
| | 2020/21 | - | - | - | - |

* Please refer to paragraph (j) below for details of the valuation of the share based payments

(j) Valuation of securities

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

| Item | Performance Rights |
|--|--------------------|
| Underlying share price as at the valuation date | \$0.048 |
| Exercise price | nil |
| Commencement of performance period | 15 October 22 |
| Valuation date | 05 September 2022 |
| Measurement date | 31 October 2024 |
| Remaining performance period (years) | 2.16 |
| Volatility | 71% |
| Dividend yield | Nil% |
| Risk free rate | 3.0865% |
| Valuation per Right | \$0.0238 |

Accordingly, the total value of the Related Party Performance Rights to be issued to Dr Greentree, Mr Rakich, Mr Lockwood, Mr Jones, Mr Fearis and Mr Kestell is as follows:

| Director | Total Value of Related Party Rights |
|-----------------------------|-------------------------------------|
| Dr Matthew Greentree | \$314,160 |
| Mr Denis Rakich | \$214,200 |
| Mr Richard Lockwood | \$119,000 |
| Mr Geoffrey Jones | \$59,500 |
| Mr Neil Fearis | \$59,500 |
| Mr Timothy Kestell | - |
| TOTAL | \$766,360 |

(k) Agreement to issue securities

Other than as set out in this Explanatory Memorandum, there are no further material terms of the Company's agreement to issue the Related Party Performance Rights to Dr Greentree, Mr Rakich, Mr Lockwood, Mr Jones and Mr Fearis.

(l) Voting exclusion statement

Voting exclusion statements for Resolutions 5-9 are included in the Notice of Meeting preceding this Explanatory Memorandum.

Board Recommendation

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

Mr Timothy Kestell has elected not to receive performance rights as he does not believe that they should form part of non- executive directors' remuneration, he makes no recommendation as to whether or not shareholders should vote on resolutions 5,6 and 7.

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

Any term defined within the Explanatory memorandum (as indicated in bold within parentheses) has the meaning given therein and the following terms and abbreviations used in this Explanatory Memorandum have the following meanings:

| | |
|---|--|
| \$ | means Australian Dollars. |
| Annual General Meeting or Meeting | the annual general meeting of the Company to be held on Friday 14 October 2022. |
| AWST | means Australian Western Standard Time. |
| ASIC | Australian Securities and Investments Commission. |
| Associate | has the meaning given to it by Division 2 of Part 1.2 of the Corporations Act. |
| ASX | ASX Limited (ACN 008 624 691). |
| ASX Listing Rules or Listing Rules | the Official Listing Rules of ASX, as amended from time to time. |
| Board | the board of directors of the Company. |
| Chair | the person appointed to chair the Meeting convened by the Notice. |
| Closely Related Party | means: <ul style="list-style-type: none"> (a) a spouse or child of the member; (b) a child of the member's spouse; (c) a dependent 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 dealing with the entity; (e) a company the member controls; or (f) a person prescribed by the <i>Corporations Regulations 2001</i> (Cth). |
| Company or Ausgold | Ausgold Limited (ABN 67 140 164 496). |
| Constitution | means the Company's constitution. |
| Corporations Act | <i>Corporations Act 2001</i> (Cth) as amended from time to time. |
| Corporations Regulations | <i>Corporations Regulations 2001</i> (Cth) as amended from time to time. |
| Equity Securities | 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. |
| Explanatory Memorandum | the explanatory memorandum which accompanies and forms part of the Notice of Meeting. |
| Key Management Personnel | 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. |
| Notice of Meeting | the notice convening the Meeting which accompanies this Explanatory Memorandum. |
| Proxy Form | the proxy form which accompanies this Explanatory Memorandum. |
| Shares or Ausgold Shares | fully paid ordinary shares in the Company. |
| Shareholder | a registered holder of a Share. |
| VWAP | The volume weighted average price of shares. |

