CENTRAL WEST GOLD

Central West Gold Limited

(ACN 003 078 591)

Notice of General Meeting and Explanatory Statement

GENERAL MEETING TO BE HELD AT LEVEL 2, 3 SPRING STREET, CHRISTIE CONFERENCE CENTRE, SYDNEY NSW AT 9:30AM ON WEDNESDAY, 15 APRIL 2015

Important Information

This is an important document. Please read the information in the Explanatory Statement very carefully. It is important that you either attend the meeting or complete and lodge the enclosed proxy form.

The information provided in this Booklet is not financial product advice. This Booklet contains general information only. The Booklet does not take into account the investment objectives, financial situation and particular needs of individual investors. Accordingly, nothing in this Booklet should be construed as an investment recommendation by Central West Gold Limited, or any associates of Central West Gold Limited, or any other person concerning an investment in Central West Gold Limited.

It is important that you read the entire Booklet before making any decision about how to vote. If you are in doubt about what to do in relation to the resolutions, you should consult your financial or other professional advisor.

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Section A - Chairman's Letter

17 March 2015

Dear CWG Shareholder

On 17 March 2015, the Company announced that it had entered into a share purchase Agreement to acquire 100% of the issued capital of Harvest Champion Limited (**HC**) (the **HC Acquisition**).

HC is an unlisted private company, and if approved, the HC Acquisition will result in a significant change in the nature and scale of the Company's activities. On and from completion of the HC Acquisition (**Completion**), the main business activity of the Company will involve the development, licensing and exploitation of sustainable waste and green technologies and the development and scale of waste management solutions. Accordingly, the Company is required to obtain Shareholder approval under ASX Listing Rule 11.1.2 a and it must re-comply with Chapter 1 and 2 of the ASX Listing Rules to complete the HC Acquisition.

In this regard the Company proposes to:

1. Complete the HC Acquisition by acquiring all of the issued capital in HC and, as consideration, issue CWG Shares to the security holders of HC (**HC Shareholders**);

2. Appoint each of the following as Directors of the Company effective upon completion of the HC Acquisition (**New Directors**):

    a. Peter Harrison
    b. Wang Qingli
    c. Ross Benson
    d. Alex Chee Leong Chow
    e. Wei Dong
    f. Li Xianglin

3. Change the name of the Company to China Waste Corporation Limited and the ASX code to 'CWC'

In order to comply with the Corporations Act, the ASX Listing Rules and the Company's constitution, the proposals outlined above requires the approval of CWG Shareholders. These approvals are being sought in accordance with this Notice of Meeting with full details Contained in the Explanatory Notes.

If the HC Acquisition is successfully completed:

- the Company will acquire 100% of the shares in the capital of HC;
- the New Directors will be appointed;
- Myself, Max Davis and Grant Williams will resign as Directors of the Company;
- the name of the Company will change from Central West Gold Limited to China Waste Corporation Limited (there will also be a corresponding change to the company's ASX code 'CWC' to more accurately reflect the Company's new business focus).

Upon Completion of the HC Acquisition it is intended that the Company's Shares will be requoted on the ASX. If Completion does not occur, the Company's Shares will remain suspended from trading until such time as the Company finds an alternative investment that shareholders approve.

The Directors of the Company recommend that HC Shareholders approve all of the Resolutions contained in this Notice of Meeting and to enable the HC Acquisition by the Company. I encourage you to read the full contents of the accompanying documents carefully, and to participate in the voting process.

If you have any questions about the HC Acquisition, or this Notice of Meeting, please contact the Company, or consult your licensed financial adviser, stockbroker or other professional adviser. If you have any questions regarding your holding in CWG Shares or other Share Registry matters, please contact Computershare on +61 (03) 9415 4000.

Yours sincerely,

Chris Ryan

Chairman

Section B - Notice of General Meeting

NOTICE IS HEREBY GIVEN that a general meeting (**Meeting**) of the shareholders of Central West Gold Limited (ACN 003 078 591) (**Company** or **CWG**) will be held at Level 2, 3 Spring Street, Christie Conference Centre, Sydney NSW 2000 on Wednesday, 15 April 2015 at 9.30am for the purpose of transacting the following business:

1. Resolutions

1.1 Resolution 1 - Acquisition of Consideration Shares by HC Shareholders

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

> "*Subject to the Shareholders approving Resolutions 2, 3, 4, 5, 6, 7 and 8 and in accordance with the terms set out in this Notice of Meeting, for the purposes of Section 611 item 7 of the Corporations Act 2001 (Cth) and for all other purposes, approval is given for the Company to issue 628,044,347 fully paid ordinary shares in the Company to the shareholders in Harvest Champion Pty Ltd in their Respective Proportions on Completion under the Share Purchase Agreement and on the terms and conditions set out in the Explanatory Statement.*"

Voting Exclusion: The Company will disregard any votes cast on this Resolution by:

(a) any shareholders in Harvest Champion Pty Ltd, and any person who might obtain a benefit except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed; and

(b) any associate of any of those persons.

However the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the poxy decides. As resolutions 1 to 8 are interconditional, a person whose votes are disregarded on resolutions 2 to 8 will have their votes on Resolution 1 disregarded.

1.2 Resolution 2 - Substantial Change in Nature and Scale of Activities

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

> "*Subject to the Shareholders approving Resolutions 1, 3, 4, 5, 6, 7 and 8 and in accordance with the terms set out in this Notice of Meeting and the requirements of ASX Listing Rule 11.1.2, approval is given for the change to the Company's nature and scale of business as set out in the Explanatory Statement.*"

Voting Exclusion: The Company will disregard any votes cast on this Resolution by:

(c) any person who might obtain a benefit except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed; and

(d) any associates of those persons.

However the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the poxy decides. As resolutions 1 to 8 are interconditional, a person whose votes are disregarded on resolutions 1 and 3 to 8 will have their votes on Resolution 2 disregarded.

1.3 Resolution 3 - Appointment of Peter Harrison

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"Subject to the Shareholders approving Resolutions 1, 2, 4, 5, 6, 7 and 8 and in accordance with the terms set out in this Notice of Meeting, that on and from the date of completion under the Share Purchase Agreement, Peter Harrison be appointed as a director of the Company."

As resolutions 1 to 8 are interconditional, a person whose votes are disregarded on resolutions 1 and 2 and 4 to 8 will have their votes on Resolution 3 disregarded.

1.4 Resolution 4 - Appointment of Wang Qingli

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"*Subject to the Shareholders approving Resolutions 1, 2, 3, 5, 6, 7 and 8 and in accordance with the terms set out in this Notice of Meeting, that on and from the date of completion under the Share Purchase Agreement, Wang Qingli be appointed as a director of the Company.*"

As resolutions 1 to 8 are interconditional, a person whose votes are disregarded on resolutions 1 to 3 and 5 to 8 will have their votes on Resolution 4 disregarded.

1.5 Resolution 5 - Appointment of Ross Benson

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"*Subject to the Shareholders approving Resolutions 1, 2, 3, 4, 6, 7 and 8 and in accordance with the terms set out in this Notice of Meeting, that on and from the date of completion under the Share Purchase Agreement, Ross Benson be appointed as a director of the Company.*"

As resolutions 1 to 8 are interconditional, a person whose votes are disregarded on resolutions 1 to 4 and 6 to 8 will have their votes on Resolution 5 disregarded.

1.6 Resolution 6 - Appointment of Alex Chee Leong Chow

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"*Subject to the Shareholders approving Resolutions 1, 2, 3, 4, 5, 7 and 8 and in accordance with the terms set out in this Notice of Meeting, that on and from the date of completion under the Share Purchase Agreement, Alex Chee Leong Chow be appointed as a director of the Company.*"

As resolutions 1 to 8 are interconditional, a person whose votes are disregarded on resolutions 1 to 5 and 7 and 8 will have their votes on Resolution 6 disregarded.

1.7 Resolution 7 - Appointment of Wei Dong

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"*Subject to the Shareholders approving Resolutions 1, 2, 3, 4, 5, 6 and 8 and in accordance with the terms set out in this Notice of Meeting, that on and from the date of completion under the Share Purchase Agreement, Wei Dong be appointed as a director of the Company.* "

As resolutions 1 to 8 are interconditional, a person whose votes are disregarded on resolutions 1 to 6 and 8 will have their votes on Resolution 7 disregarded.

1.8 Resolution 8 - Appointment of Li Xianglin

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"*Subject to the Shareholders approving Resolutions 1, 2, 3, 4, 5, 6 and 7 and in accordance with the terms set out in this Notice of Meeting, that on and from the date of completion under the Share Purchase Agreement, Li Xianglin be appointed as a director of the Company.*"

As resolutions 1 to 8 are interconditional, a person whose votes are disregarded on resolutions 1 to 7 will have their votes on Resolution 8 disregarded.

1.9 Resolution 9 - Change Company Name

To consider and, if thought fit, to pass, with or without amendment, the following special resolution as a special resolution:

"*Subject to the Shareholders approving Resolutions 1, 2, 3, 4, 5, 6, 7, and 8, that the name of the Company be changed from* ***Central West Gold Limited*** *to* ***China Waste Corporation Limited*** *that change to take effect upon alteration of the details of the Company's registration by the Australian Securities and Investments Commission to reflect the change of the Company's business activities from a mining exploration company to a waste technology and processing company.*"

2. Voting Instructions

A How to vote

You may vote in one of two ways:

attending the meeting and voting in person (if a corporate shareholder, by representative); or

voting by proxy (see below on how to vote by proxy).

B Corporations

To vote at the Meeting, a Shareholder that is a corporation must appoint an individual to act as its representative. The appointment must comply with section 250D of the Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed.

Alternatively, a corporation may appoint a proxy.

C Voting in person

To vote in person, attend the meeting on the date and at the time and place set out above.

D Voting by proxy

To vote by proxy, the proxy form attached to this Notice of General Meeting as **Annexure A** must be deposited, mailed or facsimiled as detailed below:

Central West Gold Limited
C/- Investorlink Corporate Limited
Level 26, 56 Pitt Street, Sydney, NSW 2000
Mail to: GPO Box 4569, Sydney 2001
Fax to: (02) 9247 9977:

Pursuant to section 250B(5) of the Act, the directors of the Company have determined that, for the purposes of voting at the General Meeting, the Company may accept proxy forms until 9:30 am (EST) on Monday, 13 April 2015. Any proxy forms received after this time will not be accepted by the Company for the purposes of voting at the General Meeting.

A member who is entitled to attend and vote at the General Meeting may appoint a person, who need not be a member of the Company, as the member's proxy to attend and vote on behalf of the member.

A member who is entitled to cast 2 or more votes may appoint 2 or more proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the appointment is signed by an attorney, the power of attorney or certified copy of it must be sent with the proxy form.

E Eligibility to vote

In accordance with applicable law, the directors have made a determination that all shares of the Company are taken, for the purposes of determining the right of members to attend and vote at the General Meeting, to be held by persons who held them at 7:00 p.m. (EST) on Monday, 13 April 2015. If you are not the registered holder of a relevant share in the Company at that time you will not be entitled to vote in respect of that share.

F Voting procedure

Every question arising at this General Meeting will be decided in the first instance by a show of hands. A poll may be demanded in accordance with the Company's current constitution. On a show of hands, every shareholder entitled to vote who is present in person or by proxy, representative or attorney, will have one vote. Upon a poll, every person entitled to vote who is present in person or by proxy, representative or attorney will have one vote for each voting share held by that person.

Section C - Explanatory Statement

1. Introduction

This Explanatory Statement contains information for the Company's Shareholders to assess the Resolutions to be put to them at the General Meeting of the Company held at Level 2, 3 Spring Street, Christie Conference Centre, Sydney NSW 2000 on Wednesday 15 April 2015 at 9.30am. A Notice of General Meeting accompanies this Explanatory Statement.

This Explanatory Statement (together with the Annexure) forms part of the Notice of Meeting and should be read with the Notice of Meeting.

The Resolutions put to the Company's Shareholders are interdependent such that the approval of each Resolution is conditional on the approval of the other Resolutions.

2. Background to the Proposed Acquisition of Harvest Champion

2.1 General Background

The Company and each of the shareholders (**HC Shareholders**) in Harvest Champion Limited (**Harvest Champion**) entered into the Share Purchase Agreement (**SPA**) on Tuesday, 17 March 2015 which was announced to the market on Tuesday, 17 March 2015.

Under the terms of the SPA the shareholders in Harvest Champion will transfer all of the issued capital in Harvest Champion to the Company in exchange for the HC Shareholders being issued with 628,044,347 fully paid ordinary shares in the Company (**Proposed Transaction**) in proportion to their holdings in Harvest Champion immediately prior to entry into the SPA (**Respective Proportions**). The shares issued to the HC Shareholders will be equivalent to 87.5% of the issued capital of the Company.

The transactions under the SPA are conditional upon:

(a) shareholders of the Company approving:

  (i) the issue of shares in the Company to the shareholders in Harvest Champion;

  (ii) the change to the nature and scale of the activities of the Company;

(b) the Company obtaining any necessary regulatory approvals to the Proposed Transaction;

(c) the Company obtaining the necessary commercial consents and approvals to the Proposed Transaction; and

(d) no Vendor breaching any warranty, or materially breaching any term of the SPA.

(e) ASX confirming that the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules.

Resolution 1 seeks shareholder approval to the acquisition of Harvest Champion by the Company, as well as the issuance of shares to the existing shareholders of Harvest Champion.

Harvest Champion is currently in the business of developing, licensing and exploiting sustainable waste and green technologies and waste processing and management solutions. As this business is different to the Company's current business, Resolution 2 seeks shareholder approval to change the nature and scale of the Company's business.

Other information considered material to the shareholders' decision to approve Resolutions 1 & 2, as well as the other resolutions in the Notice of Meeting, is set out below. Shareholders should read the Notice of Meeting and this Explanatory Statement before making a decision to approve or reject the relevant resolutions.

2.2 Company's Existing Activities

Central West Gold Limited was listed on ASX on 11 June 1987. The Company's current activities are exploration for gold, copper and tin in NSW. The Company currently holds tenements in NSW. Given the current market conditions for mining tenements in NSW and the trend across global resources prices, the Company has, for the past 12 months continued to evaluate alternative activities outside the mining sector.

2.3 Overview of Harvest Champion Limited

Harvest Champion is a private company incorporated in the Cayman Islands and is focused on the procurement, development and exploitation of green technologies, processes and products including in the area of waste disposal and treatment and recycling of waste products. Harvest Champion holds a number of its assets through subsidiaries such as China Urban Mining Holdings Limited.

Harvest Champion seeks to obtain, either directly or through subsidiaries, licences or other rights to proven green and waste technologies that Harvest Champion has assessed as showing growth potential within the Chinese market.

Harvest Champion has an experienced board of directors including senior executives with multiple years experience in:

(i) forming international partnerships with global research and development bodies in the green and industrial waste sectors;

(ii) distributing recycled products; and

(iii) technologies and products that reduce energy consumption.

(a) Future Plans and Prospects, Capital Needs

Harvest Champion's approach is to identify technologies and products that deal with both the causes and symptoms of industrial waste and pollution. This includes developing and investing in technologies that reduce waste and pollution at the outset, as well as obtaining rights to distribute products made from recycled materials. Harvest Champion uses research and scientific collaboration to identify and obtain access rights to these technologies and products.

The aim of Harvest Champion's business is to:

(i) build a portfolio of patented and cutting edge technologies in the area of waste recycling and sustainable materials transformation that meet increasingly stringent environmental standards. Harvest Champion is also seeking licenses to distribute green or recycled products for the Chinese and other markets in this sector;

(ii) to invest in the research and development of processes, products and technologies that transform waste materials into valuable resources, particularly in the manufacturing sector. Harvest Champion also seeks to distribute products that provide direct savings and environmental benefits as a result of reductions in energy consumption; and

(iii) provide world class environmental and emission control technologies and products aligned to Harvest Champion's core philosophy of achieving cleaner and more sustainable waste management and environmental benefits.

Harvest Champion will continue to evaluate technologies relating to molecular transformation, which will provide innovative solutions and enable conversion of waste into valuable resources. For example, medical waste containing both metals and plastics have the potential to be transformed into metallic resources (from metal) and useful gases (plastics). Such solutions deliver value from waste, based on scientific understanding of sustainable materials processes, including material reactions at high temperatures.

(b) Licencing Agreements under negotiation by Harvest Champion

Harvest Champion is currently in negotiations with the following parties to licence the below technologies for use in China. These licences are all in the green technologies and/or waste treatment and disposal fields and will allow Harvest Champion to expand itself in those markets in China. Harvest Champion does not currently have the right to licence such products, technologies or processes and there is a risk that Harvest Champion will not acquire one or more of these rights.

Green Steel rubber tyre disposal

Harvest Champion is in negotiations to licence a "Green Steel Rubber Tyre Disposal" system from OneSteel-Australia. "Green steel" is a patented process allowing steelmakers to replace some of the fossil fuels they use as carbon resources in electric arc furnaces, such as coke and coal, with waste polymers including rubber and plastics.

Using existing high temperature steel making plants to transform complex waste materials containing plastics and glass as a raw material resource delivers cost-effective "green steel." Creating value from waste, Green Steel has lead to 1.8 million tyres being diverted from landfill in Australia.

Mini - scale medical waste incineration

Harvest Champion is in negotiation to obtain licences or other rights to technologies held by IRIS, Malaysia. IRIS specialises in small scale plants for the treatment and disposal of medical and industrial toxic waste.

This particular licence will facilitate waste treatment in smaller communities to accommodate the small volume of medical waste or industrial toxic waste at relatively low construction costs.

Biomass Technology

Enerbee Technology United Kingdom is in discussions to licence the "Enerbee Technology" to Harvest Champion. Enerbee technology uses a wide variety of biomass sources such as wood chips, pellets and sawdust, straw, energy crops and agriculture residue. Biomass is typically combusted to produce heat only or heat and power. Harvest Champion will source technologies to support bio-mass plants.

Enviro Technologies

Harvest Champion is in advanced discussions with Pacific Green Technologies, USA to licence the Envi-CleanTM. Envi-CleanTM is a patented Emissions Control System designed to remove pollutants from flue gases. It is suited for the removal of acid gases and particulate matter from high volume processes such as coal fired power stations, diesel engines and biomass combustion.

Advanced Plasma Power

Harvest Champion is in discussion with Advanced Plasma Power Limited (**APP**) for a licence to use their Gasplama® process.

APP is the world leader in waste to energy and advanced fuels technology. APP is revolutionising the way in which we treat waste sustainably by maximising the value from it as a source of materials and energy while minimising the impact of waste on the environment.

APP has developed the Gasplasma® process, a clean, modular, and scalable advanced waste to energy and fuels technology which delivers high efficiencies whilst minimising visual and environmental impact.

Gasplasma® uses a DC Plasma Converter to crack impurities from raw syngas. The intense heat and UV light produced by the Plasma Arc neutralises hazardous waste, such as sludge and oils, creosote, and other preservatives and chemicals. Gasplasma® transforms the organic parts of the waste into a hydrogen-rich syngas that is used to generate clean, renewable power and renewable heat. The second stage Plasma Converter makes hazardous elements inert and all the inorganic materials are vitrified into an environmentally benign product called Plasmarok®

The Gasplasma® process is an innovative combination of two well-established technologies – gasification and plasma treatment, both of which have decades of proven commercial operation.

APP's Gasplasma® technology converts waste and/or the outputs from hazardous and special waste gasification process efficiently and economically into two products.

(i) A clean, hydrogen-rich synthesis gas (syngas), which can be used to generate electricity directly in gas engines, turbines or fuel cells and can also be converted into substitute natural gas, hydrogen or liquid fuels.

(ii) An inert product (Plasmarok®) that has applications as a high value contraction material.

Tetronics, United Kingdom - Hazardous and intermediate level nuclear waste plasma technology

Tetronics Plasma Arc technology manages hazardous waste and materials recovery with close to zero waste. It has 109 patents granted or pending across 12 families and has been used in 80 plants globally over five decades.

Mitsubishi Corporation has signed a collaboration agreement with Tetronics for the treatment of one of the worlds most challenging hazardous wastes called Spent Polliner (**SPL**) generated as a waste by-product during the production of aluminum. Tetronics is providing technology and expertise in processing SPL waste to Mitsubishi.

Harvest Champion is in negotiation with Tetronics to distribute or use the technologies in the China market.

Australian Research Council (ARC) green manufacturing hub target research outcomes period 2015-2019. Worldwide Licence

The Hub, a collaboration between the Australian Federal Government and the University of New South Wales, Australia will provide the foundations for manufacturing to transform waste materials into valuable inputs for high temperature manufacturing processes. Once these technologies have been developed they are transformed into a functioning commercial model. An example of this is the Green Steel system mentioned above.

The Hub currently conducts research in the area of toxic, medical and nuclear waste glass and ceramics.

Dealing with toxic, medical and nuclear waste is an important element of the Hub's research as it is necessary to ensure that manufacturers can adopt industry processes wherein any toxins produced are destroyed or captured.

An expression of interest for participation in the research projects of the Hub has been prepared on behalf of Harvest Champion.

Karablock Barricade Security Technology. UK Patent Application: GB2492773. Worldwide Licence

Waste Management facilities of the future will require Barricade Security Technology because of their advanced science and knowledge assets.

The prevalence of attacks using vehicles to carry explosives towards and into an intended target has become commonplace. Existing barricades fail to halt the vehicles due to their components having relatively weak sub-structures and fragile interconnection. Karablock provides a solution to these problems.

Harvest Champion is in final negotiation to acquire the Karablock technology.

(c) Current Contract(s)

Australian Urethane & Styrene Pty Limited - Recycled plastics for concrete slab forming in residential home construction

Australian Urethane & Stryrene Pty Limited (**AUTS**) has procured a number of patented products with specific application in the use of recycled plastic materials into sustainable building products.

Harvest Champion has executed a reseller agreement for a number of CUPOLEX ™ products. CUPOLEX ™ is a patented energy efficient product of AUTS' for the formation of concrete slabs. The initial agreement provides for distribution in Australia and New Zealand and pre-emptive distribution rights for Harvest Champion in the Chinese market upon AUTS acquiring the master distribution rights for the Chinese market. The CUPOLEX system is a patented product which is distributed by AUTS as the master licensee for Australia.

Harvest Champion is also in discussion with AUTS regarding the distribution of licenced polyurethane blowing agent technologies which allows for polyurethane foams to be manufactures with zero pollutant emissions generated in the manufacturing process.

CUPOLEX® is a system which is used in formwork for concrete slabs, principally for residential housing. The main benefits of CUPOLEX® are:

(i) Environmental benefits;

(ii) Price competitiveness;

(iii) Low carbon footprint; and

(iv) Ease of installation.

2.4 Board and Senior Management

(a) Directors

Immediately following Completion, the Board of Directors of the Company will comprise the following directors

(i) Mr Peter Harrison;

(ii) Mr Wang Qingli;

(iii) Mr Ross Benson;

(iv) Mr Alex Chee Leong Chow;

(v) Mr Wei Dong;

(vi) Mr Li Xianglin; and

(vii) Nathan Bartrop (Company Secretary).

Christopher Ryan (Chairman) Max Davis and Grant Williams (Directors) will resign from the Company from the Completion Date. Christopher, Max and Grant all agreed to take up seats on the board of CWG to assist with the Proposed Transaction. Once the Proposed Transaction has been completed they envisage that the directors that will replace them post-Completion are the directors who are best placed to take the Company in its new direction.

(b) *Senior Management*

In addition to the board of directors, the following persons will act as the senior management of the company immediately following Completion.

(i) Mr Wu Gang;

(ii) Veena Sahajwalla;

(iii) Mr Song Xiang; and

(iv) Mr Ye Bing.

The Qualifications and biographies of the board of directors and senior management are set out in 3.3(g) of this Explanatory Statement.

2.5 Indicative Timetable

Event	Date
Announcement of Entry into SPA	Tuesday 17 March 2015
Notice of Meeting sent to shareholders of CWG	Tuesday 17 March 2015
Prospectus Lodged with ASIC	Friday 27 March 2015
Application for relisting with ASX	Friday 27 March 2015
CWG Shareholders Meeting	Wednesday 15 April 2015
Completion of Proposed Transaction	Friday 24 April 2015
Re-instatement to trading on ASX	Monday 4 May 2015

2.6 Advantages of the Proposed Transaction

The Directors are of the view that the following non-exhaustive list of advantages may be relevant to a Shareholders' decision on how to vote on the Resolutions:

(i) certainty in relation to the future strategy of the Company;

(ii) the continuing viability of the Company as a going concern depends on identifying suitable opportunities that will sustain a viable business. The Proposed Transaction presents one such opportunity and, as such, the Proposed Transaction will allow the Company to continue as a going concern;

(iii) there is exposure to the potential upside of Harvest Champion and the potential for the operation of waste treatment facilities in China as a growth market; and

(iv) the Harvest Champion acquisition will result in a larger market capitalisation and an enhanced shareholder base which should increase the liquidity of the Company's Shares.

2.7 Disadvantages of the Proposed Transaction

The Directors are of the view that the following non-exhaustive list of disadvantages may be relevant to a Shareholders' decision on how to vote on the Resolutions:

(i) the Company will be changing the nature of its activities to become a Company involved in waste treatment management, which may not be consistent with the objectives of Shareholders and will reduce the possibility of an alternative direction for the Company;

(ii) the acquisition of Harvest Champion will result in the issue of a significant number of shares to HC Shareholders, which will have a dilutionary effect on the holdings of shareholders;

(iii) future outlays of funds from the Company may be required for the operation of Harvest Champion;

(iv) the Independent Expert has concluded that the Proposed Transaction is not fair for Shareholders (refer to Annexure 1 "Independent Expert's Report" to this Explanatory Memorandum);

(v) the Company will be required to apply for relisting on the ASX, and must be readmitted to quotation by the ASX; and

(vi) there are a number of other risk factors associated with the change in nature and scale of the Company's activities, and with Harvest Champion's business and operations. Some of these risks are set out in Sections 2.8, 2.9 and 2.10 of this Explanatory Statement.

2.8 Risks relating to the change in nature and scale of activities

(a) Re-quotation of CWG Shares on the ASX

As the Company has no recent involvement in providing management of waste treatment in China, the Proposed Transaction constitutes a significant change in the nature and scale of the Company's activities and, in accordance with Listing Rule 11.1.3, the Company must comply with Chapters 1 and 2 of the ASX Listing Rules as if it were seeking admission to the ASX. There is a risk that the Company may not be able to meet the ASX requirements for re-quotation of its Shares on the ASX. Should this occur, the CWG Shares will not be able to be traded on the ASX until such time as those requirements can be met, if at all.

(b) *Conditions Precedent*

The Harvest Champion Acquisition is subject to a number of conditions precedents as summarised above in section 2.1 of this Explanatory Statement. If these conditions are not satisfied or waived by the relevant due date, the Harvest Champion Acquisition may not proceed, in which case the Company will need to evaluate whether it can continue as a going concern.

2.9 General risk factors

(a) *Market conditions*

The Shares are to be quoted on the ASX, where the price may rise or fall relative to the Offer Price. The Shares issued or sold under the Prospectus carry no guarantee in respect of profitability, dividends, return of capital, or the price at which they may trade on ASX. The value of the Shares will be determined by the share market and will be subject to a range of factors, many or all of which may be beyond the control of the Company and the management team.

(b) *Economic conditions*

The performance of the Company is likely to be affected by changes in economic conditions. Profitability of the business may be affected by some of the matters listed below. The Directors make no forecast in regard to:

(i) the future demand for the Company’s services;

(ii) general financial issues which may affect policies, exchange rates, inflation and interest rates;

(iii) deterioration in economic conditions, possibly leading to reductions in business spending and other potential revenues which could be expected to have a corresponding adverse impact on the Company's operating and financial performance;

(iv) the strength of the equity and share markets in Australia and throughout the world;

(v) financial failure or default by the Company or any other company which is or may become involved in a contractual relationship with the Company; and

(vi) industrial disputes in China and overseas.

(c) *Government policies & legislation*

The Company may be affected by changes to government policies and legislation, including those relating to waste treatment in China and intellectual property (see "Sovereign Risks" below).

2.10 Harvest Champion specific risk factors

(a) Intellectual property

In any business based on intellectual property or trade secrets, there is a risk that other individuals or companies may claim to have any interest in the intellectual property or trade secrets of a company. In addition, intellectual property and trade secrets may be challenged by other parties and Harvest Champion defending its IP position may impact on the Company's earnings adversely.

(b) Competition

The markets in which Harvest Champion operates are subject to potential future competition and there can be no assurances that the competitive environment will not change adversely due to actions of competitors or changes in customer preferences. The Company's financial performance or operating margins could be adversely affected if the actions of competitors or potential competitors become more effective, or if new competitors enter the market and the Company is unable to counter these actions.

(c) Reliance on key personnel

The Company relies on the experience and knowledge of its management team. The Company is also dependent on its ability to recruit and retain suitably qualified personnel. In the event that such key personnel left CWG and it was unable to recruit suitable replacements, such loss could have a materially adverse effect on the Company.

(d) Growth prospects and company expansion plans

The Company's growth prospects are dependent upon a number of factors, including the ability to expand the Company's services to other waste treatment facilities in China.

If the Company fails to execute any expansion plan, its financial performance is likely to be negatively affected.

(e) Research and Development Risks

Investments in research and development or fledgling technologies are often uncertain or unproven and the exact value of those assets may not be known at the time that Harvest Champion acquires them. Expenditure on research and development may yield no results or results different to what is expected. Additionally investments in new technologies, products and processes may not yield the required return on those products for Harvest Champion to generate a return above cost.

(f) Relationships with suppliers

The Company relies on sourcing products from various suppliers and any material adverse change in the Company's relationships with its suppliers, its terms of trade, or the ability of key suppliers to service orders could have an adverse impact on the Company's prospects. Furthermore, the reliance on sourcing products from suppliers exposes the Company to further risks of delivery delays or quality problems that may adversely affect the business. The Company cannot guarantee that all licenses under negotiations will be confirmed.

(g) Sovereign Risk

The Company will conduct a substantial amount of its business in overseas markets, including developing economies. Quite often there is substantial sovereign risk involved in investing in developing economies including the following risks:

(i) the Company's assets are nationalised by a local government authority;

(ii) changes to the governing laws, rules or regulations make the Company's business illegal or less profitable than it had previously been; or

(iii) national business practices may be incompatible with the high corporate governance standards expected of an ASX listed company which may put the Company at a competitive disadvantage to competitors who do not meet the same high standards as the Company.

2.11 Funding

The Company may seek to exploit opportunities of a kind that will require it to raise additional capital from equity or debt sources. There can be no assurance that the Company will be able to raise such capital on favourable terms or at all. If the Company is unable to obtain such additional capital, it may be required to reduce the scope of its anticipated activities, which could adversely affect its business, financial condition and operating results.

The Company will meet any short term funding needs post-Completion through short term shareholder loans made on an arm's length basis. For longer term funding (in particular funding for investment in future projects) the Company will investigate the option of raising funds through future capital raisings.

2.12 Trading in the Company’s shares

The Company’s operating results, economic and financial prospects and other factors will affect the trading price of the Company’s securities. In addition, the price of the Company’s securities is subject to varied and often unpredictable influences on the market for equities, including, but not limited to the performance of the Australian dollar and Chinese renminbi (Yuan), inflation rates, foreign exchange rates, changes to government regulation and policy, industrial disputes, general operational and business risks. The price of the Company’s securities may be volatile due to the change in nature of the Company’s activities.

2.13 Escrow

ASX may reserve the right to apply escrow conditions pursuant to Appendix 9B to any securities of the Company issued pursuant to the Proposed Transaction.

A restricted security is defined under the ASX Listing Rules in reference to Appendix 9B, which also sets out various categories of persons who may be issued restricted securities and the circumstances in which those securities are listed as restricted. Item 4 of Appendix 9B of the ASX Listing Rules provides that securities issued before admission where consideration for the issues of the securities are classified assets are 'restricted securities'.

Under the ASX Listing Rules a classified asset is:

(a) an interest in a mining exploration area, or an oil and gas exploration area or similar tenement or interest;
(b) an interest in intangible property that is substantially speculative or unproven or has not been profitably exploited for at least 3 years and which entitles the entity to develop, manufacture, market or distribute the property;
(c) an interest in an asset which, in ASX's opinion, cannot readily be valued;
(d) an interest in an entity the substantial proportion of whose assets (held directly, or through a controlled entity) is of the type referred to in paragraphs (a), (b), and (c)

There is a risk that ASX may classify the shares in Harvest Champion to be an interest in an entity the substantial proportion of whose assets cannot readily be valued, as the Independent Expert Report has noted that the exact value of the Harvest Champion assets may be difficult to value.

The holders of restricted securities are prohibited from disposing of the securities, creating a security interest over them or generally doing anything that would have the effect of transferring from the holder to another, effective ownership or control of the securities for a particular period.

2.14 Pro-Forma Balance Sheet

The unaudited pro-forma balance sheet of the Company, following completion is set out in Schedule 1 to this Explanatory Statement below.

The effect of the issue of the Consideration Shares on the share capital of CWG is set out in the table below.

2.15 Effect of the Proposed Transaction on CWG Shareholders

Table 1: Capital Structure of Company following the passing of all Resolutions and completion of the Proposed Transaction

Type of CWG Shareholder	Before Completion		After Completion	
	No. of Shares	% of total number of Shares	No. of Share	% of total number of Shares
Existing CWG Shareholders	89,720,622	100%	89,720,622	12.5%%
HC Shareholders (or their nominees)	Nil	0%	628,044,347	87.5%
TOTAL	89,720,622	100%	717, 764, 969	100%

*the table above assumes that there are no securities in CWG issued between the date of this Notice and the date of issue of the Consideration Shares

2.16 What if the Proposed Transaction does not proceed?

If the Proposed Transaction does not proceed then the Company has considered two separate alternatives:

(a) seeking out alternative acquisition targets in the waste management industry both in Australia and Europe; or

(b) future funding sought via an equity placement/s to major shareholders, if need be underwritten by Investorlink Securities Limited (ISL). ISL has consented to this role if required.

3. Resolution 1 - Issue of shares to shareholders of Harvest Champion

3.1 Background

Resolution 1 seeks shareholder approval to issue 628,044,347 shares, representing approximately 87.5% of the Company, to the HC Shareholders in their Respective Proportions.

The issue of shares will resolute in the voting power of the HC Shareholders increasing from 0% before Completion, to 87.5% immediately post Completion. There is a risk that the HC Shareholders could be considered to be "acting in concert" for the Proposed Transaction and they would therefore be associates for the purposes of the Corporations Act. As a precaution against the HC Shareholders being treated as associates their voting power has been aggregated as required for associates under the Corporations Act (see below).

Under exception 16 to ASX Listing Rule 7.1 and 7.1A, shares issued by the Company pursuant to shareholder approval under Item 7 of Section 611 of the Corporations Act are not included in the 15% placement threshold set out in ASX Listing Rule 7.1 and 7.1A. As such if the shareholders approve the issue of shares to the HC Shareholders, the Company is not required to count those shares in determining if any future issue of shares exceeds the limits set out in ASX Listing Rule 7.1 and 7.1A.

Resolution 1 is dependent upon Shareholders approving Resolutions 2, 3, 4, 5, 6, 7 and 8, and conditional upon ASX confirming that the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules.

3.2 The Takeovers Prohibition and Exceptions

(a) The Takeovers Prohibition

Under section 606 of the Corporations Act a person not acquire a relevant interest in voting shares in a listed company through a transaction relating to securities entered into by that person or on behalf of that person where, as a result of the transaction, that person or someone else's voting power in the company increases:

(a) from 20% or below to more than 20%; or

(b) from a starting point that is above 20% and below 90%.

(**Takeovers Prohibition**).

(b) Voting Power

A person's voting power is calculated by taking the total votes in the Company that the person and their associates' have a relevant interest in, and dividing that number by the total votes in the Company with the resulting number multiplied by 100.

(c) Associates

A person (**A**) is an associate (**Associate**) of another (**B**) in relation to a company (**C**) if, among other things:

(a) A is a body corporate and B is:

(i) a body corporate controlled by A;

(ii) a body corporate that controls A; or

(iii) a body corporate that is controlled by an entity that controls A;

(b) A has entered into, or proposes to enter into, an agreement with B to control or influence the composition of C's board or the conduct of C's affairs (for example entry into a shareholders' agreement); or

(c) A and B are acting in concert in relation to C's affairs,

however A and B are not taken to be Associates merely because they share a common director.

For the purpose of (b) above, the "affairs" of C is defined broadly. Under the Act, affairs includes certain matters that would not be within the ordinary meaning of the term, for example the ownership of shares in C and the power to control the disposal or voting rights of shares in C.

There is a risk that the HC Shareholders will be treated as associates for the purposes of the Corporations Act (see paragraph 3.1 above). As a precaution against this the votes attaching to shares that the HC Shareholders have a relevant interest in have been aggregated under the Corporations Act.

A person (X) controls another person (Y) if X has the capacity to determine the outcome of decisions about Y's financial and operating policies, having regard to the practical influence that X can exert over Y and any practice or pattern of behavior affecting Y's financial or operating policies.

(d) Relevant Interest

A person has a relevant interest in shares if:

(a) they hold the shares;

(b) they have the power to exercise, or control the exercise of a right to vote attached to the shares;

(c) they have the power to dispose of, or control the exercise of a power to dispose of, the shares (that is, they can chose when the shares are or are not bought and/or sold); or

(d) they have an agreement with another person who has a relevant interest in shares, or they grant or obtain an option or other right in relation to another person's relevant interest in shares (whether or not presently enforceable or unconditional), and upon performance or exercise of that agreement, option or right they would obtain a relevant interest.

Additionally a person has a relevant interest under section 608(3) of the Corporations Act that any of the following has:

(a) a body corporate or managed investment scheme in which the person's voting power is above 20%; or

(b) a body corporate or managed investment scheme that the person controls.

(e) Item 7, Section 611 Approval

As noted above, the HC Shareholders will acquire 87.5% of the voting power in CWG on Completion of the Proposed Transaction. The Proposed Transaction would therefore be in breach of the prohibition in section 606 of the Corporations Act unless an exemption applies.

Pursuant to item 7 of section 611 of the Corporations Act, an acquisition of shares is exempt from the prohibition in section 606 if the acquisition of shares is approved by a prior resolution passed at a general meeting if:

(a) no votes are cast in favour of the resolution by:

(i) the person proposing to make the acquisition or their associates (i.e. the HC Shareholders and their associates); or

(ii) the person from whom the acquisition is to be made and their associates; and

(b) the members of the company are given all information known to the person proposing to make the acquisition or their associates, or known to the company, that was material to the decision on how to vote on the resolution including the information set out in part 3.3 below.

3.3 Specific Information Required under Item 7 of Section 611 and ASIC Regulatory Guide 74

(a) Identify of the Acquirers and their Associates

Pursuant to the Proposed Transaction, the seven Harvest Champion shareholders will each acquire a relevant interest in the Company's shares.

The shareholders of Harvest Champion are likely to be associates of each other for the purposes of the Corporations Act. Therefore the Relevant Interest and Voting Power that each have in the other's shares will be aggregated.

The Harvest Champion shareholders (and their associates) are listed in the table below:

Party	Associates
Galactic Group Limited	Nil
Solar Vantage Limited	Nil
Copious Century Holdings Limited	Nil
Aldrich Investments Limited	Nil
Diamond Grid Holdings Limited	Nil
Elite Connection Limited	Nil
Golden Voyage Holdings Limited.	Mr Wang Tienan

The effect that the issue of CWG shares to each of the Vendors will have on their Voting Power is set out below.

(b) Relevant Interest and Voting Power

The effect that the issue of CWG shares to each of the Vendors will have on the voting power

(i) **Relevant Interest**

The Harvest Champion shareholders will acquire the following relevant interests in shares:

Party	Relevant Interest as at the date of this Explanatory Statement	Relevant Interest after the issue of the Consideration Shares
Galactic Group Limited	Nil	3,588,825
Solar Vantage Limited	Nil	61,010,022
Copious Century Holdings Limited;	Nil	62,804,435
Aldrich Investments Limited;	Nil	62,804,435
Diamond Grid Holdings Limited;	Nil	71,776,497
Elite Connection Limited; and	Nil	129,197694
Golden Voyage Holdings Limited.	Nil	236,862,439

(ii) **Voting Power**

The current Voting Power of the Harvest Champion shareholders as well as their future Voting Power immediately after Completion is as follows

Party	Voting Power as at the date of this Explanatory Statement	Voting Power after the issue of the Consideration Shares (not including associates)	Voting Power after the issue of the Consideration Shares (including associates)
Galactic Group Limited	Nil	0.5%	87.5%
Solar Vantage Limited	Nil	8.5%	87.5%
Copious Century Holdings Limited;	Nil	8.75%	87.5%
Aldrich Investments Limited;	Nil	8.75%	87.5%
Diamond Grid Holdings Limited;	Nil	10%	87.5%
Elite Connection Limited; and	Nil	18%	87.5%
Golden Voyage Holdings Limited.	Nil	33%	87.5%

(c) *Reasons for the proposed acquisition*

The reason for the issue of the shares to the HC Shareholders is that it is required to complete the Proposed Transaction. If the shares are not issued to the HC Shareholders then the Proposed Transaction will not proceed and the Company will not acquire Harvest Champion.

(d) *Date of the proposed acquisition*

The Consideration Shares will be issued on Completion of the Proposed Transaction which will occur in accordance with the timetable set out in this Explanatory Statement.

(e) *Material terms of proposed issue of securities*

The directors consider that the summary of the SPA set out in paragraph 2.1 are relevant and apply to a shareholder's decision on how to vote on resolution 1, as well as all other resolutions.

(f) *Acquirer's intentions*

Other than as disclosed in this Explanatory Statement, as at the date of this Notice and assuming change by reason of the Proposed Transaction, the Company understands that the HC Shareholders each:

(i) have no present intention of making any significant changes to the business of the Company (other than the changes set out in this Explanatory Statement) or Harvest Champion;

(ii) intend to participate in further capital raisings of the Company to maintain their shareholding interest;

(iii) have no present intention of making changes regarding the future employment of the present employees of the Company;

(iv) do not intend to redeploy any fixed assets of the Company;

(v) do no intend to transfer any property between the Company and the HC Shareholders; and

(vi) have no intention to change the Company's existing policies in relation to financial matters or dividends.

(g) *Proposed change of directors of the Company*

Post-Completion Mr Peter Harrison, Mr Wang Qingli, Mr Ross Benson, Mr Alex Chee Leong Chow, Mr Wei Dong and Mr Li Xianglin will be appointed as directors of the Company. Mr Chris Ryan and Mr Grant Williams will each step down as directors of the Company on and from Completion.

Peter Harrison - Independent Co-Chairman

Mr Peter Harrison is an Australian born, business developer with an expertise in marketing and finance.

Mr Harrison has founded several international marketing business that he has built up and sold in Australia and the UK. He has been closely involved in international renewable energy initiatives in the UK, Asia, and Northern America. Prior to moving to the UK, Peter was personally advising the Ford Motor Company on project Ford 2000 - a five year worldwide company refocusing project.

Mr Harrison is passionate about environmental protection through scientific studies of waste and the resultant technologies that will lead to the transformation of the waste management industry worldwide. Peter's other directorships include Director, Augusta Ventures Limited, European Director, Investorlink Group Limited, and Chairman, UK Foundation of The University of New South Wales, Australia. He was formally inaugural chairman of The Australian Sports Training Company, a joint venture between the Australian Federal Government and the Australian Rugby League.

Wang Qingli Co-Chairman

Mr Wang Qingli is an expert in China's environmental protection efforts. He has published more than 200 scientific articles and co-edited 7 books in the environmental protection sector.

Prior to joining the board of directors of Harvest Champion, he was the general director of the China Academy of Science Kunming Academy of Life Science. Before that, he was the general director of China Academy of Science Shenyang Academy. He was adjunct professor in University of British Colombia, Canada. Mr Wang Qingli obtained his PhD in ecology from University of British Colombia.

Ross Benson - Independent Director

Mr Benson founded Investorlink in 1986 and has over 28 years of experience in the Australian financial services industry, with extensive knowledge in securities, deal structuring and business strategy.

Mr Benson has lead negotiations for divestment and acquisition strategies for medium to large enterprises and has a depth of experience in prospectus and offer document preparation.

Subsequent to the formation of Investorlink, he has established associated business units in wealth management, private equity, property syndication and structured financial products.

Over the past 9 years he has spent significant time in China originating inbound and outbound investment activity.

Alex Chee Leong Chow- Independent Director

Mr Alex Chow is an experienced Chief Financial Officer, and Company Secretary operating at the executive level for more than 16 years, mainly in the technology and Infrastructure industries. He has developed a track record in managing external and internal relationships, cash management, driving profitability, raising capital, strategic planning, budgeting / forecasting, tax management and managing change.

Alex is a chartered public accountant and has obtained a Bachelor's Degree in Commerce from the University of New South Wales.

Mr Wei Dong, PHD - Executive Director

Mr Wei Dong is currently the Chairman of China Urban Mining Holdings Limited (a subsidiary of Harvest Champion). He is the co-founder of CAS-Tongde (Xiamen), IOT Technology Limited and China Energy Holdings (HK) Limited.

He has more than 15 years of experience in large scale multi-national enterprises and Chinese state-owned-enterprises. He participates and manages various aspects of operations including marketing, infrastructure management, and thermal power management. He is familiar with corporate operations, company management, and fundraising.

His particular area of focus is in the environmental protection industry and sustainable waste processing technologies. Mr Wei Dong obtained his PhD degree in Environmental Economy and Management from the University of Chinese Academy of Science.

Mr Wei Dong is a director of Diamond Grid Holdings Limited. Diamond Grid Holdings Limited is a HC Shareholder that will hold 10% of the shares in CWG post Completion.

Mr Li Xianglin- Executive Director

Mr Li Xianglin is currently a director of China Urban Mining Holdings Limited (a subsidiary of Harvest Champion). He is also a technology consultant to Shenzhen Black Swan Asset Management Limited.

Before joining China Urban Mining Holdings Limited, he worked in the Imaging Systems Laboratory at the University of Hong Kong. Prior to that he spent two years as research assistant in Rochester Center for Brain Imaging, Rochester, NY, USA.

In addition to his science and engineering background, he also has experience in venture capital investment and was a member of Charles Xue Angel Investment Team, where he reviewed, prepared and implemented business plans in the technology, media, and telecommunications sector.

Mr Li obtained his Masters of Science Degree from University of Rochester (USA) and his Bachelor of Engineering degree from Zhejiang University (China).

(h) Proposed Changes to the Senior Management of the Company

Wu Gang - Senior Consultant

Mr Wu Gang will become the chief consultant to China Urban Mining Holdings Limited.

He is currently the general director of China Energy Research Centre and the Deputy President of the China Wetland Protection and Recovery Technology Center.

In addition to these duties, Mr Wu is a research fellow of the China Academy of Science Ecology and Environment Research Center. As an expert at China's environmental protection academy, Mr Wu has published more than 220 academic articles and co-edited 4 books on topics relating to Ecology and Environmental Research. Mr Wu obtained his PhD from the China Academy of Science Ecology and Environment Research Center (joint program with Purdue University).

Veena Sahajwalla - Consultant

Scientia Professor Veena Sahajwalla is the Director of the Centre for Sustainable Materials Research and Technology (**SMaRT**) and is an Australian Research Council Future Fellow at the University of New South Wales in Sydney, Australia.

Professor Sahajwalla's research has changed how the properties of carbon-bearing materials are understood, including coals, cokes, graphites, plastics and rubber tires. Professor Sahajwalla has been instrumental in developing new theories and practical applications relating to carbon-based industries such as iron-making, steelmaking and ceramics. Professor Sahajwalla obtained her PhD from University of Michigan, and her Master's degree from University of British Columbia.

Song Xiang - Director and General Manager - China Urban Mining Holdings

Mr Song Xiang will become director and general manager of China Urban Mining Holdings Limited.

Mr Song has more than 30 years experience in Chinese state-owned-enterprises. Before joining China Urban Mining, Mr Song worked for China Power Complete Equipment Co., Ltd, a subsidiary of China Power Investment Co., Ltd.

Mr Song has an extensive knowledge of electrical equipment certification, supplies purchasing, manufacturing, infrastructure management, import/export of equipment, and corporate governance. Mr Song is an executive director of Power (Beijing) Product Certification Center Co., Ltd, Shanghai Power Investment Mineral Co., Ltd and Shanghai Power Investment Piping Engineering Co., Ltd.

Prior to taking up these roles, Mr Song worked for the former China National Ministry of Electric Power. He obtained his Bachelors Degree in power system automation from North China Electric Power University.

Ye Bing- Director and General Manager - China Urban Mining Holdings

Mr Ye Bing will become director and deputy general manager of China Urban Mining Holdings Limited.

Mr Ye Bing spent seven years as the marketing manager for Schneider Electric China. As a result of this experience Mr Ye offers expertise in managing and supporting cross functional teams creating new products relating to electric switching devices based on consumer insight, sales analysis and competitor research, as well as implementing market action plans and delivering yearly growth targets in cooperation with sales teams and factory.

In 2010, Mr Ye was appointed as a director of Strategy and Biz Development, where he successfully led the integration program after the Areva acquisition (which included more than 200 front office employees with 4 billion RMB in sales revenue).

Mr Ye also has extensive experience in dealing with state owned corporations in China. Prior to working in Schneider Electric, Mr Ye was an electric systems designer at Beijing Institute of Nuclear Engineering, and he participated in several nuclear power plant projects in China.

Mr Ye was awarded a Bachelors Degree in Electric Engineering from WuHan University, and was awarded an MBA degree from Tsing Hu University.

(i) Other information

The Directors are not aware of any information other than as set out in this Notice that is material to the decision on how to vote on Resolution 1.

3.4 Advantages of the issue of Consideration Shares

The directors consider that the non-exhaustive list of advantages set out in paragraph 2.6 are relevant and apply to a shareholder's decision on how to vote on resolution 1, as well as all other resolutions.

3.5 Disadvantages of the issue of Consideration Shares

The directors consider that the non-exhaustive list of disadvantages set out in paragraph 2.7 are relevant and apply to a shareholder's decision on how to vote on resolution 1, as well as all other resolutions.

3.6 Directors' Recommendation

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

3.7 Independent Expert's Report

The Company has engaged Grant Thornton to provide an Independent Expert's report regarding the Proposed Transaction.

The role of the Independent Expert's Report (see Annexure 1) is to asses whether the transactions contemplated by Resolution 1 are fair and reasonable to the Company's shareholders.

The Independent Expert's Report has concluded that the Proposed Transaction is unfair but reasonable to the Company's shareholders.

Shareholder's should carefully read the Independent Expert's Report in its entirety to understand the scope of the report, the sources of information and the assumptions made and the methodology the Independent Expert used to value the Proposed Transaction.

3.8 Pro Forma Balance Sheet

A pro forma balance sheet of the Company post Completion is set out in Schedule 1.

4. Resolution 2 - Substantial Change in Nature and Scale of Activities

4.1 Background

Resolution 2 seeks Shareholder approval to change the nature and scale of the Company's activities. The Company will change from a mining exploration company to a waste technology and processing company with a focus on the Chinese market. The Company will dispose of its existing mining tenements and its other assets relating to mining exploration.

A detailed description of the proposed acquisition of the Company by Harvest Champion is set out in sections 2 and 3 above.

As outlined in Section 2 of this Explanatory Statement, the Company has entered into the Share Purchase Agreement with the shareholders of Harvest Champion.

Resolution 2 is dependent upon Shareholders approving both Resolutions 1, 3, 4, 5, 6, 7 and 8, and conditional upon ASX confirming that the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules.

4.2 Rationale

Under ASX Listing Rule 11.1 if the Company proposes to effect any significant change in the nature and scale of the Company's activities it must provide full details to the ASX as soon as practicable and in any event before making the change. Additionally the Company must:

(a) give ASX information regarding the change and the effect of the change on future potential earnings, as well as any other information that the ASX requests;

(b) if the ASX requires, the Company must obtain the approval of holders of the Company's ordinary securities and must comply with the ASX requirements in relation to the notice of meeting (which must include a voting exclusion statement); and

(c) if the ASX requires, the Company must meet the requirements in chapters 1 & 2 of the ASX Listing Rules as if the Company were applying for admission to the official list.

The ASX has indicated that the Company is required to seek shareholder approval for the Proposed Transaction due to the nature and scale of the changes that the issue of shares to Harvest Champion shareholders will have.

For this reason, the Company is seeking shareholder approval for the Company to change the nature and scale of its activities under ASX Listing Rule 11.1.2 and will need to re-comply with Chapters 1 & 2 of the ASX Listing Rules pursuant to ASX Listing Rule 11.1.3, in order to complete the Proposed Transaction.

4.3 Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 2.

5. Resolution 3 - Appointment of Peter Harrison

5.1 Background

The Company is seeking shareholder approval for the appointment of Mr Peter Harrison on and from the date of Completion of the Proposed Transaction.

Resolution 3 is dependent upon Shareholders approving both Resolutions 1, 2, 4, 5, 6, 7 and 8, and conditional upon ASX confirming that the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules.

5.2 Rationale

The Directors consider that the relevant information set out in paragraph 3.3(g) of this Explanatory Statement is relevant to a shareholder's decision on how to vote on resolution 3.

5.3 Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 3.

6. Resolution 4 - Appointment of Wang Qingli

6.1 Background

The Company is seeking shareholder approval for the appointment of Mr Wang Qingli on and from the date of Completion of the Proposed Transaction.

Resolution 4 is dependent upon Shareholders approving both Resolutions 1, 2, 3, 5, 6, 7 and 8, and conditional upon ASX confirming that the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules.

6.2 Rationale

The Directors consider that the relevant information set out in paragraph 3.3(g) of this Explanatory Statement is relevant to a shareholder's decision on how to vote on resolution 4

6.3 Directors' Recommendation

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

7. Resolution 5 - Ross Benson

7.1 Background

The Company is seeking shareholder approval for the appointment of Mr Ross Benson on and from the date of Completion of the Proposed Transaction.

Resolution 5 is dependent upon Shareholders approving both Resolutions 1, 2, 3, 4, 6, 7 and 8, and conditional upon ASX confirming that the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules.

7.2 Rationale

The Directors consider that the relevant information set out in paragraph 3.3(g) of this Explanatory Statement is relevant to a shareholder's decision on how to vote on resolution 5.

7.3 Directors' Recommendation

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

8. Resolution 6 - Alex Chee Leong Chow

8.1 Background

The Company is seeking shareholder approval for the appointment of Mr Alex Chee Leong Chow on and from the date of Completion of the Proposed Transaction.

Resolution 6 is dependent upon Shareholders approving both Resolutions 1, 2, 3, 4, 5, 7 and 8, and conditional upon ASX confirming that the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules.

8.2 Rationale

The Directors consider that the relevant information set out in paragraph 3.3(g) of this Explanatory Statement is relevant to a shareholder's decision on how to vote on resolution 6.

8.3 Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 6.

9. Resolution 7 - Appointment of Wei Dong

9.1 Background

The Company is seeking shareholder approval for the appointment of Mr Wei Dong on and from the date of Completion of the Proposed Transaction.

Resolution 7 is dependent upon Shareholders approving Resolutions 1, 2, 3, 4, 5, 6 and 8, and conditional upon ASX confirming that the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules.

9.2 Rationale

The Directors consider that the relevant information set out in paragraph 3.3(g) of this Explanatory Statement is relevant to a shareholder's decision on how to vote on resolution 7.

9.3 Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 7.

10. Resolution 8 - Appointment of Li Xianglin

10.1 Background

The Company is seeking shareholder approval for the appointment of Mr Li Xianglin on and from the date of Completion of the Proposed Transaction.

Resolution 8 is dependent upon Shareholders approving both Resolutions 1, 2, 3, 4, 5, 6 and 7, and conditional upon ASX confirming that the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules.

10.2 Rationale

The Directors consider that the relevant information set out in paragraph 3.3(g) of this Explanatory Statement is relevant to a shareholder's decision on how to vote on resolution 8.

10.3 Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 8.

11. Resolution 9 - Change of Company Name

11.1 Background

Resolution 9 seeks Shareholder approval to change the Company's name from **Central West Gold Limited**, to **China Waste Corporation Limited**.

Resolution 9 is dependent upon Shareholders approving both Resolutions 1, 2, 3, 4, 5, 6, 7 and 8, and conditional upon ASX confirming that the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules.

11.2 Rationale

Subject to Shareholders approving Resolutions 1, 2, 3, 4,5, 6, 7, and 8 this change is required in line with the Company's change from a mining exploration group to a waste technology and processing company.

The new name reflects the Company's changed business activities and is a more appropriate reflection of its new activities.

11.3 Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 9.

Directors' recommendation

The directors of the Company unanimously recommend that each Shareholder approve the Resolution (as set out in Section C above).

None of the current directors of the Company have a personal interest in the Resolution.

Schedule 1 - Pro Forma Balance Sheet

1. Introduction

This Section sets out the Historical Financial Information and Proforma Financial Information. The basis for preparation and presentation is set out below.

The Financial Information has been prepared by management and adopted by the Directors of the Company. The Financial Information is considered to be the consolidated group of CWG and HC on the basis as set out below.

2. Basis of Preparation

The Historical Financial Information and Proforma Financial Information has been prepared in accordance with the measurement and recognition criteria of Australian Accounting Standards and the significant accounting policies on the assumption that the proposed acquisition occurred on 6 February 2015.

The accounting policies comply with Australian Equivalents to International Financial Reporting Standards (AIFRS) which ensures compliance with International Financial Reporting Standards (IFRS).The Historical and Proforma Financial Information is presented in an abbreviated form insofar as it does not include all the disclosures and notes required in an annual financial report prepared in accordance with Australian Accounting Standards and the Corporations Act 2001.

The Historical Financial Information of the consolidated group provided in this Prospectus comprises a Proforma consolidated statement of financial position as at 6 February 2015, which is based upon:

(a) the Company's unaudited statement of financial position as at 6 February 2015;

(b) HC's audited statement of financial position as at 6 February 2015,

(c) (together, the Historical Financial Information); and

(d) relevant Proforma adjustments required to present the consolidated group, (together with the Historical Financial Information, the Proforma Financial Information).

The information in this Section is presented on a Proforma basis only, and as a result it is likely that this information will differ from the actual financial information for the consolidated group as at completion of the proposed acquisition.

3. Accounting under AASB 3 'Business Combinations' to determine the acquirer

Australian Accounting Standards require that where two or more entities combine through an exchange of equity for the purposes of a combination, one of the entities must be deemed to be the accounting acquirer (accounting parent).

The Company is the legal acquirer (legal parent) in respect of the proposed acquisition and it will issue Shares in the Company to effect the business combination. However, in accordance with Australian Accounting Standards, all relevant facts and circumstances must be considered to determine which entity has obtained control in the transaction and is therefore deemed to be the accounting acquirer (accounting parent).

The proposed acquisition is a merger of a listed and non-listed entity and the Directors have considered the guidance set out in Australian Accounting Standard AASB 3 'Business Combinations' and CWG was deemed to be the accounting acquirer (accounting parent). This accounting method is referred to as a 'reverse acquisition'. The factors considered included the relative voting rights after the business combination, Board and management composition of the consolidated group and other factors.

The net assets of the Company reflect the assets and liabilities deemed to be acquired by CWG and are stated at their acquisition date fair values. The assets and liabilities of CWG as the accounting acquirer are maintained at their historical book values.

Any difference between the fair value of the value of the consideration paid, and the fair value of the assets of the Company acquired is recognised as goodwill on consolidation

The Company is the legal acquirer and will be the reporting entity of the consolidated group. The accounting policies of the consolidated group used in the compilation of the Proforma Financial Information are based on those of the Company. A summary of the significant accounting policies of the Company is disclosed in the audited financial statements of the Company for the year ended 30 June 2014, available on ASX's website at www.asx.com.au.

Upon completion of the proposed acquisition, the business of the Company will have changed to that of the consolidated group resulting in the need to consider and/or adopt new accounting policies.

No adjustments have been made in the Proforma financial information for any expected synergies or integration costs following the completion of the proposed acquisition. Nor have any adjustments been made in the Proforma financial information for any one-off or non-recurring costs, other than those set out in the Proforma adjustments.

The functional and presentation currency of the Company (the reporting entity) is Australian dollars.

4. Pro forma Financial Information

This Section contains the Proforma Financial Information for the merged group, reflecting the combined business of the Company and HC. The Proforma Financial Information is presented to provide shareholders with an indication of the consolidated group's consolidated financial position as if the proposed acquisition had been implemented as at 6 February 2015.

As the proposed acquisition, if implemented, will be effected at a future date, the actual financial position of the consolidated group post completion will differ from that presented below.

References to notes in the table presented below refer to the notes to Proforma adjustments set out below.

The CWG financial information as at 6 February 2015 has been translated using an US$ to A$ exchange rate of 1.277.

CENTRAL WEST GOLD LIMITED

UNAUDITED PRO-FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 6 FEBRUARY 2015

	Conversion	1.277	(RBA rate 6 February)	
	Harvest Champion Limited US$	Harvest Champion Limited A$	Central West Gold Limited	Pro forma post balance date adjustments
	US$	$A	$A	$A
Current assets				
Cash and bank balances	3,199,272	4,085,470	123,771	4,209,241
Prepayments		0	2,641	2,641
Investments		0	1,806	1,806
GST refund due		0	65,028	65,028
	3,199,272	4,085,470	193,246	4,278,716
Non-current assets				
Goodwill on consolidation	2,629	3,357		840
Mining tenements at valuation				550,000
Mines Department Bonds	0	0	47,500	47,500
	2,629	3,357	47,500	598,340
Total assets	3,201,901	4,088,827	240,746	4,877,056
Current liabilities				
Trade creditors		0	23,191	23,191
Other creditors and accruals	3,590	4,584	42,123	336,707

Unsecured loan	1,012,693	1,293,209		1,293,209
	1,016,283	1,297,793	65,314	1,653,107
NET ASSETS	2,185,618	2,791,034	175,432	3,223,949
SHAREHOLDERS EQUITY				
Share capital	20,000	25,540	9,029,413	11,817,930
Accumulated losses	-15,382	-19,643	-8,853,981	-9,143,981
Asset revaluation reserve				550,000
Share premium reserve	2,181,000	2,785,137		0
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	2,185,618	2,791,034	175,432	3,223,949

5. Notes to the Pro forma adjustments

The following Proforma adjustments to the Historical Financial Information have been made in the compilation of the Proforma Financial Information, including the adjustments to reflect the impact of acquisition accounting and certain transactions and/or events post 6 February 2015.

Note 1: On 17 March 2015, the Company executed a Share Purchase Agreement to acquire HC through the issue of 628,044,347 CWG shares at a value of $0.0044 per share.

Note 2: The directors of CWG adopted the Independent valuation of its mining tenements at $550,000 per GEOS Consulting report dated 10 March 2015.

Central West Gold Limited

Independent Expert's Report and Financial Services Guide

3 March 2015

The Directors
Central West Gold NL
Level 6
350 Kent Street
Sydney NSW 2000

3 March 2015

Dear Sirs

Independent Expert's Report and Financial Services Guide

Introduction

Central West Gold Limited ("CWG" or "the Company") is an Australian public company listed on the Australian Securities Exchange ("ASX"). CWG mainly holds gold and copper exploration tenements located in New South Wales ("NSW"), Australia. The market capitalisation of CWG was approximately A$26.5 million as at 2 March 2015.

Harvest Champion Limited ("HCL") is an unlisted investment holding company incorporated in the Cayman Islands. Currently HCL is focused on building a portfolio of technologies for waste recycling and sustainable materials transformation processes. HCL intends to focus predominantly on the Chinese market. HCL has recently executed a reseller agreement with Australian Urethane & Stryrene Pty Limited ("AUST") for a patented energy efficient product for the formation of concrete slabs. The initial agreement provides for distribution in Australia and potentially in the Chinese market. In addition, we have been instructed that HCL is in discussions/negotiations in relation to eight additional licences which are all in the green technologies and/or waste treatment and disposal fields and are expected to allow HCL to establish a strong footprint in China in those markets[1]. Currently HCL has net assets of circa A$2.8 million (mainly cash backed[2]).

On 16 March 2015, CWG and HCL entered into a share sale and purchase agreement ("SPA") under which CWG will acquire 100% interest in HCL for the consideration of 628,044,347 new shares in CWG ("the Consideration Shares") ("the Proposed Transaction"). The Consideration Shares represent approximately 87.5% of the enlarged share capital of CWG after the Proposed

[1] We note that we have not been provided with any documentations or correspondence in relation to these discussions and negotiations.
[2] We note approximately $US1.2 million is committed to stock purchases under the reseller agreement with AUST (refer to Section 6.2 for further details).

Transaction. Detailed terms of the Proposed Transaction are set out in Section 1 of this report.

If the Proposed Transaction is implemented, there will be a significant change in the nature and scale of CWG's activities, the composition of the Board of CWG ("the Board"), and CWG will change its name to "China Waste Corporation Limited" ("CWC").

The Directors of CWG unanimously recommend CWG Shareholders to approve the Proposed Transaction.

Purpose of the report

The Directors of CWG ("the Directors") have engaged Grant Thornton Corporate Finance Pty Limited ("Grant Thornton Corporate Finance") to prepare an independent expert's report to state whether the Proposed Transaction is fair and reasonable to the shareholders of CWG ("the CWG Shareholders") for the purposes of Item 7 of Section 611 of the Corporations Act, 2001 ("the Corporations Act").

When preparing the independent expert's report, Grant Thornton Corporate Finance will have regard to ASIC Regulatory Guide 111 *Contents of expert reports* ("RG 111") and Regulatory Guide 112 *Independence of experts* ("RG 112"). The independent expert's report will also include other information and disclosures as required by ASIC.

For the purpose of this report, an independent technical specialist, Geos Mining Mineral Consultants ("Geos"), was engaged to provide an independent technical report ("the Geos Report") in relation to the exploration assets owned by CWG. Geos report is included as Appendix D to this report.

Summary of opinion

Grant Thornton Corporate Finance has concluded that the Proposed Transaction is NOT FAIR but REASONABLE to the CWG Shareholders.

In accordance with RG111 clause 109 we note certain limitations in the preparation of the Independent Expert's Report ("IER") regarding our inability to confirm the status, nature and extent of the material potential licensing agreements that HCL is currently negotiating with third-parties (refer to section 6.3), and the relationships (formal and informal) that HCL may have established to support its venture into the Chinese markets. Whilst our valuation assessment of HCL is only based on the net assets backing as at 6 February 2105 and accordingly does not reflect any blue-sky potential of the business, if the representations and information provided by HCL in relation to the above matters are not realised in the future, they may have a material adverse impact on CWG Shareholders.

In addition to the above, we note that the IER was prepared in an extremely concise timeframe.

Notwithstanding the above limitations, it is our opinion that this report will still assist CWG Shareholders in considering the Proposed Transaction.

Fairness assessment

In forming our opinion in relation to the fairness of the Proposed Transaction to the CWG Shareholders, Grant Thornton Corporate Finance has compared the value per CWG Share before the Proposed Transaction (on a control basis) to the assessed value per CWG Share after the Proposed Transaction (on a minority basis).

The following table summarises our assessment:

Valuation summary	Section Reference	Low (A$)	High (A$)
Fair market value of CWG Share before the Proposed Transaction (on control basis)	9	0.0032	0.0065
Fair market value of CWG Share after the Proposed Transaction (on minority basis)	10	0.0030	0.0033
Increase/(decrease) in value per CWG Share (A$)		**(0.0001)**	**(0.0032)**
Increase/(decrease) in value per CWG Share (%)		*-4.4%*	*-48.9%*

Source: GTCG calculations

The fair market value per CWG Share on a minority basis after the Proposed Transaction is lower than the fair market value per CWG Share prior to the completion of the Proposed Transaction on a control basis. Accordingly, we have concluded that the Proposed Transaction is NOT FAIR to the CWG Shareholders.

We note that our valuation assessment of HCL (incorporated into our assessed fair value of CWG after the Proposed Transaction) is only based on the market value of net assets (predominately cash backed). Due to the lack of strategic information and the preliminary nature of its investment opportunities/discussions, our valuation assessment of HCL's investments and opportunities does not incorporate any future 'blue-sky' potential.

Conversely, we note that our valuation assessment of CWG on a control basis before the Proposed Transaction is materially below the recent trading prices on the ASX. Based on the analysis undertaken in Section 9.4.1, we are of the opinion that this pricing differential appears to be mainly driven by investors speculation and optimism in relation to the opportunity arising from the change of the nature of the activity of the Company (from mining exploration in Australia into waste management in China). Whilst this potential blue sky opportunity may be reflected into the trading prices of CWG, it is not captured in our valuation assessment of HCL as set out above.

CWG Shareholders should be aware that our assessment of the value per CWG Share does not reflect the price at which CWG Shares will trade if the Proposed Transaction is completed. The price at which CWG Shares will ultimately trade depends on a range of factors including the liquidity of CWG Shares, CWG's cash position, macro-economic conditions and the underlying performance of the CWG business.

Reasonableness assessment

RG111 establishes that an offer is reasonable if it is fair. It might also be reasonable if, despite being not fair, there are sufficient reasons for the security holders to accept the offer in the absence of any superior proposal. In assessing the reasonableness of the Proposed Transaction, we have considered the following advantages, disadvantages and other factors.

Advantages

Certainty in relation to the future strategy of the Company

CWG has been in discussions with HCL since December 2013 and has released/ let expire the majority of its mining tenements. If the Proposed Transaction is not approved, the Directors have indicated that the shares of the Company will remain suspended from trading until such time as the Company finds an alternative investment that CWG Shareholders will approve. There is significantly uncertainty as to when or if an alternative transaction may be concluded, what form it may take and whether it would be more favourable than the Proposed Transaction. While the CWG Shares are suspended, CWG Shareholders will not be able to trade and realise any value in their share holdings.

The Proposed Transaction provides CWG Shareholders with an immediate and new business proposition. HCL has recently executed a reseller agreement (see Section 6.2 for details) and is in negotiations for a further 8 licensing agreements (see Section 6.3 for details). At completion of the Proposed Transaction, the Directors will be replaced by the Vendor New Officers who will guide the Company with its renewed focus into the China waste management and green technology markets.

Exposure to the potential upside of HCL

If the Proposed Transaction is approved, CWG will own 100% of HCL and become a company mainly focused on the China waste management and green technology sector. HCL is in the start-up phase and currently holds only one executed reseller agreement. However, Management has represented that HCL has spent the past 8-years forming partnerships for research and development, and has 8 material licensing agreements currently under negotiation, which are expected to be realised in the short to medium term. Due to the lack of certainty and of information provided, we have not incorporated in our valuation assessment of HCL the potential value attributable to the licensing agreements and have instead only considered the net asset value (mainly cash) of HCL.

CWG Shareholders will be able to gain exposure to the potential upside of HCL upon approval of the Proposed Transaction. Though we note, the potential upside offered by HCL is accompanied by significant levels of inherent risk (discussed further in 'disadvantages' section below). Whether the potential return warrants the associated level of risk is a matter for each CWG Shareholder to decide based on their own risk profiles, views of the value of HCL and expectations about future market conditions and the future operating performance of HCL.

The Proposed Transaction provides CWG with a cash injection and enhanced shareholder base

As at 6 February 2015, CWG only had a cash balance of A$123,771. If the Proposed Transaction is completed, the consolidated group will have a cash balance of A$4,209,241[3] (per the proforma balance sheet as set out in Section 7.2) with which to pursue its objectives. In our opinion, this will alleviate the existing financing pressure and risk of CWG. In particular, we note that if the Proposed Transaction is not successful, CWG will be required to undertake a capital raising to ensure the Company remains a going concern. Given the Company will have no significant operations, opportunities or strategic direction, and current difficult market conditions in general, the capital raising will likely be undertaken at a material discount to the trading price of CWG Shares and more in line with the underlying value of its assets. As discussed further in the 'other considerations' section, the trading price of CWG Shares, in the absence of the Proposed Transaction, would likely be significantly lower than current trading prices.

CWG, after the implementation of the Proposed Transaction, will likely be able to attract and obtain funds on a more reasonable basis given the Company will have a strategic plan and potential licensing agreements. Furthermore, CWG will have access to the expanded shareholder base which will include the Vendors. The expanded shareholders base may assist and facilitate future capital raising and the expansion/funding of the existing investments (if required).

Disadvantages

The Proposed Transaction is not fair

The Proposed Transaction is not fair based on our valuation of CWG on a control basis before the Proposed Transaction and our valuation of CWG on a minority basis after the Proposed Transaction.

Dilution of existing CWG Shareholders

The interests of CWG Shareholders will be diluted down to 12.5% of the enlarged share capital of CWG and the existing Directors of CWG will be replaced by the Vendor New Officers. Accordingly CWG Shareholders will collectively have significantly less influence and control over the future direction of CWG.

In addition, we note that the Company will likely require additional funding for the operation of HCL, which may result in further dilution of the interests of CWG Shareholders. Though as noted previously in the 'advantages' section, if the Proposed Transaction is not approved, CWG will likely be required to undertake a capital raising at a significant discount to the trading price of CWG Shares. If CWG Shareholders are unable to/elect not to participate in such a capital raising, their interest in CWG may be diluted significantly as well.

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[3] We note approximately $US1.2 million is committed to stock purchases under the reseller agreement with AUST and there is approximately A$1.3 million in director loans (refer to Section 6.2 for further details).

Risks associated with the change in nature of business

After completion of the Proposed Transaction, CWG will change the nature of its activities to focus on the waste treatment management and green technology sector in China. This may not be consistent with the objectives of CWG Shareholders. However we note that CWG is looking to exit the gold exploration industry regardless if the Proposed Transaction is successful or not.

Furthermore, we note that HCL does not have any material operations history and is currently at a stage of identifying and negotiating licencing agreements to build its investment portfolio. Whilst Management have represented that a number of the licencing negotiations are at an advanced stage, we note that we have not been involved in the negotiations or been provided with any documentation to confirm the status or nature of the negotiations. In addition, we understand HCL intends to utilise potential licensing agreements in the Chinese market, the success of which will depend largely on the abilities and relationships of the Vendor New Officers.

As a result, the risk profile of the Company after the Proposed Transaction is likely to remain high (we note the risk profile of a junior mining company is also inherently high) and there is significant inherent uncertainty that HCL will be able to complete or realise any value for the licensing agreements currently under negotiation.

Other considerations

CWG's Share price may fall in the absence of the Proposed Transaction

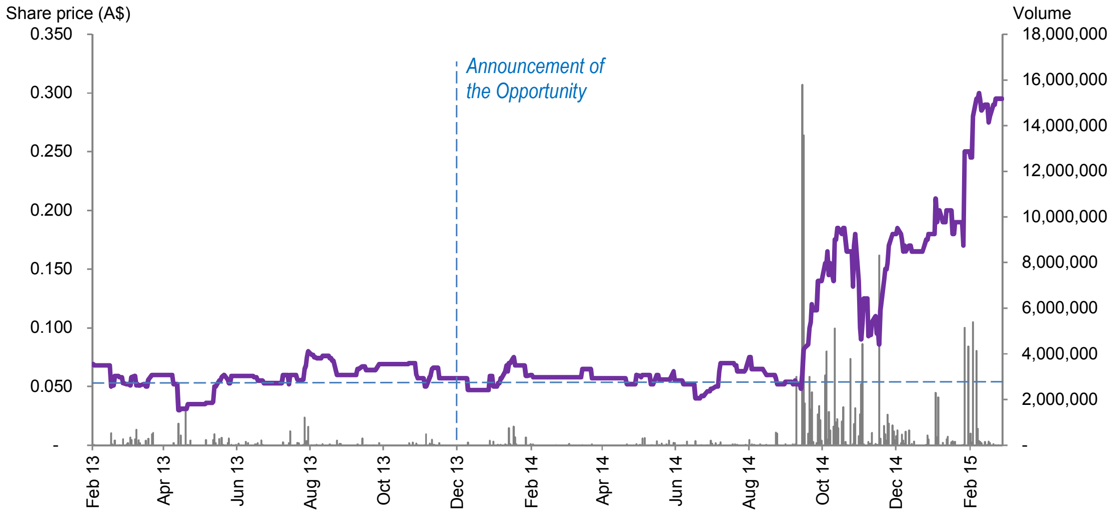
We note that our assessment of the fair market value of CWG before the Proposed Transaction (i.e. in the absence of the Proposed Transaction) on a control basis is between 0.32 cents and 0.65 cents per share. This is materially lower than the recent trading prices even if a premium for control is taken into account.

As discussed in Section 9.5.1, in our opinion this pricing differential appears to be mainly due to investor speculation (consistent with the high intra-day trading range over the period mid-September to mid-February) and optimism in relation to the nature and timing of the Proposed Transaction. In particular, we note the following:

- CWG initially announced on 30 December 2013, that CWG had entered into an agreement with an unidentified potential joint venture partner to carry out due diligence on an opportunity to participate in the toxic waste management industry in the People's Republic of China ("China") ("the Opportunity"). The share price did not react materially given significant lack of certainty any potential transaction would emerge.
- The closing share price of CWG increased by more than 110% since 30 September 2014 when CWG announced the appointment of Investorlink as corporate advisor to assist CWG in pursing the Opportunity.
- On 28 November 2014, CWG Shareholders approved the proposed changes to the company type, name and constitution to allow CWG to pursue activities outside of mining at the 2014 AGM. We note that nil votes were cast 'against' the proposed changes and the share price of CWG has increased by more than 42% since then.

- On 29 January 2015, CWG announced that three exploration tenements (which CWG held 100% interest in) have/will be allowed to expire, reducing the number of tenements held by CWG from 6 to 3. In response, the share price of CWG increased by more than 47% over the next trading day despite a material reduction in the net asset value of the Company. This likely reflects investors' perception that the release of mineral assets is a positive indication/ confirmation of CWG's focus on pursing the Opportunity.

The graph below illustrates the price of CWG Shares over the last 2-years.



Source: CapitalIQ and GTCF calculations

Based on the above analysis and comments, we are of the opinion that the market value of CWG reflected in the current trading prices is affected by investor speculation in relation to the Opportunity and does not reflect the underlying fair market value of the assets held by CWG.

Furthermore, consistent with the price multiples observed for comparable companies (refer to Section 9.5.2 for details), and given the recent deteriorating gold price and difficult financing conditions, it is likely the share price of CWG will incorporate a degree of distress (i.e. assumption that assets may be divested at a discount to fair value in order to generate cash flow) if the Proposed Transaction is not approved. As at 6 February 2015, CWG only had a cash balance of A$123,771 and its audited annual report for 2014[4] included an emphasis of matter in relation to the uncertainty on the ability of CWG to continue as a going concern.

However, we note that as at the date of this report, the terms of the Proposed Transaction have not yet been disclosed to the market and that the CWG share price may decrease/(increase) if the terms of the Proposed Transaction are materially adverse/(favourable) compare with market's expectations.

[4] As at 30 June 2014, CWG had a materially higher cash balance of A$975,471.

Prospect of a superior proposal

We have discussed with the Company potential alternative proposals to the Proposed Transaction and we have been informed that CWG is not aware of any alternatives which may arise in a timely manner. In particular, we note that CWG has notified the market that it was in discussions with HCL since December 2013.

Premium for control/ minority discount

As the Proposed Transaction is considered control transaction in accordance with RG 111, we have compared our assessment of CWG on a control basis prior to the Proposed Transaction with our assessment of CWG on a minority basis following the completion of the Proposed Transaction. A minority interest discount is the reduction applied to the value of a company due to the absence of control.

However, we note that the assets of CWG are represented mainly by limited cash (A$0.1 million as at 6 February 2015) and mining tenements (valued at circa A$550,000 by Geos as set out in the Appendix) which the Company intends to divest shortly. Based on the asset base of CWG, a potential interested party obtaining control of the Company will have limited ability to change the status quo or extract any material additional value from the existing assets base. Accordingly, in our opinion a minority discount should not be applied.

In this regard, we note that the assessed fair market value of CWG after the Proposed Transaction would be in the range of A$0.0043 to A$0.0047 in the absence of a minority discount. As a result, there would be overlap with the assessed fair market value of CWG before the Proposed Transaction on a like for like basis.

The implications if the Proposed Transaction is not completed

If the Proposed Transaction is not completed, CWG Shares will remain suspended from trading until such time as the Company finds an alternative investment that CWG Shareholders will approve.

Directors' recommendations and intentions

The Directors have unanimously recommended that the CWG Shareholders vote in favour of the Proposed Transaction.

Reasonableness conclusion

Based on the qualitative factors identified above, it is our opinion that the Proposed Transaction is REASONABLE to the CWG Shareholders.

Overall conclusion

After considering the abovementioned quantitative and qualitative factors, Grant Thornton Corporate Finance has concluded that the Proposed Transaction is NOT FAIR but REASONABLE to the CWG Shareholders for the purposes of Item 7 of Section 611 of the Corporations Act.

Other matters

Grant Thornton Corporate Finance has prepared a Financial Services Guide in accordance with the Corporations Act. The Financial Services Guide is set out in the following section.

The decision of whether or not to accept the Proposed Transaction is a matter for each CWG Shareholder to decide based on their own views of the value of CWG and expectations about future market conditions and the future operating performance of CWG. If CWG Shareholders are in doubt about the action they should take in relation to the Proposed Transaction, they should seek their own professional advice.
Yours faithfully

GRANT THORNTON CORPORATE FINANCE PTY LTD

ANDREA DE CIAN Director	PHILLIP RUNDLE Director

3 March 2015

Financial Services Guide

1 Grant Thornton Corporate Finance Pty Ltd

Grant Thornton Corporate Finance Pty Ltd ("Grant Thornton Corporate Finance") carries on a business, and has a registered office, at Level 17, 383 Kent Street, Sydney NSW 2000. Grant Thornton Corporate Finance holds Australian Financial Services Licence No 247140 authorising it to provide financial product advice in relation to securities and superannuation funds to wholesale and retail clients.

Grant Thornton Corporate Finance has been engaged by CWG to provide general financial product advice in the form of an independent expert's report in relation to the Proposed Transaction. This report is included in the Company's Notice of Meeting and Explanatory Statement.

2 Financial Services Guide

This Financial Services Guide ("FSG") has been prepared in accordance with the Corporations Act, 2001 and provides important information to help retail clients make a decision as to their use of general financial product advice in a report, the services we offer, information about us, our dispute resolution process and how we are remunerated.

3 General financial product advice

In our report we provide general financial product advice. The advice in a report does not take into account your personal objectives, financial situation or needs.

Grant Thornton Corporate Finance does not accept instructions from retail clients. Grant Thornton Corporate Finance provides no financial services directly to retail clients and receives no remuneration from retail clients for financial services. Grant Thornton Corporate Finance does not provide any personal retail financial product advice directly to retail investors nor does it provide market-related advice directly to retail investors.

4 Remuneration

When providing the report, Grant Thornton Corporate Finance's client is the Company. Grant Thornton Corporate Finance receives its remuneration from the Company. In respect of the Report, Grant Thornton Corporate Finance will receive from CWG fees in the order of A$80,000 plus GST, which is based on commercial rate plus reimbursement of out-of-pocket expenses for the preparation of the report. Our directors and employees providing financial services receive an annual salary, a performance bonus or profit share depending on their level of seniority.

Except for the fees referred to above, no related body corporate of Grant Thornton Corporate Finance, or any of the directors or employees of Grant Thornton Corporate Finance or any of those related bodies or any associate receives any other remuneration or other benefit attributable to the preparation of and provision of this report.

5 Independence

Grant Thornton Corporate Finance is required to be independent of CWG in order to provide this report. The guidelines for independence in the preparation of an independent expert's report are set out in Regulatory Guide 112 *Independence of expert* issued by the Australian Securities and Investments Commission ("ASIC"). The following information in relation to the independence of Grant Thornton Corporate Finance is stated below.

"Grant Thornton Corporate Finance and its related entities do not have at the date of this report, and have not had within the previous two years, any shareholding in or other relationship with CWG (and associated entities) that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the Proposed Transaction.

Grant Thornton Corporate Finance has no involvement with, or interest in the outcome of the transaction, other than the preparation of this report.

Grant Thornton Corporate Finance will receive a fee based on commercial rates for the preparation of this report. This fee is not contingent on the outcome of the transaction. Grant Thornton Corporate Finance's out of pocket expenses in relation to the preparation of the report will be reimbursed. Grant Thornton Corporate Finance will receive no other benefit for the preparation of this report.

Grant Thornton Corporate Finance considers itself to be independent in terms of Regulatory Guide 112 "Independence of expert" issued by the ASIC."

We note that Grant Thornton Australia Limited is the auditor of CWG. The audit services provided by Grant Thornton Australia Limited are strictly for compliance purposes and we have strict internal protocols in relation to audit independence. In our opinion, Grant Thornton Corporate Finance is independent of CWG and its Directors and all other relevant parties of the Proposed Transaction.

6 Complaints process

Grant Thornton Corporate Finance has an internal complaint handling mechanism and is a member of the Financial Ombudsman Service (membership no. 11800). All complaints must be in writing and addressed to the Chief Executive Officer at Grant Thornton Corporate Finance. We will endeavour to resolve all complaints within 30 days of receiving the complaint. If the complaint has not been satisfactorily dealt with, the complaint can be referred to the Financial Ombudsman Service who can be contacted at:

PO Box 579 – Collins Street West
Melbourne, VIC 8007
Telephone: 1800 335 405

Grant Thornton Corporate Finance is only responsible for this report and FSG. Complaints or questions about the General Meeting should not be directed to Grant Thornton Corporate Finance. Grant Thornton Corporate Finance will not respond in any way that might involve any provision of financial product advice to any retail investor.

Compensation arrangements

Grant Thornton Corporate Finance has professional indemnity insurance cover under its professional indemnity insurance policy. This policy meets the compensation arrangement requirements of section 912B of the Corporations Act, 2001.

Contents

1 Outline of the Proposed Transaction

1.1 Background to the Proposed Transaction

On 30 December 2013, CWG announced that it had entered into an agreement with an unidentified potential joint venture partner to carry out due diligence on an opportunity to participate in the toxic waste management industry in the People's Republic of China ("China") (i.e. the Opportunity). CWG indicated that the opportunity will result in a material change of business direction for the Company which is currently focused on gold exploration in Australia.

On 14 March 2014, CWG announced that due diligence on the Opportunity was being continued and that no decision could yet be concluded in relation to the acceptance or rejection of the Opportunity. More information was required.

On 30 September 2014, the 2014 Annual Report for CWG was released. In the 2014 Annual Report, CWG confirmed that the Company intended to continue to explore its mineral tenements, whilst actively pursuing the Opportunity. In particular, we note that CWG announced that it had formally engaged Investorlink Corporate Limited[5] ("Investorlink") in July 2014 to provide corporate advisory services on behalf of the Company regarding the Opportunity.

On 30 October 2014, the Company released a Notice of Annual General Meeting ("2014 AGM") seeking approval (amongst other proposed resolutions) for a change in company type from a public no-liability company (i.e. Central West Gold NL) to a public company limited by shares (i.e. Central West Gold Limited). The rationale behind the change was that under the Corporations Act a public no-liability company must only engage in mining related activities. Accordingly, in order for CWG to continue to pursue the Opportunity, a change of company type was required. As a result, approval to change the company constitution and company name was also sought. On 28 November 2014, CWG Shareholders approved the above proposed changes at the 2014 AGM with nil votes cast 'against' the resolutions.

Subsequently, on 16 March 2015 CWG announced that it had entered into the SPA under which CWG will acquire 100% interest in HCL for the consideration of 628,044,347 new shares in CWG (i.e. the Proposed Transaction). The Consideration Shares will represent approximately 87.5% of the enlarged share capital of CWG after the Proposed Transaction.

1.2 Terms of the Proposed Transaction

The key terms of the Proposed Transaction as set out under the SPA include the following:

- The vendors of HCL ("the Vendors")[6] will sell and CWG will purchase all outstanding shares in HCL for the Consideration Shares (i.e. 628,044,347 new shares in CWG).

[5] Investorlink is a company associated with the Chairman of CWG, Mr. Christopher Ryan.
[6] The Vendors consist of Galactic Group Limited, Solar Vantage Limited, Copious Century Holding Limited, Aldrich Investments Limited, Diamond Grid Holdings Limited, Elite Connection Limited and Golden Voyage Holdings Limited (see NOM for further details). We have been advised that the Vendors are associated parties for the purposed of the Corporations Act.

- The Consideration Shares will be issued to the Vendors in their current respective ownership proportions of HCL as set out in Section 3.3 of the Notice of Meeting.

- If the final net tangible asset balance of HCL after completion of the Proposed Transaction is more than A$200,000 less than the final net tangible asset balance as at 6 February 2015, the Vendors will be required to pay an amount equal to the shortfall to CWG in cash.

- From the date of the SPA until completion of the Proposed Transaction, HCL is required to seek prior written consent from CWG in relation to any material expense, transfer of assets or other activity which may reasonably be expected to impact the value HCL. If HCL fails to comply, CWG may choose to terminate the SPA at its discretion.

- Completion of the Proposed Transaction is conditional on the satisfaction or waiver of the following conditions precedent:

  – All necessary government and regulatory approvals in relation to the Proposed Transaction, including from the Federal Treasurer of the Commonwealth of Australia (or his agent) to effect that there is no objection to the Proposed Transaction under the Commonwealth Government's foreign investment policy.

  – CWG obtaining all necessary shareholder approvals to allow the Proposed Transaction under ASX listing rules, the constitution of the Company and the Corporations Act 2001. This includes without limitation:

    i) Change to the nature and scale of CWG's business.

    ii) The change of name from CWG to CWC (i.e. China Waste Corporation Limited).

    iii) Appointment of the Vendor's nominees to the Board of CWG ("the Vendor New Officers")[7].

  – Other conditions precedent customary for a transaction of this type.

- Refer to the Notice of Meeting for further details in relation to the conditions of the Proposed Transaction.

1.3 Effect of the Proposed Transaction

If the Proposed Transaction is approved by the CWG Shareholders then:

- CWG will issue 628,044,347 new shares to the Vendors who will increase their interest in CWG from nil to approximately 87.5% of the enlarged share capital of CWG.

[7] Vendor New Officers include Peter Harrison, Wang Qingli, Ross Benson, Alex Chee Leong Chow, Wei Dong and Li Xianglin (for further details refer to Section 2.4 of the NOM.

- The existing Directors of CWG will be replaced by the Vendor New Officers. The existing Company Secretary of CWG, Nathan Bartrop will continue in his role after the Proposed Transaction.

- The name of CWG will be changed to 'China Waste Corporation Limited' and the nature and scope of the business will be changed to focus on the provision of waste management and green technology solutions in China.

- Based on discussions with the directors of CWG, we understand that they (and the Vendor New Officers) intend to sell the mineral assets currently owned by CWG.

- The cash position of CWG will be increased from A$123,771 to A$4,209,241 (based on proforma balance sheet as at 6 February 2015 set out in Section 7.2). Cash funds will be utilised to pursue opportunities in the waste management and green technology sectors.

If the Proposed Transaction is not approved by the CWG Shareholders then:

- The Directors intend to seek out alternative acquisition targets in the waste management industry both in Australia and Europe.

- Future funding will be sought via an equity placement(s) to major shareholders, if need be, underwritten by Investorlink Securities Limited ("ISL"). ISL has consented to this role if required.

2 Purpose and scope of the report

2.1 Purpose

Section 606 of the Corporations Act prohibits the acquisition of a relevant interest in the issued voting shares of a company if the acquisition results in the person's voting power in the company increasing from either below 20% to more than 20%, or from a starting point between 20% and 90%, without making an offer to all shareholders of the company.

Item 7 of Section 611 of the Corporations Act allows the non-associated shareholders to waive this prohibition by passing a resolution at a general meeting. Regulatory Guide 74 "Acquisitions agreed to by shareholders" ("RG 74") and Regulatory Guide 111 "Content of expert reports" ("RG 111") issued by ASIC set out the view of ASIC on the operation of Item 7 of Section 611 of the Corporations Act.

RG 74 requires that shareholders approving a resolution pursuant to Section 623 of the Corporations Act (the predecessor to Item 7 of Section 611 of the Corporations Act) be provided with a comprehensive analysis of the proposal, including whether or not the proposal is fair and reasonable to the non-associated shareholders. The Independent Directors (directors not associated with the proposal) may satisfy their obligations to provide such an analysis by either:

- commissioning an independent expert's report; or
- undertaking a detailed examination of the proposal themselves and preparing a report for the non-associated shareholders.

If the Proposed Transaction is approved the Vendors will increase their collective shareholding interest in CWG from nil to 87.5%. We have been advised that there is a risk that the Vendors could be considered to be "acting in concert" for the Proposed Transaction and they would therefore be 'associates' for the purposes of the Corporations Act. As a precaution against the Vendors being treated as associates, their voting power has been aggregated as required for associates under the Corporations Act. We also note that one of the Vendors, Golden Voyage Holdings Limited, will increase its interest in CWG from nil to 33% if the Proposed Transaction is completed.

Accordingly, the Directors have engaged Grant Thornton Corporate Finance to prepare an independent expert's report stating whether, in its opinion, the Proposed Transaction is fair and reasonable to the CWG Shareholders for the purposes of Item 7 of Section 611 of the Corporations Act.

2.2 Basis of assessment

The Corporations Act does not define the meaning of "fair and reasonable". In preparing this report, Grant Thornton Corporate Finance has had regard to RG 111 which establishes certain guidelines in respect of independent expert's reports prepared for the purposes of the Corporations Act. RG 111 is framed largely in relation to reports prepared pursuant to section 640 of the Corporations Act and comments on the meaning of "fair and reasonable" are in the context of a Proposed Transaction.

As the Proposed Transaction is a takeover bid, Regulatory Guide 111 "Content of expert reports" requires the following assessment:

- An offer is considered fair if the value of the offer price or consideration is equal to or greater than the value of the securities that are subject to the offer. The comparison should be made assuming 100% ownership of the target company and irrespective of whether the consideration offered is script or cash and without consideration of the percentage holding of the offeror or its associates in the target company.

- An offer is considered reasonable if it is fair. If the offer is not fair it may still be reasonable after considering other significant factors which justify the acceptance of the offer in the absence of a higher bid. ASIC has identified the following factors which an expert might consider when determining whether an offer is reasonable:

  - The offeror's pre-existing entitlement, if any, in the shares of the target company.

  - Other significant shareholding blocks in the target company.

  - The liquidity of the market in the target company's securities.

  - Taxation losses, cash flow or other benefits through achieving 100% ownership of the target company.

  - Any special value of the target company to the offeror, such as particular technology or the potential to write off outstanding loans from the target company.

  - The likely market price if the offer is unsuccessful.

  - The value to an alternative offeror and likelihood of an alternative offer being made.

Grant Thornton Corporate Finance has determined whether the Proposed Transaction is fair to the CWG Shareholders by comparing the fair market value of CWG Shares before the Proposed Transaction on a 100% control basis with the fair market value of CWG Shares after the Proposed Transaction on a minority basis.

In considering whether the Proposed Transaction is reasonable to the CWG Shareholders, we have considered a number of factors, including:

- Whether the Proposed Transaction is fair.

- The implications to CWG and CWG Shareholders if the Proposed Transaction does not complete.

- Other likely advantages and disadvantages associated with the Proposed Transaction as required by RG111.

- Other costs and risks associated with the Proposed Transaction that could potentially affect the CWG Shareholders.

For the purpose of this Report, an independent technical specialist, Geos was engaged to conduct an independent geological and technical assessment and a valuation of the mineral assets held by CWG. The Geos Report is included as Appendix D to this report.

2.3 Independence

Prior to accepting this engagement, Grant Thornton Corporate Finance considered its independence with respect to the Proposed Transaction with reference to the ASIC Regulatory Guide 112 "Independence of Experts" ("RG 112").

Grant Thornton Corporate Finance has no involvement with, or interest in, the outcome of the approval of the Proposed Transaction other than that of independent expert. Grant Thornton Corporate Finance is entitled to receive a fee based on commercial rates and including reimbursement of out-of-pocket expenses for the preparation of this report.

Except for these fees, Grant Thornton Corporate Finance will not be entitled to any other pecuniary or other benefit, whether direct or indirect, in connection with the issuing of this report. The payment of this fee is in no way contingent upon the success or failure of the Proposed Transaction.

We note that Grant Thornton Australia Limited is the auditor of CWG. The audit services provided by Grant Thornton Australia Limited are strictly for compliance purposes and we have strict internal protocols in relation to audit independence. In our opinion, Grant Thornton Corporate Finance is independent of CWG and its Directors and all other relevant parties of the Proposed Transaction.

2.4 Consent and other matters

Our report is to be read in conjunction with the Notice of Meeting and Explanatory Memorandum dated on or around the 16 March 2015 in which this report is included, and is prepared for the exclusive purpose of assisting the CWG Shareholders in their consideration of the Proposed Transaction. This report should not be used for any other purpose.

Grant Thornton Corporate Finance consents to the issue of this report in its form and context and consents to its inclusion in the Notice of Meeting and Explanatory Memorandum.

This report constitutes general financial product advice only and in undertaking our assessment, we have considered the likely impact of the Proposed Transaction to the CWG Shareholders as a whole. We have not considered the potential impact of the Proposed Transaction on individual shareholders. Individual shareholders have different financial circumstances and it is neither practicable nor possible to consider the implications of the Proposed Transaction on individual shareholders.

The decision of whether or not to accept the Proposed Transaction is a matter for each CWG Shareholder based on their own views of value of CWG and expectations about future market conditions, CWG's performance, risk profile and investment strategy. If shareholders are in doubt about the action they should take in relation to the Proposed Transaction they should seek their own professional advice.

3 Profile of the gold industry

CWG currently owns interest in a few early stage exploration tenements located in NSW, Australia prospective mainly for gold. The Company does not manage the exploration at any of the tenements and due to the Company's intention to the change the nature of its operations going forward, no significant exploration expenditure have been contributed over the last 6 months. Accordingly, for the purpose of this report, we have provided only a brief overview of the gold industry.

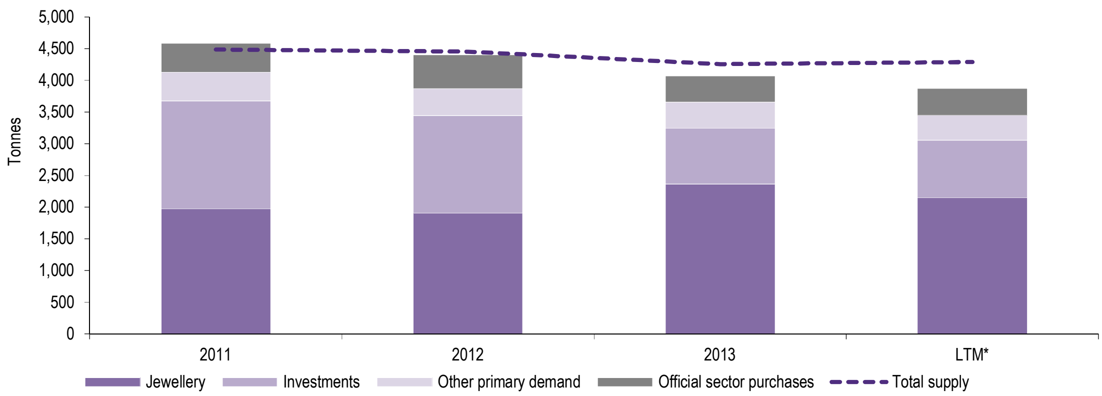
3.1 Introduction

Gold is a precious metal used primarily in the fabrication of jewellery, electronics and other industrial applications and as an investment asset for store of value and hedging. Gold is actively traded on the international commodity markets and experiences daily price fluctuations as determined by global demand and supply factors.

3.2 Demand & supply

Demand for gold is mainly driven by gold fabrication, global investment trends and market/economic conditions. The supply of gold is mainly sourced from mine production and the recycling of scrap gold. The graph below illustrates historical gold demand and supply by category:

Historical global gold demand and supply



** Last 12 months (LTM) measured from the fourth quarter of 2013 to the third quarter of 2014 inclusive*

Source: World Gold Council

Since 2003, investment has represented the strongest source of growth in the demand for gold. However, investment demand decreased substantially in 2013 by approximately 42% from 2012 levels due mainly to actual and expected improvement in global economic conditions, particularly in the US.

Gold supply decreased by approximately 0.7% in 2012 and a further 4.5% in 2013, or 3.8% in the last twelve months. This was primarily due to a contraction in gold recycling. The contraction was a global feature, evident in both developing and industrial markets. This was primarily due to improved economic prospects and lower gold prices.

With approximately 274 tonnes[8] of gold produced in 2013-14, Australia was the world's second largest gold producer in 2013 after China. Australia is also regarded as one of the world's top gold reserves holders with approximately 9778 tonnes in December 2013, which accounts for approximately 18% of the world estimated gold reserves.

3.3 Gold price

Set out below is the daily historical price of gold between January 2010 and February 2015:

Historical gold price from February 2012 to date

Source: S&P Capital IQ and GTCF calculations

Since 2007, volatility in global financial markets (resulting from the Global Financial Crisis ("GFC") and concerns in relation to European sovereign debt levels ("European Debt Crisis") significantly increased the demand for gold as an investment asset. The price of gold peaked at US$1,890/oz. in August 2011, triggering an expansion of existing mines as well as the development of new gold exploration projects. More recently, partially as a result of the continued gradual stabilisation of the global economy, the gold price has decreased to around US$1,200/oz. in February 2015.

[8] Minerals Council of Australia

4 Profile of the green technology and waste management industries in China

HCL is mainly focused on the acquisition of investments (including in the form of licence agreements) in the green technology and waste management sector in China. Whilst no material investments in the sector have yet been acquired, based on discussions with Management we understand that there are a number of near-term opportunities. Refer to Section 6 for further details.

4.1 Overview

China's green technology and waste management sectors are both in early stages of development and is experiencing continued growth and development, in line with rapid economic growth, urbanisation and targeted government support. China surpassed the United States as the world's largest waste generator in 2004 and is ranked 15th[9] in the world by the World Health Organization in terms of poor air quality.

Over the last few years, China has set strong targets for developing the green technology and waste management sectors with the establishment of more comprehensive and supportive laws, policies and incentives. The green technology and solid waste management sectors are classified as "encouraged" by the National Development and Reform Commission[10], and China is expected to invest more than US$817 billion[11] in environmental protection during the 12th Five-year Plan period (2011-2015). The top three areas allocated for environmental protection funding include air pollution (40%), water pollution (30%) and waste treatment (12%)[12].

The application of green technology and waste management is heavily focused around the eastern coastline, Yangtze River Delta Economic Zone, and Central Plains Economic Zone, due to significant industrial activity, population concentration, and government policies encouraging local green technology research and development, and waste management. More than 60% of industrial waste production comes from these areas, while 24% of municipal solid waste comes from the two highly populated provinces of Jiangsu and Hunan.

4.2 Market segmentation

4.2.1 Green Technology

The green technology industry is broadly defined as a diverse range of products, services and processes that harness renewable materials and energy sources. Within the green technology industry, the main sectors can be defined as environmentally friendly energy and mobility, sustainable water and energy efficiency, and resource and material efficiency, referred to as the *circular economy (*relating to waste transport, recycling and disposal).

We note HCL is particularly focused on circular economy technology. The circular technology section in China includes both domestic waste recycling and the importing of international waste

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[9] Ambient (outdoor) air quality and health in cities database 2014, World Health Organization
[10] An administrative body in China responsible for a range of economic, social and environmental policies.
[11] *China on track to spend US $817 billion in environmental protection*, the Climate Group, 14 March 2014
[12] Globe 2014 conference

for reuse in Chinese industries. Predominantly centred in the east coast, close to international ports and China's industrial hubs, the sector in china has experienced significant growth from 2008 to 2012, growing at an annual rate of 12.6% over the full period[13].

4.2.2 Waste Management

Municipal solid waste - Municipal solid waste ("MSW") includes a range of residential, commercial and non-processed industrial waste. MSW is expected to increase by 110% to 480 million tonnes by 2030. Current treatment facilities have limited capacity and technology to meet the growing needs with disparities among urban and rural areas. During the 11th Five Year Plan period (2006 – 2010), 77.9% of MSW from cities were decontaminated compared to 27.4% in rural areas. The Chinese State Council and Ministry of Environmental Protection ("MEP") plans to increase decontamination rates to 90% for cities and 70% in rural areas by 2015[14].

Hazardous waste - Hazardous waste is classified according to its infectious, corrosive, reactive, flammable and toxic nature. Hazardous waste mainly consist of waste acid, copper waste, inorganic fluoride and cyanide waste, alkali waste and medical waste. More than 35 million tonnes of hazardous waste was produced in 2012, with 7 million tonnes disposed, 20 million tonnes recycled and 8.5 million tonnes stored[15]. China's current framework of hazardous waste legislation ranges from foundation national laws to local standards, overseeing the whole process from waste production to disposal. A hazardous waste management permit is required to operate in the sector and various subsectors.

Industrial waste - Industrial waste is defined as waste generated from an industrial or manufacturing process. In 2012, approximately 3.3 billion tonnes of industrial waste was produced, 2 billion tonnes was recycled, 700 million tonnes was disposed and 600 million tonnes was stored[15]. Industrial solid waste is expected to increase by 10% per year, reaching 6.4 billion tonnes in 2018[16].

4.3 Barriers to entry

The green technology industry is characterised by high upfront capital costs in the research and development of new products. The introduction of new green technology products is often undertaken through extensive internal research and development, or the acquisition of licences from other bodies that have undertaken significant research.

The waste management industry has a relatively high entry barrier due to regulatory requirements, technical expertise, technology and financial capability. Waste management projects often require large capital expenditure. The lack of technical expertise is detrimental to new entrants being able to set-up a competitive waste management facility. Legislation requires companies to obtain licenses to operate in the waste management industry. Criteria for license approvals include significant expertise, technology, financial capability and company values that are in-line with government policies. There is limited competition on government backed projects as they are often allocated to state owned enterprises ("SOEs") owned by the local government.

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[13] Recycling and Economic Growth in China's Interior, Tokyo Foundation, July 2014.
[14] CIEPEC, 2013
[15] China Statistical Yearbook, 2013
[16] In-depth Research on China Solid Waste Disposal Industry 2014-2018

Currently there are 12 major companies in the industry including, Hangzhou Jinjiang Group, China Environmental Protection Corp., Dynaree, Shanghai Environmental Protection(Group) Co., China Everbright International Limited, Sound Group, Weiming Group, Shenzhen Energy, China Sciences Group, Capital Environment Holdings Limited, and Veolia. These 12 companies take up two thirds of the waste incineration market.

4.4 Key drivers

The key drivers affecting the green technology and waste management industries include:

- Macroeconomic environment – rapid economic growth has led to increasing waste and pollution production and stronger environmental protection objectives, increasing the demand for waste management and green technology.

- Legislation and policies – The Chinese Government plays a significant role in both the waste industry and the development of environmental standards. The waste management industry is heavily regulated by the government which also ensures stability through supply and financial assistance. The green technology industry is supported through the lower enterprise tax rates, and tax offsets for specific projects[17]. The government also supports projects through investment both directly and through state owned enterprises.

- Seasonal – waste management demand is highly correlated to seasonal effects on industrial production.

- Technology – technological development has significant influence both industries. The waste management industry is influenced by capacity, environmental impact, profit margins and competition. Similarly, in the green technology industry, advancements in technology assist in the creation of new products/conduct new research. Within both sectors technology is a key competing factor for firms.

4.5 Industry Outlook

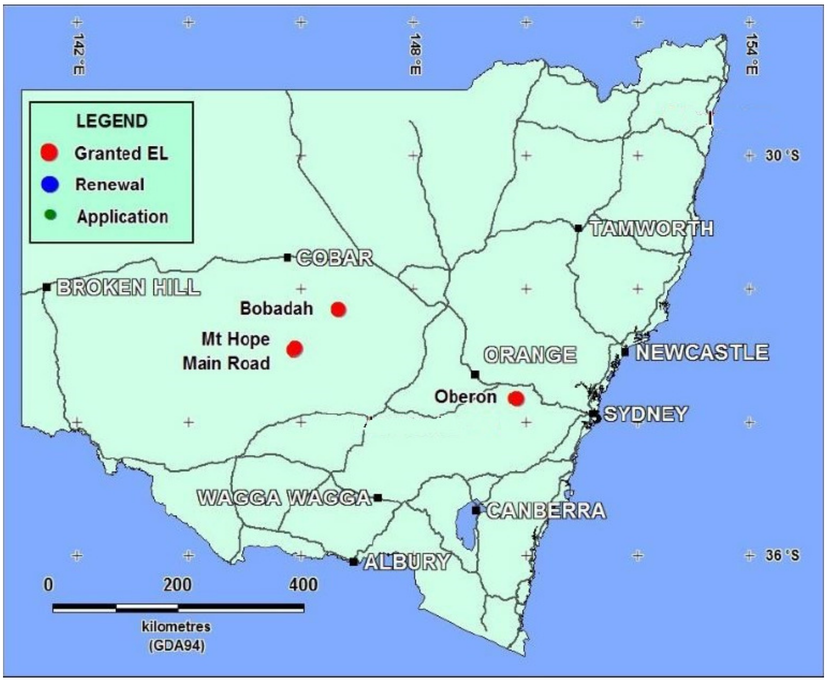
Whilst the green technology and waste management industries in China have received substantial government support over the last few years and has grown at significant rates, rising pollution levels continue to be a major concern for public health and a cause of social unrest. Accordingly, China's green technology and waste management industries are expected to continue to receive strong government support in-line with its environmental protection policies. Further policy and legislation changes are expected to be introduced in the 13th Five Year Plan (2016 – 2020) which is currently still in the process of being finalised and will become effective in March 2016. The new plan is also likely to include a new target for the expansion of renewable energy technologies, and a cap on carbon emissions or coal consumption.

[17] China's High and New-Technology Enterprise Program, US-China Business Council, June 2013

5 Profile of CWG

5.1 Company overview

CWG is an Australian junior gold exploration company listed on the ASX. CWG holds interests in various projects located in NSW as detailed below:



Source: CWG annual and interim reports

The table below provides a brief summary of the projects. For further details refer to the Geos Report (Appendix D).

Project	Key Commodity	Interest (%)	Expiry Date	Comments	JORC Compliant Resources[1]
Mt Hope (EL6837) Main Road (EL8058)	gold	49%	23/07/2015 Application for renewal submitted	Fisher Pty Ltd ("Fisher") holds 51% interest in the projects and has elected to earn an additional 19% with a further $400,000 expenditure by 05/03/15. Fisher is the manager of the projects.	JORC Inferred resources of 328,179 tonnes at 2.86 g/t gold for 30,108 ounces (on 100% basis)
Bobadah (EL5878)	base metal, gold, silver	11.2%	23/07/2015	CWG holds the beneficial interest in three graticular units of the tenement	Nil
Oberon (EL7702)	gold	100%	09/02/2015 (Expired)	CWG has not renewed the license. We note that Geos has not assigned any value to this project as discussed in the Geos Report.	Nil

Source: CWG annual and interim reports and the Geos Report
Note (1): The JORC (the "Joint Ore Reserves Committee") Code is a standard used for the public disclosure of Mineral Resource as defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore. This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

5.2 Financial information

5.2.1 Statement of Comprehensive Income

The Statement of Comprehensive Income of CWG for the financial period ended 30 June 2013 ("FY13") and 30 June 2014 ("FY14"):

CWG Statement of Comprehensive Income	FY13 Audited (A$)	FY14 Audited (A$)
Revenue	117	-
Exploration expenses	(248,812)	(23,135)
Auditor's remuneration	(42,624)	(40,523)
Director fees	(93,780)	(120,720)
Loss on sale of investments	(1,100)	-
Loss on revaluation of investments	(8,820)	(714)
Administrative expenses	(149,498)	(119,328)
Interest received	1,026	2,565
Profit (loss)	**(543,491)**	**(301,855)**

We note the following in relation to the Statement of Comprehensive Income set out above:

- Exploration expenses were A$225,677 lower than FY13 due to a significant reduction in fieldwork across the tenements. No fieldwork was completed at Mount Hope/Main Road and Bodadah.

- Net loss of A$301,855 was lower than the previous period mainly due to lower exploration expenditure and loss on revaluation of investments.

5.2.2 Statement of Financial Position

The Statement of Financial Position of CWG as at 30 June 2014 and 6 February 2015:

CWG Statement of Financial Position	30-Jun-14 Audited (A$)	06-Feb-15 Management (A$)
Current assets		
Cash and cash equivalents	975,471	123,771
Receivables	452,234	65,028
Financial assets	1,806	1,806
Prepayments	2,641	2,641
Total current assets	**1,432,152**	**193,246**
Non-current assets		
Financial assets	57,500	47,500
Total non-current assets	**57,500**	**47,500**
Total assets	**1,489,652**	**240,746**
Current liabilities		
Trade and other payables	121,661	65,314
Total current liabilities	**121,661**	**65,314**
Net assets	**1,367,991**	**175,432**
Equity		
Issued capital	9,102,173	9,029,413
Accumulated losses	(7,734,182)	(8,853,981)
Total equity	**1,367,991**	**175,432**

Source: CWG 2014 Annual Report, Management and GTCF calculations

We note the following in relation to the Statement of Financial Position set out above:

- We note that the audit report attached to the financial statements for FY14 include an emphasis of matter in relation to the uncertainty on the ability of CWG to continue as a going concern.
- Cash and cash equivalents have decreased by A$851,700 since 30 June 2014. The decrease is mainly explained by approximately A$1.0 million in administration costs (which includes advisory and due diligence fees in relation to the Opportunity and the Proposed Transaction). This has been partially offset by A$300,000 received for the repayment settlement of secured loans owing to CWG.
- Current financial assets consist of shares in listed corporations and non-current financial assets include Mining Department performance guarantee bonds.
- As a result of successful capital raising, application monies of A$933,094 was received on 30 June 2014 for 17,944,125 ordinary shares to be issued at 5.2 cents per share.

5.3 Capital Structure

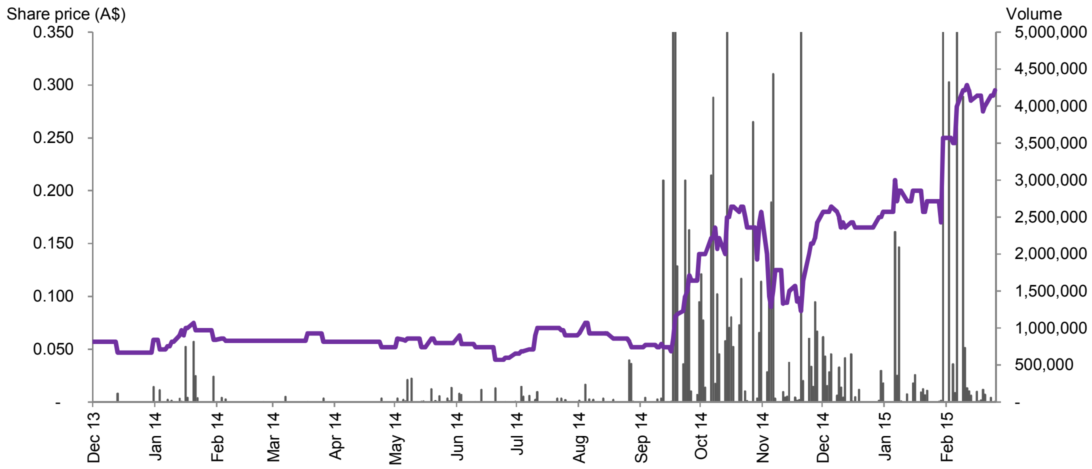
As at 11 February 2015, CWG has 89,720,622 fully paid ordinary shares on issue.

The top ten shareholders of CWG as at 11 February 2015 are set out below:

Top 10 shareholders			
Rank	Name	Number of shares	Interest (%)
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	33,622,426	37.47%
2	J P MORGAN NOMINEES AUSTRALIA LIMITED	10,192,353	11.36%
3	UOB KAY HIAN (HONG KONG) LIMITED <CLIENTS A/C>	6,024,987	6.72%
4	REYNOLDS (NOMINEES) PTY LIMITED <REYNOLDS SUPER FUND A/C>	4,137,000	4.61%
5	NIMITZ ENTREPOT NOMINEES PTY LTD <ACCUMULATION A/C>	4,000,000	4.46%
6	CITICORP NOMINEES PTY LIMITED	3,344,946	3.73%
7	ABN AMRO CLEARING SYDNEY NOMINEES PTY LTD <CUSTODIAN A/C>	2,076,590	2.31%
8	INVESTORLINK SECURITIES LIMITED	1,593,452	1.78%
9	MS KWAI SAU HAU	1,550,000	1.73%
10	ZHUXI OU	1,000,000	1.11%
10	MS NYOK CHIN WONG	1,000,000	1.11%
Total top 10 shareholders		**68,541,754**	**76%**
Remaining shareholders		21,178,868	24%
Total shares outstanding		**89,720,622**	**100%**

Source: Management

The daily movements in CWG's share price and volumes for the period from December 2013 to February 2015 is set out below:



Source: Capital IQ

For further details on the historical share price and trading trends please refer to Section 9.4.1.

6 Profile of HCL

6.1 Introduction

HCL is a private investment company mainly focused on the procurement, development and provision of technologies, processes and products (including in the area of waste disposal and treatment and recycling of waste products) within the Chinese market.

HCL's approach is to identify technologies and products that provide solutions to both the causes and symptoms of industrial waste and pollution. This includes developing and investing in technologies that directly reduce and/or prevent waste and pollution, as well as distributing products made from recycled materials.

We have been advised that HCL is currently in the process of forming international partnerships with global research and development bodies in the green and industrial waste sectors to identify and obtain access rights to target technologies and products. As detailed in the sections below and in the Notice of Meeting and Explanatory Memorandum, we have been instructed that HCL is in negotiations with 8 key potential partners to licence various technologies for use in China. In addition, HCL has recently entered into a reseller agreement with AUST[18] for CUPOLEX™ (a patented recycled product for the formation of concrete slabs).

6.2 Current Contract – the Reseller Agreement

In February 2015, China Urban Mining Holdings Limited ("CUMH"), a wholly owned subsidiary of HCL, executed a reseller agreement with AUST for its patented, CUPOLEX™ product ("the Reseller Agreement"). CUPOLEX™ is a recycled plastics product utilised mainly for concrete slab formation in residential home construction. CUPOLEX™ is currently distributed by AUST as the master licensee for Australia.

Key terms under the Reseller Agreement are summarised below:

- HCL is granted the rights to promote, redistribute and sell the CUPOLEX™ series of products in Australia and New Zealand for an initial term of 36 months (i.e. expiry in February 2018). After the initial term, the agreement may then be renewed every 12 months.

- HCL holds pre-emptive rights to acquire the sub-licence for distribution of CUPOLEX™ in the Chinese market subject to AUST being able to offer those distribution rights. Based on discussions with Management, we understand AUST is currently waiting on approval from the holder of the intellectual property of CUPOLEX™ for the distribution rights to China.

- HCL is required to make an initial payment of approximately US$1.2 million to meet minimum stock requirements ("Initial Payment"). Management have advised that the Initial Payment has been paid on 28 February 2015.

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[18] AUTS has procured a number of patented products with specific application in the use of recycled plastic materials into sustainable building products. We understand that AUST has been operating in this industry for over 30 years.

- Either party may terminate the Reseller Agreement, without cause, on giving 7 days' written notice to the other party.

- If the Reseller Agreement is terminated, AUST will be required to repurchase within 7 days all products acquired by HCL under the Reseller Agreement (including under the Initial Payment). AUST may acquire the products at a price no greater than the original price at which the products were sold to HCL. HCL will also pay all reasonable repurchase costs (including packaging, storage and taxes) subject to a maximum 3.0% of the original sale value of the repurchased products.

6.3 Licencing Agreements under negotiation

We have been instructed that HCL is currently in negotiations with the following parties to licence the below technologies for use in China. We note that we have not been able to review any documents or correspondence in relation to the opportunities outlined below.

Technology	Potential Lisensor	Description	Status
Polyurethane blowing agent technologies	AUST	Polyurethane blowing agent technologies which creates no pollutant emissions when adopted in the manufacturing of polyurethane foams	Negotiations in progress
Green Steel Rubber Tyre Disposal	OneSteel Limited	"Green steel" is a patented process allowing steelmakers to replace some of the fossil fuels they use as carbon resources in electric arc furnaces, such as coke and coal, with waste polymers including rubber and plastics.	Negotiations in progress
Mini - scale medical waste incineration technologies	IRIS Corporation Berhad	Various technologies which facilitate waste treatment in smaller communities to accommodate the small volume of medical waste or industrial toxic waste at relatively low construction costs.	Negotiations in progress
Enerbee Technology	Enerbee Limited	Various technologies in relation to the use of a wide variety of biomass sources such as wood chips, pellets and sawdust, straw, energy crops and agriculture residue to produce heat and/or power. HCL intends to source such technologies to support bio-mass plants.	Negotiations in progress
Envi-Clean™	*Pacific Green Technologies Inc*	Envi-Clean™ is a patented Emissions Control System designed to remove pollutants from exhaust or flue gases. It is suited for the removal of acid gases and particulate matter from high volume processes such as coal fired power stations, diesel engines and biomass combustion.	Negotiations in progress
Gasplama® process	Advanced Plasma Power Limited	Gasplasma® process is a clean, modular, and scalable advanced waste to energy and fuels technology. The Gasplasma® process neutralises hazardous waste, transforms the organic parts of the waste into a hydrogen-rich syngas that is used to generate clean, renewable power and heat, and then makes hazardous elements inert.	Negotiations in progress
Tetronics Plasma Arc technology	Tetronics International Limited	Tetronics Plasma Arc technology manages hazardous waste and materials recovery with close to zero waste. It has 109 patents granted or pending across 12 families and has been used in 80 plants globally over five decades.	In negotiations to distribute/use the technologies in the China market
Green manufacturing hub target research	Australian Research Council	The Hub, a collaboration between the Australian Federal Government and the University of New South Wales, Australia will provide the foundations for manufacturing to transform waste materials into valuable inputs for high temperature manufacturing processes. The Hub currently conducts research in the area of toxic, medical and nuclear waste glass and ceramics.	Expression of interest for participation submitted
Barricade Security Technology	Karablock Primace Limited	Barricade security technologie (i.e. vehicle access control and barrier technologies), to secure waste management and treatment facilities.	Final negotiations to acquire the technology

Source: CWG Management and NOM

For further details refer to Section 2.3 of the Notice of Meeting and Explanatory Statement.

6.4 Financial information

6.4.1 Statement of Comprehensive Income

The Statement of Comprehensive Income of HCL for the period from 23 March 2013 to 6 February 2015 ("YTD15"):

HCL (A$) Statement of Comprehensive Income	YTD15 Audited
Revenue	-
Administrative expenses	(18,333)
Profit/(loss)	**(18,333)**

Source: Y.K.Leung&Co. Chartered Accountants, HCL Financial Statements for the period from 23 March 2012 to 6 February 2015

Note (1): financial information as at 6 February 2015 has been translated using an US$ to A$ exchange rate of 1.277 (consistent with pro-forma set out in Section 7.2)

We note the following in relation to the Statement of Comprehensive Income set out above:

- There was no operating income received in the period.
- Administrative expenses of A$18,333 mainly consists of auditor's remuneration, preliminary expenses written-off and registration fees.

6.4.2 Statement of Financial Position

The Statement of Financial Position of HCL as at 6 February 2015:

HCL Statement of Financial Position	06-Feb-15 Audited (A$)
Current assets	
Cash at bank	4,085,470
Non-current assets	
Goodwill on consolidation	3,357
Total assets	**4,088,827**
Current liabilities	
Amount due to a director	1,293,209
Accrued expenses	4,584
Total liabilities	**1,297,793**
Net assets	**2,791,034**

Source: Y.K.Leung&Co. Chartered Accountants, HCL Financial Statements for the period from 23 March 2012 to 6 February 2015

Note (1): financial information as at 6 February 2015 has been translated using an US$ to A$ exchange rate of 1.277 (consistent with pro-forma set out in Section 7.2)

We note the following in relation to the Statement of Financial Position set out above (for further details refer to Section 10.1):

- Assets mainly consist of cash at bank of A$4,085,470 (US$3,199,272).
- Amount due to a director of A$1,293,209 (US$1,012,693) is unsecured, interest free and with no fixed repayment terms.

7 Profile of CWG following the Proposed Transaction

7.1 Name and nature of the business

As set out in Section 1.2, completion of the Proposed Transaction is conditional on CWG obtaining all necessary shareholder approvals to allow the Proposed Transaction under ASX listing rules, the constitution of the Company and the Corporations Act 2001 (amongst other condition precedents). This includes without limitation:

- Change to the nature and scale of CWG's business from the mining sector to the waste management and green technology sector in China.

- The change of name from CWG to 'China Waste Corporation Limited'.

7.2 Pro forma financial position

The unaudited pro forma financial position for CWG was prepared by the Management of CWG as at 6 February 2015 and is summarised below. Refer to the Notice of Meeting and Explanatory Memorandum for a discussion in relation to the main assumptions.

The pro-forma balance sheet has been prepared by CWG having regard to the following:

- CWG historical consolidated balance sheet as at 6 February 2015.

- Pro forma adjustments to reflect the acquisition of HCL.

- Pro forma adjustments to reflect issue of new CWG Shares.

- Pro forma adjustments to reflect the fair value of CWG's mineral assets as assessed by Geos (refer to Appendix D).

- Pro forma adjustments to reflect payment by CWG of A$290,000 in relation to the transaction costs.

The pro forma balance is set out below.

Proforma balance sheet	HCL (A$)	CWG (A$)	Adjustments	CWM (after the Proposed Transaction) (A$)
Current assets				
Cash and bank balances	4,085,470	123,771	-	4,209,241
Prepayments	-	2,641	-	2,641
Investments	-	1,806	-	1,806
GST refund due	-	65,028	-	65,028
Non-current assets				
Goodwill on consolidation	3,357	-	(2,517)	840
Mining tenements at valuation	-	-	550,000	550,000
Mines Department Bonds	-	47,500	-	47,500
Total assets	**4,088,827**	**240,746**	**547,483**	**4,877,056**
Current liabilities				
Trade creditors	-	23,191	-	23,191
Other creditors and accruals	4,584	42,123	290,000	336,707
Unsecured loan	1,293,209	-	-	1,293,209
Total liabilities	**1,297,793**	**65,314**	**290,000**	**1,653,107**
NET ASSETS	**2,791,034**	**175,432**	**257,483**	**3,223,949**
Equity				
Share capital	25,540	9,029,413	2,762,977	11,817,930
Accumulated losses	(19,643)	(8,853,981)	(270,357)	(9,143,981)
Asset revaluation reserve	-	-	550,000	550,000
Share premium reserve	2,785,137	-	(2,785,137)	-
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	**2,791,034**	**175,432**	**257,483**	**3,223,949**

Source: Management of CWG

We note that the Proposed Transaction, if approved by the CWG Shareholders, will be effected at a future date and the actual financial position of the consolidated group post completion will differ from the proforma balance sheet presented above.

However we note that under the SPA, if the final net tangible asset balance of HCL after completion of the Proposed Transaction is more than A$200,000 less than the final net tangible asset balance as at 6 February 2015, the Vendors will be required to pay an amount equal to the shortfall to CWG in cash. In addition, from the date of the SPA until completion of the Proposed Transaction, HCL is required to seek prior written consent from CWG in relation to any material expense, transfer of assets or other activity which may reasonably be expected to impact the value HCL. If HCL fails to comply, CWG may choose to terminate the SPA at its discretion.

Accordingly, Management have represented that it does not expect the financial position of HCL at completion of the Proposed Transaction to be differ materially from the financial position of HCL as at 6 February 2015 (as set out above).

7.3 Directors and management

If the Proposed Transaction is implemented, the existing Directors of CWG will be replaced by the Vendor New Officers. However, the existing Company Secretary of CWG, Nathan Bartrop will remain and continue in his role after the Proposed Transaction.

The following Vendor New Officers will be appointed as Directors to the Board of CWG effective upon completion of the Proposed Transaction: Peter Harrison, Wang Qingli, Ross Benson, Alex Chee Leong Chow, Wei Dong and Li Xianglin.

7.4 Capital structure

The top 12 shareholders of CWG after the Proposed Transaction are set out below:

Top 10 shareholders Rank	Name	Number of shares (000's)	Interest (%) after the Proposed Transaction
1	Golden Voyage Holdings Limited[1]	236,862	33.00%
2	Elite Connection Limited[1]	129,198	18.00%
3	Diamond Grid Holdings Limited[1]	71,776	10.00%
4	Copious Century Holdings Limited[1]	62,804	8.75%
5	Aldrich Investments Limited[1]	62,804	8.75%
6	Solar Vantage Limited[1]	61,010	8.50%
7	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	33,622	4.68%
8	J P MORGAN NOMINEES AUSTRALIA LIMITED	10,192	1.42%
9	UOB KAY HIAN (HONG KONG) LIMITED <CLIENTS A/C>	6,025	0.84%
10	REYNOLDS (NOMINEES) PTY LIMITED <REYNOLDS SUPER FUND A/C>	4,137	0.58%
11	NIMITZ ENTREPOT NOMINEES PTY LTD <ACCUMULATION A/C>	4,000	0.56%
12	Galactic Group Limited[1]	3,589	0.50%
Total top 10 shareholders		**686,021**	**96%**
Remaining shareholders		31,744	4%
Total shares outstanding		**717,765**	**100%**

Note (1): the Vendors of HCL

Source: Management of CWG

8 Valuation methodology

8.1 Introduction

As part of assessing whether or not the Proposed Transaction is fair to the CWG Shareholders, Grant Thornton Corporate Finance has compared:

- Fair market value of CWG Shares before the Proposed Transaction on a control basis.
- Fair market value of CWG Shares after the Proposed Transaction on a minority basis.

In each case, Grant Thornton Corporate Finance has assessed value using the concept of fair market value. Fair market value is commonly defined as:

"the price that would be negotiated in an open and unrestricted market between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller acting at arm's length."

Fair market value excludes any special value. Special value is the value that may accrue to a particular purchaser. In a competitive bidding situation, potential purchasers may be prepared to pay part, or all, of the special value that they expect to realise from the acquisition to the seller.

8.2 Potential valuation methodologies

RG 111 outlines the appropriate methodologies that a valuer should generally consider when valuing assets or securities for the purposes of, amongst other things, share buy-backs, selective capital reductions, schemes of arrangement, takeovers and prospectuses. These include:

- Discounted cash flow (DCF) method.
- Application of earnings multiples to the estimated future maintainable earnings or cash flows.
- Amount available for distribution to security holders on an orderly realisation of assets.
- Quoted price for listed securities, when there is a liquid and active market.
- Any recent genuine offers received by the target.

Further details on these methodologies are set out in Appendix B to this report. Each of these methodologies is appropriate in certain circumstances.

RG 111 does not prescribe which of the above methodologies an expert should use in preparing their report. The decision as to which methodology to use lies with the expert based on the expert's skill and judgement and after considering the unique circumstances of the entity or asset being valued. In general, an expert would have regard to valuation theory, the accepted and most common market practice in valuing the entity or asset in question and the availability of relevant information.

8.3 Selected valuation methodology

Grant Thornton Corporate Finance has selected the market value of net assets as the primary method to assess CWG's and HCL's equity value. The market value of net assets is based on the sum-of-parts of CWG's and HCL's assets and liabilities as set out in CWG's and HCL's balance sheets as at 6 Februarys 2015 as set out in Section 7.2.

RG111 requires the fairness assessment to be made assuming 100% ownership of the target company and irrespective of whether the consideration offered is script or cash and without consideration of the percentage holding of the offeror or its associates in the target company. The valuation of exploration assets for independent expert's report purposes are typically carried out in conjunction with an independent technical specialists with expertise in the relevant minerals in accordance with RG112 and generally accepted market practice.

For the purposes of this report, Grant Thornton Corporate Finance has engaged Geos to prepare a valuation of the exploration assets of CWG which was completed in accordance with the VALMIN Code[19]. A copy of the Geos Report is included as Appendix D to this report.

8.3.1 Cross check

Prior to reaching our valuation conclusions, we have considered the reasonableness of our valuation of CWG shares having regard to:

- The market approach based on a multiple of Mineral Resources for the Company as a whole.
- The quoted share price of CWG.

[19] The VALMIN Code is binding on members of the Australasian Institute of Mining and Metallurgy when preparing public independent expert reports required by the Corporations Act concerning mineral and petroleum assets and securities. The purpose of the VALMIN Code is to provide a set of fundamental principles and supporting recommendations regarding good professional practice to assist those involved in the preparation of independent expert reports that are public and required for the assessment and/or valuation of mineral and petroleum assets and securities so that the resulting reports will be reliable, thorough, understandable and include all the material information required by investors and their advisers when making investment decisions.

9 Valuation assessment of CWG before the Proposed Transaction

As outlined in Section 8.3, Grant Thornton Corporate Finance has adopted the market value of net asset method to assess the equity value of CWG before the Proposed Transaction. Set out below is a summary of our valuation assessment:

Valuation summary of CWG before the Proposed Transaction	*Section Reference*	Low (A$)	High (A$)
Fair value of mineral assets	*9.1*	400,000	700,000
Other net assets as at 6 February 2015	*5.2.2*	175,432	175,432
Less: Transaction costs	*9.2*	(290,000)	(290,000)
Add: Tax losses	*9.3*	-	-
Equity value of CWG on a control basis		**285,432**	**585,432**
Number of CWG Shares ('000s)	*5.3*	89,720,622	89,720,622
Value per CWG Share on a control basis (A$)		**0.0032**	**0.0065**

Source: CWG Management, Geos Report and GTCF calculations

9.1 Fair value of mineral assets

Geos has assessed the fair value of other exploration assets attributable to CWG as summarised below.

Summary of fair value of mineral assets	*Section Reference*	Low (A$)	High (A$)
Attributable exploration expenditure method		800,000	1,000,000
Market capitalisation method		200,000	600,000
Comparable transactions method		200,000	400,000
Geos Mining preferred valuation range	*Appendix D*	**400,000**	**700,000**

Source: Geos Report and GTCF calculations

As outlined above, Geos has considered a number of valuation methodologies to assess the market value of CWG's mineral assets. In relation to the valuation approaches adopted by Geos, we note the following:

- The attributable exploration expenditure method involves the application of a value multiplier to the historical exploration expenditure incurred by CWG or their joint venture partners. The multiplier reflects the prospect of the underlying assets as assessed by Geos. The value derived is then pro-rated according the CWG's current equity interest in the assets.

- The market capitalisation equivalence method uses the market capitalisation of listed comparable companies adjusted for many factors including number of projects, quality and stage of projects, and ownership interest, to estimate a fair value for the mineral assets of CWG. Geos identified 4 comparable companies to CWG with similar levels of development and with assets located in a similar political and geological setting.

- The comparable transactions method involves comparing the transaction value of similar mineral properties transacted in the open market to the mineral assets of CWG. Geos identified 5 comparable transactions.

Geos considers that the valuation of the CWG mineral assets (on an attributable basis) to be in the range of A$400,000 and A$700,000. Refer to Geos Report in Appendix D for further details.

In relation to the valuation assessment of CWG mineral assets assessed by Geos, we note the following:

- The wide value range is driven by the uncertainty associated with the early stage nature of these assets. Typically, the spread of confidence diminishes as underlying Mineral Resources are proved-up and the uncertainty around Mineral Resource definition is reduced.

- As outlined in the Technical Report, Geos has noted that the market value of the mineral assets is materially below the market capitalisation of the CWG. Refer to section 9.4.1 for further details.

9.2 Estimated one-off transaction costs

The Management of CWG has advised that the estimated one-off non-contingent transaction costs committed and yet to be incurred by CWG in relation to the Proposed Transaction total approximately A$290,000. We note that none of these costs were incurred as at 6 February 2015.

9.3 Tax losses

CWG has approximately A$7.47 million in accumulated tax losses as at 30 June 2014 which could potentially be used to offset against future taxable income. However, the amount has not been recognised as an asset for financial reporting purposes as it does not satisfy the recognition criteria under the relevant accounting standards.

Given the early stage nature of CWG's assets, it is not possible to predict whether or not CWG will be able to generate any material earnings in the future and as a result be able to utilise the tax losses. In addition, under the fair market value principle, a potential purchaser is unlikely to attribute any value to the existing tax losses. Accordingly, we have not ascribed a value to CWG's unutilised tax losses.

9.4 Value of listed shell company

For the purposes of our valuation assessment of CWG, we have considered whether there is any potential value attributed to the company listed "shell" which could be extracted through a possible back-door listing transaction. In the past, it was possible for shareholders in companies in the position of CWG to generate additional value by approving the acquisition of businesses / assets, resulting in a change of control of the company (i.e. backdoor Transaction). In our opinion, the share market conditions conducive to the use of CWG as a possible back-door listing vehicle do not currently prevail. Other than the Proposed Transaction, it is unlikely another alternative back-door listing opportunity with another party will arise in a timely manner.

9.5 Valuation cross check

9.5.1 Cross check – quoted security

Prior to reaching our valuation conclusion, we have also considered the quoted security price of CWG Shares. Set out below are the share prices, VWAP and trading volumes from when the Opportunity was first announced on the 30 December 2013 to the announcement of the Proposed Transaction.

Month end	Monthly Low (A$)	Monthly High (A$)	Monthly VWAP (A$)	Total value of shares traded ($'000)	Volume traded ('000)	Volume traded as % of total shares
Dec 2013	0.0470	0.0590	0.0526	17	325	0.5%
Jan 2014	0.0500	0.0780	0.0682	183	2,685	3.7%
Feb 2014	0.0580	0.0620	0.0592	6	103	0.1%
Mar 2014	0.0570	0.0650	0.0577	7	124	0.2%
Apr 2014	0.0520	0.0520	0.0520	3	50	0.1%
May 2014	0.0520	0.0620	0.0582	75	1,289	1.8%
Jun 2014	0.0400	0.0630	0.0506	30	592	0.8%
Jul 2014	0.0480	0.0700	0.0569	38	674	0.9%
Aug 2014	0.0520	0.0750	0.0574	87	1,522	1.7%
Sep 2014	0.0480	0.1450	0.0707	3,067	43,402	48.4%
Oct 2014	0.1200	0.1850	0.1672	5,142	30,751	34.3%
Nov 2014	0.0800	0.1800	0.1047	2,342	22,371	24.9%
Dec 2014	0.1600	0.1850	0.1751	1,017	5,812	6.5%
Jan 2015	0.1700	0.2650	0.2049	2,308	11,263	12.6%
Feb 2015	0.2350	0.3000	0.2684	4,352	16,215	18.1%
Min	**0.0400**	**0.0520**	**0.0506**	**3**	**50**	**0.1%**
Max	**0.2350**	**0.3000**	**0.2684**	**5,142**	**43,402**	**48.4%**
Average						**10.3%**
Total						**154.5%**

Source: S&P CapitalIQ and GTCF calculations

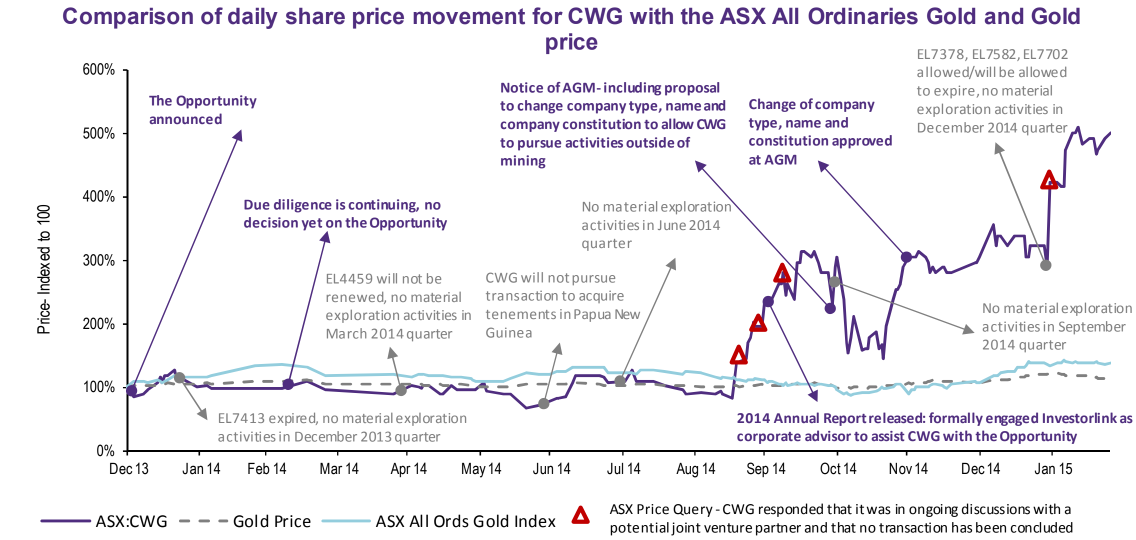
Based on the above table, we note the following:

- CWG complies with the full disclosure regime required by the ASX. As a result, the market is fully informed about the performance of CWG.

- In the absence of a takeover or other share offers, the trading share price represents the value at which minority shareholders could realise their portfolio investment.

- During the selected period, 155% of the total CWG Shares outstanding were traded. However, as set out in the table above, the liquidity of the Company increased substantially in September 2014. As discussed in more details below, in our opinion this is due to market speculation in relation to the Opportunity rather than reflecting the fair market value of the underlying assets of CWG. Before September 2014, the liquidity of the Company was limited.

- CWG Shares have been quite volatile over the selected period, with the minimum and maximum share price varying between A$0.040 and A$0.300 per share. In relation to this, we note that the share price of CWG materially outperformed those of peer companies after the recent announcement of CWG's proposal to change company type, name and constitution in order to allow the Company to pursue activities outside of mining.



Source: CapitalIQ and GTCF calculations

We note that our assessment of the fair market value of CWG on a control basis based on the sum of parts approach is between 0.32 cents and 0.65 cents per share and is materially lower than the recent share trading even if a premium for control is taken into account.

In our opinion this pricing differential between our valuation assessment of CWG on a control basis before the Proposed Transaction and the recent share trading appears to be mainly due to investor speculation (consistent with the high intra-day trading range over the period mid-September to mid-February) and optimism in relation to the nature and timing of the Opportunity which may be captured into the short-term trading prices but not necessarily in our valuation assessment of CWG. In particular, we note the following:

- The closing share price of CWG has increased by more than 110% since 30 September 2014 when CWG announced the appointment of Investorlink as corporate advisor to assist CWG in pursing the Opportunity.

- On 28 November 2014, CWG Shareholders approved the proposed changes to the company type, name and constitution to allow CWG to pursue activities outside of mining at the 2014 AGM. We note that nil votes were cast 'against' the proposed changes and the share price of CWG has increased by more than 42% since then.

- On 29 January 2015, CWG announced that three exploration tenements (which CWG held 100% interest in) have/will be allowed to expire, reducing the number of tenements held by CWG from 6 to 3. In response, the share price of CWG increased by more than 47% over the next trading day despite a material reduction in the net asset value of the Company. This likely reflects investors' perception that the release of mineral assets is a positive indication/ confirmation of CWG's focus on pursing the Opportunity.

Based on the above analysis and comments, we are of the opinion that the market value of CWG reflected in the current trading prices is affected by investor speculation in relation to the Proposed Transaction and it does not reflect the underlying fair market value of the assets held by the

Company. Accordingly, we are of the opinion that our valuation assessment based on the sum of parts is not unreasonable.

9.5.2 Cross check – Resource Multiple of listed comparable companies

Implied Resource Multiple of CWG

We have considered the reasonableness of our valuation assessment by comparing the resources multiple implied by the net assets valuation to the enterprise value to resource multiple ("Resource Multiple") of listed comparable companies in the gold exploration industry.

Our assessment of CWG based on the net asset approach implies a Resource Multiple between 10.9x and 31.2x as summarised below:

Cross check	*Section Reference*	Low (A$)	High (A$)
Assessed fair value of CWG	*9*	285,432	585,432
Cash balance as at 6 Feburary 2015	*5.2.2*	(123,771)	(123,771)
Enterprise value of CWG (control basis)		**161,661**	**461,661**
Total gold attributable contained resources (oz)	*5.1*	14,788	14,788
Implied Resource Multiple (A$/oz)		**10.9 x**	**31.2 x**

Source: Geos Report, ASX announcements and GTCF calculations

Resource multiple of listed comparable companies

Set out below are the resource multiples of the comparable companies that are engaged in gold exploration in Australia. Refer to Appendix C for further details on the comparable companies.

							Attributable contained gold resources[3]				
Company	Market Cap (A$m)	EV[1] (A$m)	Location[2] (state)	Ownership (%)	Total Attributable resources (Mt)	Average gold grade (g/t)	Inferred resources (Moz)	Indicated resources (Moz)	Measured resources (Moz)	Total resources (Moz)	Resource Multiple (EV/metal ratio)
Matsa Resources Limited	22.3	19.9	WA	30%	13.0	1.2	3.43	9.53	-	12.95	1.5x
Gascoyne Resources Limited	14.6	13.6	WA	93%	32.1	1.6	0.97	0.49	0.19	1.65	8.3x
Blackham Resources Limited	24.9	24.4	WA	100%	44.0	3.3	2.57	2.13	0.01	4.70	5.2x
Excalibur Mining Corporation Ltd[4]	0.7	0.8	NT	100%	2.5	3.6	0.28	-	-	0.28	2.9x
Torian Resources NL[5]	2.0	0.3	WA	75%	0.3	3.3	0.03	-	-	0.03	9.0x
Aphrodite Gold Limited	2.2	6.2	WA	100%	28.7	1.5	0.50	0.90	-	1.40	4.5x
KIN Mining NL	6.1	6.0	WA	100%	12.3	1.9	0.21	0.53	-	0.75	8.0x
Low					**0.3**	**1.19**	**0.0**	**-**	**-**	**0.03**	**1.5x**
High					**44.0**	**3.56**	**3.4**	**9.5**	**0.2**	**12.95**	**9.0x**
Median					**13.0**	**1.90**	**0.5**	**0.5**	**-**	**1.40**	**5.2x**

Note:
(1) EV based on latest available market capitalisation and quarterly cash flow as at 27 February 2015
(2) Location of flag ship asset
(3) Attributable contained resources = total resources x grade x percentage of ownership in the flagship project
(4) Excalibur also has 5,200 tonnes of contained attributable copper
(5) We have calculated the EV for Torian based on the proforma balance sheet set out in the recent Notice of Meeting dated 27 January 2015 as the proposed transaction has been approved by shareholders
Source: Capital IQ, company presentations and websites, other publicly available information

When considering the Enterprise Value ("EV") to resource multiples of the trading comparable companies, we note the following:

- The resource multiples listed above have been calculated based on the market price for minority or portfolio share holdings and do not include a premium for control.

- CWG has estimated total resources of 30.18 kiloton ("Kt") with an average gold grade of 2.86 g/t. Whilst CWG has relatively high gold grades, its total resources are substantially lower than most of the other comparable companies' listed above.

- For the purpose of our valuation, we have calculated the attributable resources of each company based on their ownership interest in their respective JORC[20] defined projects[21].

In our opinion, Excalibur Mining Corporation Ltd ("EMC") and Torian Resources NL ("TRN") are the most comparable companies to CWG as they have the most comparable levels and quality of resources (in terms of grade, category and amount) and are at a similar level of exploration (i.e. focused on resource expansion and have yet to complete any significant project feasibility studies).

The average Resource Multiple of EMC and TRN is approximately A$5.9 per oz of gold on a minority basis. Our valuation assessment of CWG implies a Resource Multiple of between A$10.9 per oz and A$31.2 per oz of gold on a control basis. In this regard, we note that majority of the comparable companies (including EMC and TRN) have included in their latest audited/ reviewed financing statements, an emphasis of matter in relation to the uncertainty on the ability of the companies to continue as going concerns if unsuccessful in further capital raisings or otherwise generating cash inflows. Given the recent deteriorating gold price and difficult financing conditions, we believe that it is likely the Resource Multiples of EMC and TRN incorporates a degree of distress (i.e. assumption that assets may be divested at a discount to fair value in order to generate cash flow and remain as a going concern).

Accordingly, we believe that our fair market valuation assessment of CWG based on the market value of net assets approach is not unreasonable[22].

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[20] The JORC (the "Joint Ore Reserves Committee") Code is a standard used for the public disclosure of Mineral Resource as defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore.
[21] The enterprise value of the comparable companies have been adjusted for any minority or non-controlling interest in the same flagship project.
[22] For avoidance of doubt, our valuation assessment of CWG is on a fair value basis.

10 Valuation assessment of CWG after the Proposed Transaction

Set out below is a summary of our valuation assessment of CWG after the Proposed Transaction on a minority basis:

Valuation summary of CWG before the Proposed Transaction	*Section Reference*	Low (A$)	High (A$)
Fair value of mineral assets	*9.1*	400,000	700,000
CWG net assets as at 6 February 2015	*5.2.2*	175,432	175,432
HCL net assets as at 6 February 2015	*10.1*	2,787,677	2,787,677
Less: Transaction costs	*9.2*	(290,000)	(290,000)
Equity value of CWG on a control basis		**3,073,109**	**3,373,109**
Number of CWG Shares ('000s)	*10.2*	717,764,969	717,764,969
Value per CWG Share on a control basis (A$)		**0.0043**	**0.0047**
Minority discount	*10.3*	29%	29%
Value per CWG Share on a minority basis (A$)		**0.0030**	**0.0033**

Source: CWG Management, Geos Report and GTCF calculations

10.1 Net assets of HCL as at 6 February 2015

As set out in Section 7.2, the net assets of HCL as at 6 February 2015 were A$2,791,034. Based on discussions with Management and review of information provided, we note the following:

- Subsequently to 6 February 2015, HCL executed the Reseller Agreement with AUST for the redistribution of CUPOLEX™ and have made the Initial Payment of US$1.2 million to acquire stock (i.e. CUPOLEX™ products for redistribution). Under the terms of the Reseller Agreement, the stock purchased will be bought back at the Initial Payment (less a transportation cost of 3%) by AUST if the Reseller Agreement is terminated by either HCL or AUST.

- Under the SPA as set out in Section 1.2, if the final net tangible asset balance of HCL after completion of the Proposed Transaction is more than A$200,000 less than the final net tangible asset balance as at 6 February 2015, the Vendors will be required to pay an amount equal to the shortfall to CWG in cash. In addition, HCL is required to seek prior consent from CWG in relation to any material expenditure, transfers of assets or other activities prior to completion of the Proposed Transaction. This ensures the financial position of HCL at completion of the Proposed Transaction does not differ significantly from the financial position of HCL on which the Proposed Transaction was negotiated.

Accordingly, based on the above it is our opinion that the net asset balance for HCL as at 6 February 2015 provides an appropriate point of assessment for the fair value of HCL.

10.2 Number of CWG Shares after the Proposed Transaction

As discussed in Section 1, if the Proposed Transaction is approved, CWG will issue 628,044,347 CWG Shares to the Vendors. The following table sets out the number of CWG Shares on issue after the Proposed Transaction:

Number of shares on issue	Section Reference	
Existing CWG shares outstanding	5.3	89,720,622
CWG Shares issued under the Proposed Transaction	1.2	628,044,347
Total CWG Shares outstanding after the Proposed Transaction		**717,764,969**
% interest in CWG held by the Vendors after the Proposed Transaction		*87.5%*

Source: CWG Management and GTCF calculations

10.3 Minority discount

As the Proposed Transaction is considered control transaction in accordance with RG 111, we have compared our assessment of CWG on a control basis prior to the Proposed Transaction with our assessment of CWG on a minority basis following the completion of the Proposed Transaction. A minority interest discount, which is the reduction applied to the value of a company due to the absence of control, is the inverse of a premium for control[23] and generally ranges between 17% and 29%. Australian studies indicate the premiums required to obtain control of companies range between 20% and 40% of the portfolio holding values.

In our assessment of the minority discount, we have considered that if the Proposed Transaction is completed, the Vendors will increase their shareholding in the Company from nil to 87.5%, the exiting Directors will be replaced by the Vendor New Officers, and CWG will change its name, and nature and scope of business. As a result, we have applied a minority discount towards the high end of the typically observed range of 29% to our assessed value of CWG after the Proposed Transaction.

[23] Minority interest discount = 1-(1/(1+control premium)).

11 Sources of information, disclaimer and consents

11.1 Sources of information

In preparing this report Grant Thornton Corporate Finance has used various sources of information, including:

- Draft Share Purchase Agreement.
- Draft Notice of Meeting and Explanatory Memorandum.
- Reseller Agreement.
- Audited financial statements for HCL and CUML YTD15.
- Annual reports of CWG for FY14.
- Releases and announcements by CWG on ASX.
- Other information provided by CWG and HCL.
- IBISWorld Industry Report.
- Other publicly available information.
- Geos Report.
- S&P CapitalIQ.
- Various broker reports.
- Discussions with Management.

11.2 Qualifications and independence

Grant Thornton Corporate Finance Pty Ltd holds Australian Financial Service Licence number 247140 under the Corporations Act and its authorised representatives are qualified to provide this report.

Grant Thornton Corporate Finance provides a full range of corporate finance services and has advised on numerous takeovers, corporate valuations, acquisitions, and restructures. Prior to accepting this engagement, Grant Thornton Corporate Finance considered its independence with respect to CWG and all other parties involved in the Proposed Transaction with reference to the ASIC Regulatory Guide 112 "Independence of experts" and APES 110 "Code of Ethics for Professional Accountants" issued by the Accounting Professional and Ethical Standard Board. We have concluded that there are no conflicts of interest with respect to CWG, its shareholders and all other parties involved in the Proposed Transaction.

We note that Grant Thornton Australia Limited is the auditor of CWG. The audit services provided by Grant Thornton Australia Limited are strictly for compliance purposes and we have strict internal protocols in relation to audit independence. In our opinion, Grant Thornton Corporate Finance is independent of CWG and its Directors and all other relevant parties of the Proposed Transaction. Grant Thornton Corporate Finance has no involvement with, or interest in the outcome of the Proposed Transaction, other than the preparation of this report.

Grant Thornton Corporate Finance will receive a fee based on commercial rates for the preparation of this report. This fee is not contingent on the outcome of the Proposed Transaction. Grant Thornton Corporate Finance's out of pocket expenses in relation to the preparation of the report will be reimbursed. Grant Thornton Corporate Finance will receive no other benefit for the preparation of this report.

11.3 Limitations and reliance on information

This report and opinion is based on economic, market and other conditions prevailing at the date of this report. Such conditions can change significantly over relatively short periods of time.

Grant Thornton Corporate Finance has prepared this report on the basis of financial and other information provided by CWG, Geos and other publicly available sources. Grant Thornton Corporate Finance has considered and relied upon this information. Grant Thornton Corporate Finance has no reason to believe that any information supplied was false or that any material information has been withheld. Grant Thornton Corporate Finance has evaluated the information provided by CWG through inquiry, analysis and review, and nothing has come to our attention to indicate the information provided was materially misstated or would not afford reasonable grounds upon which to base our report. Nothing in this report should be taken to imply that Grant Thornton Corporate Finance has audited any information supplied to us, or has in any way carried out an audit on the books of accounts or other records of CWG.

This report has been prepared to assist the Board of CWG in advising the CWG Shareholders in relation to the Proposed Transaction. This report should not be used for any other purpose. In particular, it is not intended that this report should be used for any purpose other than as an expression of Grant Thornton Corporate Finance's opinion as to whether the Proposed Transaction is fair and reasonable to the CWG Shareholders.

CWG has indemnified Grant Thornton Corporate Finance, its affiliated companies and their respective officers and employees, who may be involved in or in any way associated with the performance of services contemplated by our engagement letter, against any and all losses, claims, damages and liabilities arising out of or related to the performance of those services whether by reason of their negligence or otherwise, excepting gross negligence and wilful misconduct, and which arise from reliance on information provided, which CWG knew or should have known to be false and/or reliance on information, which was material information CWG had in its possession and which CWG knew or should have known to be material and which CWG did not provide to Grant Thornton Corporate Finance. CWG will reimburse any indemnified party for all expenses (including without limitation, legal expenses) on a full indemnity basis as they are incurred.

11.4 Consents

Grant Thornton Corporate Finance consents to the issuing of this report in the form and context in which it is included in the Target Statement to be sent to the CWG Shareholders. Neither the whole nor part of this report nor any reference thereto may be included in or with or attached to any other document, resolution, letter or statement without the prior written consent of Grant Thornton Corporate Finance as to the form and content in which it appears.

Appendix A – Glossary

Term	Description
A$ or $	Australian Dollar
2014 AGM	Notice of Annual General Meeting released on 30 October 2014
APES	Accounting Professional and Ethical Standards
APES110	Code of ethics for Professional Accounting
ASIC	Australian Securities Investment Commission
ASX	Australian Stock Exchange
AUST	Australian Urethane & Stryrene Pty Limited
China	People's Republic of China
Consideration Shares	628,044,347 new shares in CWG to be issued to HCL under the Proposed Transaction
CWC	China Waste Corporation Limited
CWG	Central West Gold Limited
DCF	Discounted Cash Flow
EMC	Excalibur Mining Corporation Limited
European Debt Crisis	Concerns over European sovereign debt levels
EV	Enterprise Value
FSG	Financial Services Guide
FYXX	Financial Year ended 30 June 20XX
Geos	Geos Mining Mineral Consultants
GFC	Global Financial Crisis
Grant Thornton Corporate Finance	Grant Thornton Corporate Finance Pty Ltd
HCL	Harvest Champion Limited
Investorlink	Investorlink Corporate Limited
ISL	Investorlink Securities Limited
JORC/ JORC Code	The JORC (the "Joint Ore Reserves Committee") Code is a standard used for the public disclosure of Mineral Resource as defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore.
Kt	Kiloton

Appendix A – Glossary (cont'd)

Term	Description
MEP	Ministry of Environmental Protection
Moz	Million ounces
MSW	Municipal Solid Waste
Mt	Million metric tonnes
NSW	New South Wales
Resource Multiple	EV/attributable contained Mineral Resource ounce (A$/oz)
RG	Regulatory Guide
RG111	ASIC Regulatory Guide 111 "Contents of expert reports"
RG112	ASIC Regulatory Guide 112 "Independence of Experts"
RG74	ASIC Regulatory Guide 74 "Acquisitions agreed to by shareholders"
SOEs	State Owned Enterprises
SPA	Share Sale and Purchase Agreement
The Board	The Board of CWG
The Corporations Act	Corporations Act 2001
The Directors	The Directors of CWG
The Geos Report	Independent Technical Report
The Proposed Transaction	CWG will acquire 100% interest in HCL for the consideration of 628,044,347 new shares in CWG
The Vendors	Vendors of HCL
TRN	Torian Resources NL
VWAP	Value Weighted Average Price
WACC	Weighted Average Cost of Capital
YTD15	Period up to 6 February 2015

Appendix B – Valuation methodologies

Discounted future cash flows

An analysis of the net present value of forecast cash flows or DCF is a valuation technique based on the premise that the value of the business is the present value of its future cash flows. This technique is particularly suited to a business with a finite life. In applying this method, the expected level of future cash flows are discounted by an appropriate discount rate based on the weighted average cost of capital. The cost of equity capital, being a component of the WACC, is estimated using the Capital Asset Pricing Model.

Predicting future cash flows is a complex exercise requiring assumptions as to the future direction of the company, growth rates, operating and capital expenditure and numerous other factors. An application of this method generally requires cash flow forecasts for a minimum of five years.

Capitalisation of future maintainable earnings

The capitalisation of future maintainable earnings multiplied by appropriate earnings multiple is a suitable valuation method for businesses that are expected to trade profitably into the foreseeable future. Maintainable earnings are the assessed sustainable profits that can be derived by a company's business and excludes any abnormal or "one off" profits or losses.

This approach involves a review of the multiples at which shares in listed companies in the same industry sector trade on the share market. These multiples give an indication of the price payable by portfolio investors for the acquisition of a parcel shareholding in the company.

Comparable market transactions

The comparable transactions method is the value of similar assets established through comparative transactions to which is added the realisable value of surplus assets. The comparable transactions method uses similar or comparative transactions to establish a value for the current transaction.

Comparable transactions methodology involves applying multiples extracted from the market transaction price of similar assets to the equivalent assets and earnings of the company. The risk attached to this valuation methodology is that in many cases, the relevant transactions contain features that are unique to that transaction and it is often difficult to establish sufficient detail of all the material factors that contributed to the transaction price.

Orderly realisation of assets

The amount that would be distributed to shareholders on an orderly realisation of assets is based on the assumption that a company is liquidated with the funds realised from the sale of its assets, after payment of all liabilities, including realisation costs and taxation charges that arise, being distributed to shareholders.

Market value of quoted securities

Market value is the price per issued share as quoted on the ASX or other recognised securities exchange. The share market price would, prima facie, constitute the market value of the shares of a publicly traded company, although such market price usually reflects the price paid for a minority holding or small parcel of shares, and does not reflect the market value offering control to the acquirer.

Appendix C – Comparable companies

Company	Description
Matsa Resources Limited	Matsa Resources Limited, together with its subsidiaries, explores for and develops gold and other base metal properties in Australia and Thailand. It also explores for nickel, copper, and iron ore deposits. The company is headquartered in Perth, Australia.
Gascoyne Resources Limited	Gascoyne Resources Limited engages in the exploration and development of gold and base metal projects in Australia. The company holds exploration licenses and applications totalling approximately 4,500 square kilometres in the Gascoyne and Murchison regions of Western Australia. It principally owns 100% interest in the Glenburgh gold project that covers a tenement area of approximately 2,000 square kilometres located in the Southern Gascoyne region of Western Australia. The company is headquartered in West Perth, Australia.
Blackham Resources Limited	Blackham Resources Limited explores and develops for mineral properties in Australia. Its principal property includes the Matilda Gold project, which consists of approximately 780 square kilometres of tenements, including Regent and the Matilda, and Williamson gold mines located in Western Australia. The company is also evaluating the development of the Scaddan and Zanthus Coal projects in Western Australia. Blackham Resources Limited is based in West Perth, Australia.
Excalibur Mining Corporation Limited	Excalibur Mining Corporation Ltd engages in the mineral exploration activities in Australia. The company explores for gold and precious metals. It holds interests in the Tennant Creek project that includes the Juno and Nobles Nob tenements located in central Northern Territory; and the Tanami project, which is situated in the region of the Northern Territory. The company was formerly known as Strata Mining Corporation Limited. Excalibur Mining Corporation Ltd is based in West Perth, Australia.
Torian Resources NL	Torian Resources NL engages in the exploration and evaluation of mineral interests in Australia. It is involved in the prospecting and evaluation of gemstones in Australia, as well as development of a gold exploration joint venture in Madagascar. The company also holds options in 11 gold prospects in the goldfields region of Western Australia that comprise 4 principal projects, including the Taurus Project, the Mt Stirling Project, the Mt Keith Project, and the Malcolm Project. The company was formerly known as Cluff Resources Pacific NL and changed its name to Torian Resources NL in June 2011. Torian Resources NL is based in North Sydney, Australia.
Aphrodite Gold Limited	Aphrodite Gold Limited engages in the exploration and development of mineral properties in Australia. The company's flagship project is the Aphrodite Gold Project located in the Eastern Goldfields of Western Australia. Aphrodite Gold Limited was founded in 2009 and is based in Melbourne, Australia.
KIN Mining NL	Kin Mining NL explores for and develops gold, nickel, and other base metal properties in Australia. It holds interests in six project areas comprising Desdemona, Iron King Group, Murrin Murrin, Redcastle, Mt Flora, and Randwick, which consist of 76 separate mineral tenements within the North-Eastern Goldfields Provence of Western Australia covering a combined total area of approximately 300 square kilometres. The company also has interest in the Leonora Gold project located to the northeast of the mining town of Leonora, Western Australia. Kin Mining NL is based in Osborne Park, Australia.

Appendix D – Geos report

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Valuation of Tenements at 26 February 2015

Central West Gold Limited

Job No. 2653-01 **10 March 2015**

Prepared for:

Grant Thornton Corporate Finance

Independent Directors of Central West Gold Limited

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Principal

Executive Summary

Grant Thornton Corporate Finance Pty Ltd has contracted Geos Mining to carry out a technical assessment and valuation of the tenements held by Central West Gold Limited (CWG) in NSW. The purpose of the valuation is to determine the value of the mineral projects of CWG for a proposed corporate transaction. This is an "Independent Valuation Report" as applied in the terminology of the Valmin Code.

The projects are located within the Lachlan Fold Belt of New South Wales, south of the town of Cobar and between Canberra and Orange.

There are a total of three granted exploration licences registered in the name of CWG. One other exploration licence is held by another company but CWG retains an 11.2% interest in a small part of the tenement. A review of the licence documents indicates that there are special conditions associated with the licences, but these are unlikely to have an adverse effect on CWG's ability to explore and mine.

A comparison of reported expenditure against current annual commitments indicates that one tenement is under expended as at January 2015. However, the tenement in question (EL7702) is of low priority and CWG has expressed its intention to allow the tenement to expire in February 2015, so no value has been assigned to this project.

We note that CWG shares are currently trading at an extremely high premium to levels prior to September 2014 and that CWG has responded to ASX queries in regard to share price rises and indicated that it is not aware of any information concerning these matters that have not been announced. Geos Mining has examined the market capitalisation of similar junior explorers and is not aware of any reason why CWG's market capitalisation should be at the current level when compared to its exploration assets. Therefore we have ignored CWG's own market capitalisation in this valuation, but note this significant anomaly.

We have valued the CWG portfolio using three approaches: attributable value of exploration expenditure, market capitalisation equivalence and comparable market valuations. The three methods give a low but variable range of values, reflecting the current weak gold price and low interest in early to mid-stage projects.

We consider that the determination of a fair and reasonable valuation range should take into account a number of factors, including:

- weakening in demand for smaller projects
- very little investor appetite for small early to mid stage projects

In summary, we have discounted the valuation range based on exploration expenditure due primarily to poor current market conditions and have relied more on recent transactions and market capitalisation to determine fair value.

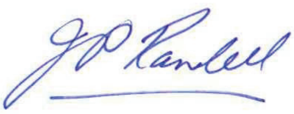
- **Geos Mining values Central West Gold's equity in the projects at between A$400,000 and A$700,000 with the lower end of the range reflecting an arm's length cash sale and the upper end of the range reflecting joint venture terms**

Disclaimer

While every effort has been made, within the time constraints of this assignment, to ensure the accuracy of this report, Geos Mining accepts no liability for any error or omission. Geos Mining can take no responsibility if the conclusions of this report are based on incomplete or misleading data.

Geos Mining and the authors are independent of Central West Gold Limited and Grant Thornton Corporate Finance Pty Ltd and have no financial interests in Central West Gold Limited or any associated companies. Geos Mining is being remunerated for this report on a standard fee for time basis, with no success incentives.

The opinions expressed herein are given in good faith and Geos Mining believes that any assumptions or interpretations are reasonable. This report contains forecasts and projections prepared by Geos Mining. However, these forecasts and projections cannot be assured and factors both within and beyond the control of Central West Gold Limited could cause the actual results to be materially different from Geos Mining's assessments and estimates contained in this report.

Signed: 

Jeff Randell

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1. Introduction

Grant Thornton Corporate Finance, on behalf of Central West Gold Limited (CWG), has contracted Geos Mining to carry out an independent valuation of the tenements held by CWG in NSW. A previous report was dated 01/07/2011, but was updated to 28/05/2012. This report summarises the following material changes from that date to 31/01/2015:

- EL Application 4360 Main Road was granted as EL8058 on 19 February 2013.
- CWG signed a joint venture farm-in agreement with Fisher Resources Pty Ltd ("Fisher") for EL6837 and EL8058 on 05/03/2012. Fisher have earned a 51% interest in the project and advised on 19/06/2013 that they have elected to earn a further 19% by expenditure of a further $400,000 by 05/03/2015.
- CWG have reduced their beneficial interest in the Bobadah JV (EL5878) from 15% to 11%
- CWG have relinquished the NSW tenements EL4459 Ottery, EL7339 Trundle, EL7413 Torrington, EL7582 Abercrombie, EL7628 Tumblong, EL7678 Pulganbar, EL7706 The Gulf and EL7707 Erigolia.
- CWG no longer has any beneficial interest in EL1801, located in Papua New Guinea.
- Updates of market capitalisations for comparisons of valuations.

The tenements included in the valuation are shown in Figure 1 and Table 1.

The purpose of the valuation is related to the preparation of an Independent Expert Report and Geos Mining understands that our report would be provided to Grant Thornton Corporate Finance to assist in evaluating a proposed corporate transaction. CWG has also advised (ASX announcement 30/12/2013) that the company intends to "consider a material change of business direction into the treatment of toxic waste industry in China". This will be a "Valuation Report", in the terminology of the Valmin Code, and will be included in Grant Thornton's Independent Expert Report for circulation to CWG shareholders.

The Specialists are Jeff Randell and Murray Hutton; Sue Border has reviewed the text.

The report includes information considered to be material and will include a description of the methodology used to derive the valuation, together with any supplementary methods used. The report also includes an assessment of major risk factors associated with the projects. No resource estimations have been carried out, but Geos Mining has commented on previous estimates, as appropriate. This work has not included any formal legal report on tenement status, but Geos Mining has made appropriate checks to satisfy themselves that the tenements are as described.

A draft report has been provided to the client for review and correction of any material errors.

2. Warrants and Disclosures

This report is prepared in accordance with the requirements of The Valmin Code (Valmin Committee, 2005) and complies with ASIC guidelines. The Experts who compiled this report are 'independent' in the sense of The Valmin Code, but acknowledge that all are employees of Geos Mining, which has provided geological consultancy services to CWG since 2007. These services have amounted to $532,000 payment to Geos Mining.

We are not aware of any information that has been deemed 'confidential' by CWG and they have disclosed all sources of that information.

3. Corporate Structure

Central West Gold Limited is a listed public company registered in New South Wales. The company has been primarily involved in the exploration for minerals in Australia.

CWG has spent about $2.4 million on the current exploration projects, while a further $0.39m has been expended by joint venture partners according to statutory reports held by the NSW Government and recent accounts information.

4. Information Sources

The project descriptions and details of the prior exploration have been obtained from technical reports held by CWG. The expenditure data and joint venture details have been obtained from the CWG files. Joint venture partners, Fisher Resources Pty Ltd (Fisher) and TriAusmin Limited (now Heron Resources Limited (Heron)), have provided technical reports and expenditure data for the Mt Hope and Bobadah projects, respectively.

The principal information sources used are listed in Section 11 of this report.

Geos Mining undertook a site visit to Mount Hope / Main Road between 14/06/2011 and 17/06/2011. Fisher has completed one drilling program since that time and the results of the program have been sighted by Geos Mining. The inspections included:

- Mount Hope (EL6837) - to examine the Mt Solitary and Mt Solar prospects, where considerable drilling has been conducted.
- Main Road (ELA4360, now EL8058) - to examine outcrops of reportedly very high grade gold mineralisation.

Geos Mining personnel have visited the Oberon project on several occasions and were involved in management of drilling programs there during 2007 and 2010. A site visit to CWG's portion of the Bobadah project was not considered necessary because it is at a very early stage of exploration. No site visits have been carried out since those dates listed above.

5. NSW Projects Overview

5.1. Project Locations

The CWG projects are located in the Lachlan Fold Belt region of New South Wales (Figure 1).

5.2. TENEMENTS

There are four current exploration licences in which CWG has a beneficial interest (Table 1).

CWG holds a 49% beneficial interest in each of EL6837 and EL8058, while Fisher retains the remaining 51% beneficial interest in each tenement. Fisher is currently earning an additional 19% interest in each tenement.

EL5878 is held by Heron, while CWG and Morning Star Gold NL (Morning Star) each retains an 11.2% interest[1] in part of the tenement.

EL7702 is held solely by CWG. An agreement by which former joint venture partner Commissioners Gold Limited (now Gold Mountain Limited), could earn a 70% beneficial interest, has now expired. CWG agreed to extend the agreement until 30/11/2014 but no further extension has been granted. CWG does not intend to renew the licence, which will expire on 09/02/2015 and, consequently, the EL is considered to have a value of zero for the purposes of this report, and is not considered further

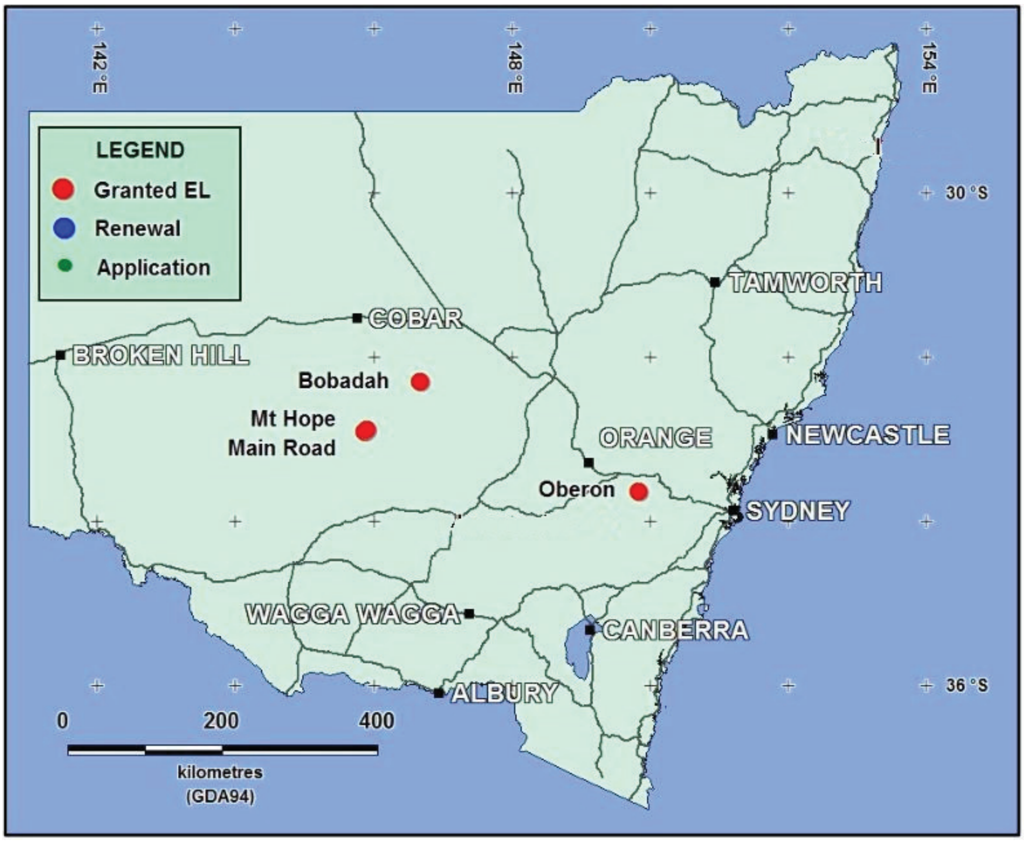

Figure 1: Location of CWG's New South Wales tenements

A review of the licence documents indicated that there are some special conditions associated with the licences:

[1] CWG holds the beneficial interest in three graticular units of the tenement

- Mt Hope EL6837 – rehabilitation of areas disturbed and lodgement of reports under EL6055 must be completed (our search of government records indicates that several of these reports are outstanding).
- Oberon EL7702 – rehabilitation of areas disturbed and lodgement of reports under EL6016 must be completed (we understand that all reports have now been submitted).

Several instances of access restrictions are noted:

- Main Road EL8058 – The tenement is cut by the proposed Nombinnie Nature Reserve and a Review of Environmental Factors (REF) must be submitted and approved prior to any surface disturbance.
- Bobadah EL5878 – Bobadah State Forest impinges on a small portion of the tenement. While exploration is generally permitted in State Forests there are additional mitigation measures that need to be implemented prior to commencing.

Tenement Name	Licence No	Registered Holder	Beneficial Holder	Grant Date	Expiry Date	Area (units)	Expenditure Commitment (pa)	Current Term Expenditure[2]	Annual Report Due
Bobadah	EL5878	TriAusmin	Heron, CWG 11.2%[3], Morning Star 11.2%	24/07/2001	23/07/2015	8	$38,000	$16,305	23/08/2015
Mount Hope	EL6837	CWG	Fisher 51%, CWG 49%[4]	24/07/2007	24/07/2015	6	$20,000	$23,674[5]	24/08/2015
Oberon	EL7702	CWG	CWG[6]	09/02/2011	09/02/2015	4	$14,000	$nil	09/03/2015
Main Road	EL8058	CWG	Fisher 51%, CWG 49%[7]	19/02/2013	18/02/2015[8]	1	$5,000	$12,340[9]	18/03/2015

Table 1: Tenement Details, New South Wales

[2] Expenditures collated from statutory reports and expenditure data supplied by CWG. Some nominal allocations have been made where it is uncertain from which project the expense was incurred.
[3] CWG originally held a 15% interest in 6 units of EL5878, managed by TriAusmin Limited. CWG has since elected not to contribute to exploration expenditure and TriAusmin (Heron) advised that as at 30 January 2015 CWG's interest has reduced to 11.2%.
[4] Fisher Resources Pty Ltd earned a 51% interest in EL6837 and EL8058 on 19 June 2013 and is now acquiring a 70% interest
[5] Expenditure to 24/07/2014; no further update has been provided by Fisher
[6] CWG has elected to not renew the licence, which is due to expire on 09/02/2015
[7] Fisher Resources Pty Ltd earned a 51% interest in EL6837 and EL8058 on 19 June 2013 and is now acquiring a 70% interest
[8] Application to renew this licence was lodged on 16/02/2015
[9] Expenditure to 18/02/2014; no further update has been provided by Fisher

A comparison of reported expenditure against current annual commitments (Table 2) indicates that EL7702 is under-expended by $28,000 since being renewed in 2013. However, this tenement is of low priority and CWG intends to allow it to expire at the end of the current term. Proposed exploration by Fisher on the Mount Hope tenement is likely to meet expenditure commitments by the time of the expiry of the current term (24/07/2015).

Tenement Name	Tenement Number	Expenditure Commitment (p.a.)	Reported Expenditure[10]	Shortfall (current year)	Expend by
Bobadah	EL5878	$38,000	JV partner funding		23/07/2015
Mount Hope	EL6837	$20,000	$23,674	$16,326	24/07/2015
Oberon	EL7702	$14,000	$nil	$28,000	09/02/2015
Main Road	EL8058	$5,000	$12,340	$0	19/02/2015

Table 2: Tenement Commitments vs Expenditures

All statutory reports for the current tenements have been completed and are up to date.

5.3. Exploration History

The Central West region has had an extensive exploration history and the most significant results from previous exploration by historical explorers in the area of the CWG tenements are summarised in Table 3.

Company	Years	Exploration Completed	Significant Results
Mt Hope EL6837 (Rutherford, 2005), (Wyllie, 2011)			
Australian Selection P/L	1966	INPUT/ Ground EM, soil sampling, IP	Numerous EM anomalies, probably surficial, no geochemistry
Kennecott Exploration Ltd	1975	Review only	
Placer Limited	1995	RC drilling	Mt Solitary – best intersection 36m @0.4g/t Au
Mount Conqueror Minerals NL, Central West Gold NL	1996	44 RC holes	Mt Solitary Main Zone – 220m x 30m, dip 60-70W. Best intersection 22.5m @ 3.5g/t Au
Central West Gold NL	1997	Mt Solitary – 3 RC holes Mt Solar – 4 RC holes	Mt Solitary – ~800,000t @ 1.3-1.6g/t Au Mt Solar – best intercept: 21m @ 1.3g/t Au, incl 6m @2.6g/t Au. Tonnage ~100,000t @1.0-1.9g/t Au
Mount Conqueror Minerals NL	1999	Mt Solitary – 6 RC holes	Mt Solitary - Gold anomalous area 200m x150m x200m depth. Best intercepts: 17m @ 4.2g/t Au, including 5m @13.8g/t Au Mt Solar – tonnage 108,000t @ 1.9g/t Au

[10] Expenditure since grant / latest renewal

Company	Years	Exploration Completed	Significant Results
Main Road EL8058 (Hutton, 2011)			
Australian Selection (Pty) ltd.	1966	Airborne, magnetic, electromagnetic, geochemical and induced polarisation surveys.	Studies showed no indication of the presence of economic concentrations of copper or zinc.
Homestake	1986	Geological mapping, RAB drilling, rock chip sampling, literature search, ground magnetics, IP, UTEM and percussion and diamond drilling.	DDH B1, 0.37ppm Au, 55ppm Ag, 2.2% Cu, 2.6% Pb, 3.5% Zn
RGC Exploration	1991	Mapping, sampling	Rock chips up to 50g/t Au
	1996	Map, sample, 13 RC, 9AC	Best 4m@1.98g/t Au, 3m @12.7g/t Au
Bobadah EL5878 (Mackenzie & Pienmunne, 2006),			
Australian Selection Pty ltd	1967	Airborne surveys, geophysical surveys, geochemical analysis, induced polarisation tests.	High zinc backgrounds were common, but not high enough to constitute an obvious anomaly.
Cyprus Mines Corporation	1974	Exploration restricted to reconnaissance geochemical evaluation. Three percussion boreholes drilled to 200 feet.	Hole SP-1 encountered 0.46% lead to 45 feet, and anomalous lead values ranging from 60ppm to 1420ppm from 45 feet to 125 feet. Lead was also anomalous in SP-2, ranging from 112 to 678ppm between the collar and 140 feet, dropping off to nothing at the bottom of the hole. Zinc was slightly anomalous in hole Sp-3, varying from 64 to 277ppm.
Aberfoyle Exploration Pty.	1979	Geological mapping, bedrock geochemistry, geophysical surveys, IP, pulse EM, and diamond drill holes.	Work carried out failed to locate any significant concentration of base metals.
AMOCO	1982-1983	16 percussion holes totalling 1852 metres, Transient Electromagnetic Surveys, soil sampling.	BOB-P3B – 18 meters of 0.6% lead, including 6 meters of 1.14% lead). BOB-P7 – 4 meters of 0.41% copper and 10 meters of 0.93% zinc. BOB-P8 – 42m with highly anomalous manganese (3%) and barium (0.43%)
Delta Gold	1999	Aeromagnetic surveys, geochemical data, geological reconnaissance, mapping and rock chip sampling,	Spooky Hill Ridge – strong anomaly - +100ppb AU, 200ppm Pb, and +100ppm As

Table 3: Historical Exploration Summary, Central West Region

5.4. Geology and Mineralisation

The Mt Hope (EL6837) and Main Road (EL8058) licences overlie the Devonian age Mt Hope and Rast Troughs and include well bedded sandstone units of the Broken Range Group. The southern part of the region is capped by increasingly thick sequences of Late Tertiary and Quaternary sediments related to the

Lachlan River Valley. Mineralisation sought is of the Cobar –style and includes the Mt Hope Copper mines and the Mt Solitary / Mt Solar Gold mines.

There are three main prospects within Mt Hope EL6837: Mt Solitary, Powerline Hill and Mt Solar, while the Main Road EL8058 contains one main prospect: Main Road (Figure 2).

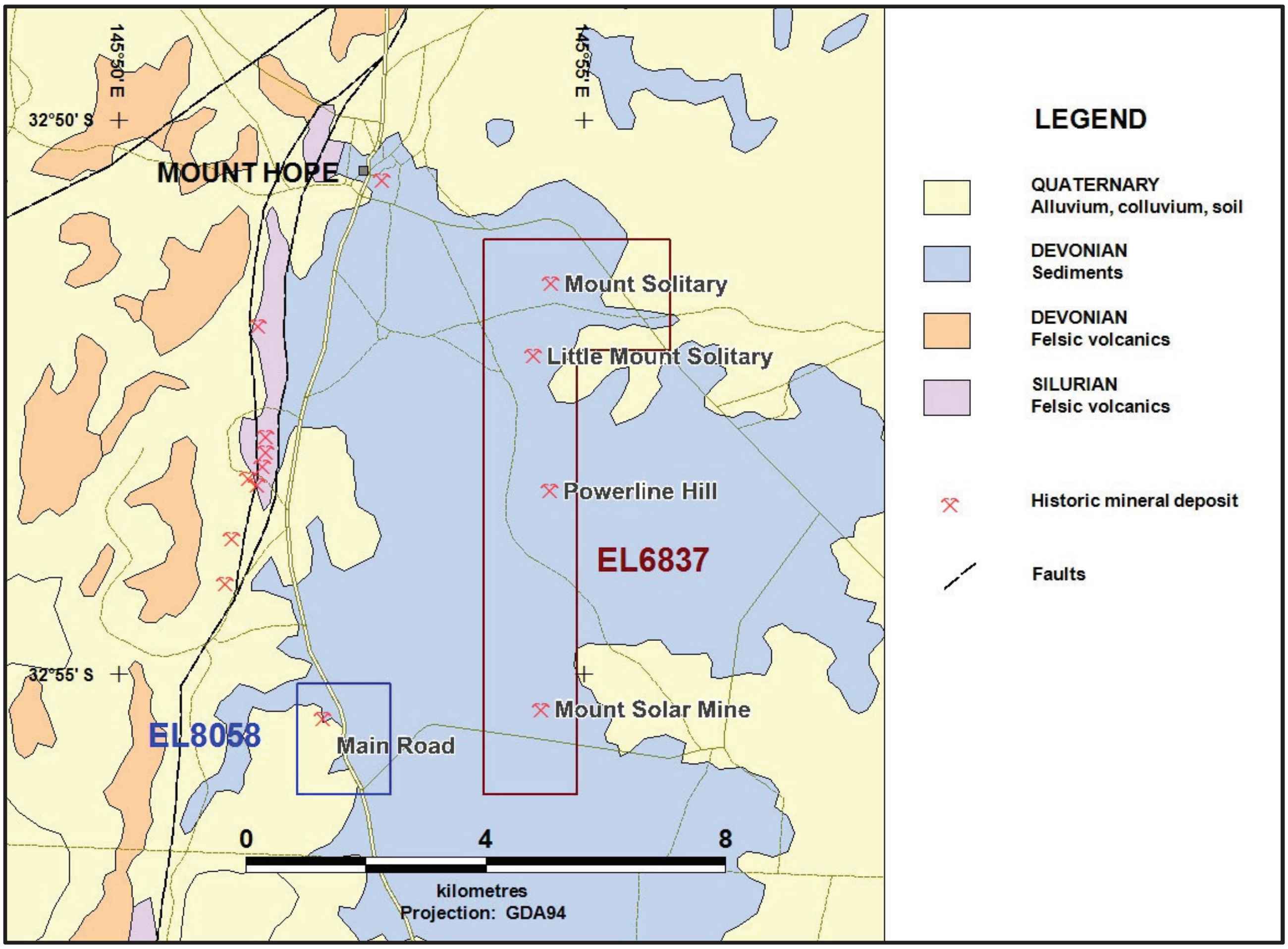

Figure 2: Mt Hope / Main Road Location and Prospects

Gold was discovered at Mt Solitary in 1904 and recorded production was 41 kg from 12,000 tons ore (average recovered grade 3.4 g/t Au), mostly through the 1935-40 period (Photo 1).

Two auriferous pyritic quartz veins (each ~0.6m wide with base metals and bismuth) were worked to 15m depth and over 50m of strike (Photo 2). Considerable drilling has been completed (44 holes for ~6100m) and the Main Zone had been shown to have dimensions of 220m long by width of 20-30m with a northerly strike and steep westerly dip. Overall gold grades in the oxidised zone, which was ~50m deep, was ~1 g/t Au, but there were apparently richer shoots. The best intersection recorded was 22.5m @ 3.5 g/t Au. Mineralisation may be classified as mesothermal and may be associated with a deep (1-2km) buried pluton. Geochemical anomalism at Powerline Hill does not appear to have been followed up.

Photo 1: Mt Solitary Tailings Dumps

Photo 2: Mt Solitary mineralised quartz veining

The Main Road prospect shows localised development of high grade gold mineralisation within bleached, silicified sediments (Photo 3). Grades up to 128ppm gold have been recorded from outcrops, but the area of anomalous geochemistry is very limited (~20m x 20m). The lack of anomalous gold recorded in drilling suggests that the mineralisation represents a localised supergene development.

Photo 3: Main Road bleached silicified sediments with fine ferruginous quartz veining

The Bobadah tenement (EL5878) is located in the Girilambone Zone of the Lachlan Fold Belt and is situated immediately to the west of, and covers some units of, the Mineral Hill Zone, which delineates locally the eastern branch of the Gilmore Suture. The geology within the licence area comprises the Ordovician Girilambone Group meta-sediments with minor altered mafic rocks. The Overflow Mine was a significant historical producer of gold and silver and produced approximately 4500oz gold, 15,000oz silver, 775 tonnes lead with minor copper and zinc from 8600 tonnes mined and 3000 tonnes of re-treated tailings from sporadic production between 1895 and 1935. Mining operations ceased when the patchy nature of the ore and the occurrence of large bodies of kaolin rendered the orebody uneconomic. The mineralisation occurs in shoots, which were reported to occur as 45m – 60m long. The best recorded drill intersection was by Delta Gold with 5.6m @ 7.3g/t gold, 10.9% Zn, 5.5% Pb from 185m. The tenement holder, TriAusmin Limited, has recently completed a VTEM airborne geophysical survey and is carrying out ground follow up of identified anomalies.

5.5. Recent Exploration Completed

At Mt Hope, there has been limited RC drilling and IP surveying completed since 2005. Similarly, at Main Road exploration has been limited to diamond drilling and a small IP survey (McClatchie, Main Road Gold Prospect EL5343, 2007) (McClatchie, Main Road Prospect, Annual Report 2010, 2010). Both Mt Hope and Main Road projects are now being managed by Fisher, who completed a small drilling program (7 RC holes for 1,362m) in 2013 at Mt Solitary prospect (Stewart, 2013). This was accompanied by rock chip sampling, interpretation of geophysical data and resource estimation.

EL5878 Bobadah is managed by Heron, although CWG has contributed to one exploration program in 2011. Ground truthing of the VTEM survey was conducted in 2013 and a suite of rock-chip samples were collected. Interpretation of the results concluded that EM was an unsuitable exploration method for the terrain. A single diamond hole was drilled in 2014 at the Overflow Mine prospect (Conahagn, 2014).

5.6. Exploration Results

The main exploration results are summarised in Table 3. CWG's results are summarised below:

- Mt Hope (EL6837)
  - Mt Solar: 1997 RC drilling - best intersection 11m @ 1.43g/t gold from 89m
  - Mt Solitary: 2013 RC drilling - best intersection 6m at 8.24g/t gold from 148m (including 2m at 19.9g/t Au)
  - In 2006 Hellman & Schofield estimated Inferred Resources of 328,000 tonnes @ 2.9g/t gold for ~30,000 ounces gold, in compliance with the JORC Code, 2004.
- Main Road (EL8058)
  - During 2007, one RC drillhole and one diamond drillhole failed to intersect any significant mineralisation (best 1m @ 2.34g/t gold from 24m).
  - A single IP line indicated that a moderate conductor occurs west of CWG's drillhole DMR15.
- Bobadah (EL5878)
  - Overflow Mine prospect: 8.6 metres grading 0.28 g/t Au, 8.1 g/t Ag, 642 ppm Cu, 0.27 % Pb and 1.35 % Zn from 124.0 metres (2014 drilling).
  - Spooky Hill Ridge – strong anomaly with +100ppb AU, 200ppm Pb, and +100ppm As

5.7. Resources and Reserves

At Mt Hope, a total of 64 drillholes for ~7,400m were drilled at the Mt Solitary prospect between 1982 and 2006. There have been a number of tonnage/ grade estimates reported, but all of these, except for that completed by Hellman & Schofield (2006), would not qualify as meeting the requirements of the JORC Code 2004 or the JORC Code 2012. Hellman & Schofield made the following comments (paraphrased) in regard to their 2006 resource estimate:

- No investigations of sampling and assay QAQC were undertaken as part of this study and, consequently, the assay data has been accepted as supplied.
- There remain some questions about the location of a number of sample intervals. Most collars have been surveyed and, therefore, the relative location of collars is believed of adequate accuracy though no field checking has been conducted by H&S.
- There is no documentation for some apparently significant hole deviations, which exist only in the form of trace projections of drillholes on plan.
- Some concerns are also held regarding the strict equivalence of 'percussion', RC and diamond core drilling data.
- There is no specific density data available.

In view of these limitations, Hellman & Schofield classified the resources as Inferred Resources only and quoted these as "328,179 tonnes @ 2.86g/t gold for 30,180 ounces (at a cut-off grade of 1.50g/t gold)" (Hellman & Schofield, 2006).

The 2013 drilling results have not been incorporated into this resource estimate and there has been no update on mineral resources since that time. This resource is small and unlikely to justify construction of a dedicated plant, unless additional resources are delineated or it is toll treated in a nearby plant. There is no nearby plant at present but the Hera polymetallic mine is located ~60kms to the north of Mt Hope.

A small additional tonnage at Mt Solar has also been documented (McClatchie, 2005).

No other resources have been defined for any of the other CWG projects.

6. Valuation

6.1. Effective Date for Valuation

The date of this report is 26 February 2015. For accounting purposes the only material changes in the valuation between the date of site visits and the date of this report are listed in Section 1.

6.2. Standards and Procedures

This report has been prepared in keeping with the Code for the Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports - The VALMIN Code 2005 Edition, which has been adopted by the Australasian Institute of Mining and Metallurgy, The Australian Institute of Geoscientists and the Mineral Industry Consultants Association. As far as practicable, resources and reserves quoted in this report conform to the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012). Where tonnage and grade estimates of mineralisation are referred to that either pre-date or, for other reasons in Geos Mining's opinion, do not comply with the JORC Code 2012, this is clearly stated.

6.3. Valuation – General Principles

The fair market value of a property as stated in the VALMIN Code (Definition 43) is the amount of money (or cash equivalent of some other consideration) that an asset should change hands on the valuation date in an open and unrestricted market between a willing buyer and a willing seller in an arm's length transaction, with each party acting knowledgeably, prudently and without compulsion.

This definition is adhered to, as far as is reasonable and practicable, in this report.

6.4. Valuation Methodologies

There is no single method of valuation that is appropriate for all situations. Rather, there are a variety of valuation methods, all of which have some merit and are more or less applicable depending on the circumstances. The Australian Securities and Investment Commission in its Practice Note 43 on Valuation Methodology list the following as appropriate items to be considered:

- Discounted cash flow.
- Amount an alternative acquirer might be willing to offer.
- The most recent quoted price of listed securities.
- The current market price of the asset, securities or company.

Comments on these methodologies are presented below.

6.4.1. NET PRESENT VALUE

If a project is in operation, under development, or at an advanced feasibility study stage (which includes detailed pre-feasibility studies) and reserves, mining and processing recoveries, and capital and operating costs are well defined, it is generally accepted that the net present value of the project cash flows is a primary component of any valuation study, and is generally the most relevant and appropriate valuation tool.

If a project is at the feasibility or pre-feasibility study stage, additional weight has to be given to the risks, due to uncertainties in capital and operating costs, operational performance and potentially a lower degree of confidence in the reserves. In an ongoing operation many of these items are relatively well defined.

This method was not used due to the early stage of exploration that most of the CWG projects are currently at. The more mature project at Mount Hope can be classified under the JORC Code 2004, as an Inferred Resource. Given the small size of the currently estimated resource, this is unlikely to be developed, under current economic conditions, as a stand-alone resource and no development plans have been made. Hence, the Net Present Value method is not an appropriate valuation method for this resource.

6.4.2. ALTERNATIVE VALUATION METHODS

6.4.2.1. RELATED OR COMPARABLE TRANSACTIONS

Of relevance to the valuation of projects and tenements is the price paid in recent comparable transactions. The difficulty in utilising this method is in determining to what extent the property or transaction is indeed comparable, unless the transactions involve the specific parties, projects or tenements under review. There can also be substantial change in value with time.

6.4.2.2. RULES OF THUMB OR YARDSTICKS

Certain industry ratios are commonly applied to derive an approximate indication of value. Commonly used ratios for gold deposits are dollars per ounce of gold in resources, dollars per ounce of gold in reserves and dollars per ounce of annual production. The ratios used commonly cover a substantial range, which is generally attributed to the 'quality' of the resources in question. Low cost ounces are clearly worth more than high cost ounces. Where a project has substantial future potential not yet reflected in the quoted resources or reserves a ratio towards the high end of the range may be justified. Such ratios can be used to provide an overall guide to value, but are subject to a significant degree of interpretation and are less precise than the NPV method. This method is only applicable where resources or reserves have been identified.

6.4.2.3. MARKET VALUATION

In the case of a one project company or a company with one major asset, the market capitalisation clearly gives some guide to the value that the market places on that asset at that point in time. Commonly, however, companies usually have several projects at various stages of development, together with a range of assets and liabilities, and in such cases it is difficult to define the value of individual projects in terms of the share price and market capitalisation.

6.4.2.4. PAST EXPENDITURE

Past expenditure, or the amount spent on exploration of a tenement is commonly used as a guide in determining the value of exploration tenements, and 'deemed expenditure' is frequently the basis of joint venture agreements. The assumption is that well directed exploration has added value to the property. This is not always the case and exploration can also downgrade a property and therefore a prospectivity enhancement multiplier ("PEM"), which commonly ranges from 0.5-3.0, is applied to the effective expenditure (Table 4). The selection of the appropriate multiplier is a matter of experience and judgement but is obviously highly subjective. To eliminate some of the subjectivity with respect to this method, Geos Mining commonly utilises the following PEM ranges to establish metallic exploration projects value based on the prior exploration expenditure:

PEM	Applicability
0.5 – 0.9	Previous exploration indicates the area has limited potential and its prospectivity may have been downgraded by the prior exploration.
1.0 – 1.4	The existing (historical and/or current) data consists of pre-drilling exploration and the results are sufficiently encouraging to warrant further exploration.
1.5 – 1.9	The prospect contains one or more defined significant targets warranting additional exploration; similarly prospective ground is not commonly available for application in this area.
2.0 – 2.4	The prospect has one or more targets with significant drill hole intersections; similarly prospective ground is not commonly available for application in this area.
2.5 – 2.9	Exploration is well advanced and infill drilling is required to define or up-grade a resource such that a reserve can be estimated.
3.0	Resource has been defined but a pre-feasibility study has not been recently completed.

Table 4: Prospectivity Enhancement Multipliers

When assessing previous exploration expenditure, expenditure includes the cost of tenement acquisition but expenditures relating to specific prospects outside the current tenure are excluded.

Some valuation practitioners also take into account the proposed exploration expenditure for the next phase of exploration in developing an overall project valuation using this method. In Geos Mining's view, there are a variety of potential outcomes from the next phase of exploration that are not known at the time of valuation. These include enhancing, diminishing or entirely negating further prospectivity of the project concerned. Consequently, we do not believe it is appropriate to include the proposed next budget amount when undertaking valuations using this method.

6.4.2.5. ALTERNATIVE OFFERS AND JOINT VENTURE TERMS

If discussions have been held with other parties and offers have been made on the project or tenements under review, then these values are certainly relevant and worthy of consideration and can be used in establishing a value of the project. Similarly, joint venture terms, where one party pays to acquire an interest in a project and/or spends exploration funds in order to earn an interest, provide an indication of the project's value.

6.4.3. SPECIAL CIRCUMSTANCES

Special circumstances of relevance to mining projects or properties can have a significant impact (both positive and negative) on value and modify valuations which might otherwise apply. Examples could include:

- Environmental risks - which can result in a project being subject to extensive opposition, delays and possibly refusal of development approvals;
- Indigenous peoples / land rights issues - projects in areas subject to claims from indigenous peoples can experience prolonged delays, extended negotiations or veto;
- Country issues - the location of a project can significantly impact on the cost of development and operating costs and has a major impact on perceived risk and sovereign risk;
- Technical issues peculiar to an area or deposit, such as geotechnical or hydrological conditions, or metallurgical difficulties could affect a project's economics or prohibit economic development.

6.5. EVALUATION OF RISKS

The mining industry is a high risk business where earnings can be highly volatile. Many risks directly related to a mining operation can be minimised by good planning and management practices. However, there are a number of risks that fall outside of the control of the mine operators. For each of the risks detailed below, we have provided a subjective assessment of the consequences of the risk on the overall exploration project and the likelihood of such risks occurring.

Consequence of risk:

- Major consequence – if uncorrected, the risk could have a material effect on the project and could potentially lead to the licence being revoked.
- Moderate consequence – if uncorrected, the risk could have a significant effect on the project but not likely to lead to the licence being revoked.

- Minor consequence – if uncorrected, the risk will have little or no effect on the project.

Likelihood of risk occurring within seven years if mitigating procedures are not enacted:

- Likely - >50% probability that the risk will occur.
- Possible – 20-50% probability that the risk will occur.
- Unlikely - <20% probability that the risk will occur.

The overall risk assessment has been constructed from the consequence of the risk and the likelihood of occurrence (Table 5).

Consequence	Likelihood		
	Likely	Possible	Unlikely
Major	High	High	Medium
Moderate	High	Medium	Low
Minor	Medium	Low	Low

Table 5: Risk Assessment Grid

6.5.1. Tenure risk

As mentioned earlier in this report, we believe that CWG has demonstrated that they have all necessary permits and licences for exploration in place and up to date.

*Moderate consequence, unlikely to occur **– Low risk***

6.5.2.Social Impact risk

The CWG projects are located in rural areas with low population density. Ongoing exploration programs will involve minor disruption to the local communities and may even have a net beneficial effect resulting from casual employment and use of local contractors, especially earthmoving equipment contractors.

*Minor consequence, unlikely to occur **– Low risk***

6.5.3.Environmental Risk

We do not believe that environmental issues are significant, provided that proper management principles and legislated guidelines are adhered to during the exploration programs. We do note however that there is remnant mining activity evident at Mt Hope in the form of solidified tailings covering an area of approximately 1ha. The environmental liability for restoration of this land has not been assessed but from previous experience, it is considered unlikely that CWG will be liable for restoration as long as there has not been continuous tenure (which is almost certainly the case).

Moderate consequence, unlikely to occur ***– Low risk***

6.5.4. Sovereign Risk

The current NSW state government is in favour of the expansion of the mining industry as it brings in much needed revenue for social infrastructure. However, anti-mining sentiment within the community is becoming a major challenge facing the industry and could lead to a significant change in government policy.

Moderate consequence, possible to occur ***– Medium risk***

6.5.5. Exploration Risk

Mineral exploration is a high risk endeavour with no guarantee of success. Poor results from exploration programs may lead to a project being assessed as having little or no value and the tenements being dropped.

Major consequence, likely to occur ***– High risk***

6.5.6. Market Risk

Having no operating mines, CWG is reliant on the share market for future funding of its share of exploration expenditure in order to maintain its equity position in the projects. Market sentiment can be highly volatile, particularly if commodity prices fall.

Moderate consequence, likely to occur ***– High risk***

6.6. Valuation Methodologies Utilised to Value Central West Gold's Mineral Assets

In undertaking this valuation of the tenements the following have been considered:

- Calculation of attributable exploration expenditure
- Market capitalisation of similar companies
- Comparable transactions on similar projects

6.6.1. Special Note in Regard to CWG's Current Market Capitalisation

We note that CWG shares are currently trading at an extremely high premium to levels prior to September 2014. We have observed strong share trading with concurrent share price increase since September 2014

(Figure 3). We attribute the anomalous NAV to multiple small volume trades. Prior to this date the market capitalisation of CWG was ~$5.4m and since that time there have been no material changes to the mineral assets of the company. CWG have responded to ASX queries in regard to share price rises and indicated that it is not aware of any information concerning these matters that have not been announced. We note again (see page 1) in this regard of the company's consideration of a material change in corporate direction.

We have examined the market capitalisation of similar junior explorers. Using these figures, we derive project values in line with the other methods used. We note that use of CWG's market capitalisation, even the value in September, before the recent price rises, would give project values significantly higher than the other valuation methods used. Therefore we have ignored CWG's own market capitalisation in this valuation, but note this significant anomaly.

Figure 3: CWH Share Price and Volume Traded (Source: ASX)

6.6.2. Attributable Exploration Expenditure

Expenditure has been calculated from expenditure statements in CWG's Annual Reports since 1993. The PEM values used vary according to the presence or absence of both mineral resources and significant drill intersections. This work is summarised in Table 6. We have not included the Oberon project (EL7702) as we believe that CWG and its former joint venture partner Gold Mountain Limited have chosen not renew the tenement and it will be allowed to expire on 8 February 2015.

In utilising the Exploration Expenditure method, we have only included exploration expenditure incurred by CWG or their joint venture partners and we have pro-rated this according to CWG's current equity. We consider that the attributable expenditure is 100% for all three cases, given that there have been no reductions for two of the projects and that exploration programs have been successful in defining significant mineralisation.

The areas in which CWG's tenements occur have all been subjected to extensive prior exploration by numerous companies over considerable periods of time. This work has generated considerable valuable data. These data are available to all parties at no cost through the NSW Government's DIGS online system and, consequently, we have not included any prior company expenditure when applying this methodology to the valuation of the tenements.

The valuations for Mt Hope and Main Road have been reduced to reflect CWG's current proportion of the joint venture with Fisher. The valuation for Bobadah has been reduced to reflect CWG's interest in only 40% of the tenement and its current equity.

Tenement Name Tenement No.	CWG Expenditure ($'000)	CWG Equity %	Attributable