SCHEDULE 1

TERMS AND CONDITIONS OF RELATED PARTY PERFORMANCE RIGHTS

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

- (a) Each Performance Right entitles the holder to be issued one Share, subject to the satisfaction of vesting conditions during the vesting period and on the terms and conditions below.
- (b) Subject to the satisfaction of the vesting conditions, the Performance Rights will vest at any time up until 31 October 2024.
- (c) The vesting conditions for the Performance Rights are as follows:
 - (i) the holder (or if the holder is a nominee, the relevant person to whom the Related Party Performance Rights were proposed to be issued to and who nominated the nominee to hold such securities on their behalf) must be employed by, or be a director of, the Company at the time of vesting (**Employment Condition**);
 - (ii) each Performance Right vests upon the Ausgold share price, as quoted on ASX, achieving a 20 day consecutive VWAP of \$0.12 per share at any time before 31 October 2024. (**Share price condition**),
(together, the **Performance Conditions**).
- (d) Upon meeting the Performance Conditions, the Board shall promptly provide written notice to the holder as to that determination.
- (e) Where a holder (or his nominee) receives notice from the Board that a Performance Right has vested, the Performance Right may be exercised at any time up until 5.00 pm (WST) on the date determined by the Board when the Performance Rights vest and notified to the holder (**Last Exercise Date**), subject to any restriction in the Corporations Act from time to time and in any event, no longer than 6 months from the date of the Performance Right vesting, by delivery to the Company Secretary of:
 - (i) the certificate for the Performance Right or, if the certificate for the Performance Rights has been lost or destroyed, a declaration to that effect, accompanied by an indemnity in favour of the Company against any loss, costs or expenses which might be incurred by the Company as a consequence of its relying on the declaration that the certificate has been lost or destroyed; and
 - (ii) a duly completed and executed notice of exercise of a Performance Right in the form approved by the Board from time to time.
- (f) In the event that a takeover bid (as defined in the Corporations Act) to acquire ordinary shares in the Company becomes unconditional, or a merger by way of scheme of arrangement under the Corporations Act has been approved by the Court, any unvested Performance Rights will vest and become immediately exercisable, regardless of whether or not the employment, engagement or office of the person eligible to receive the Performance Rights is terminated or ceases in connection with such event.
- (g) Unless determined otherwise by the Board, a Performance Right lapses on the earlier of:
 - (i) the Board determining that any vesting condition applicable to the Performance Right has not been satisfied, reached or met in accordance with its terms or is not capable of being satisfied, reached or met;
 - (ii) an unauthorised dealing in, or hedging of, the Performance Right;
 - (iii) the Last Exercise Date; or
 - (iv) the employee or director in respect of whom the Performance Rights were issued resigns from the Company as an employee or director (as applicable).

Where a Performance Right has lapsed:

- (i) all rights of a holder in respect of those Performance Rights is forfeited; and
- (ii) the Company will:
 - (a) notify the holder that the Performance Right has lapsed;
 - (b) cancel the Performance Right; and
 - (c) not be liable for any damages or other amounts to the holder in respect of the Performance Right.
- (h) All Shares allotted on the exercise of the Performance Rights will rank equally in all respects with the then existing Shares.
- (i) The Performance Rights are not transferable
- (j) The Company will not apply to ASX for quotation of the Performance Rights. The Company will apply for quotation of all Shares in the Company allotted pursuant to the exercise of Performance Rights no later than 10 business days after the date of allotment.
- (k) The holder may only participate in new issues of securities as holders of Performance Rights if the Performance Rights have been exercised and Shares allotted in respect of the Performance Rights before the record date for determining entitlements to the issue. The Company must give to holders at least 7 business days' notice of any new issue before the record date for determining entitlements to the issue in accordance with ASX Listing Rules.
- (l) If there is a bonus issue (**Bonus Issue**) to the holders of Shares in the Company, the number of Shares over which the Performance Rights are exercisable will be increased by the number of Shares which the holder would have received if the Performance Rights had been exercised before the record date of the Bonus Issue (Bonus shares). The Bonus Shares must be paid up by the Company out of the profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue and upon issue rank equally in all respects with the other Shares on issue as at the date of issue of the Bonus Shares.
- (m) If prior to the vesting date, there is a reorganisation of the issued capital of the Company, the Performance Rights are to be treated in the manner set out in ASX Listing Rules.

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, 12 October 2022**, 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 VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



SUBMIT YOUR PROXY VOTE BY PAPER

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>.

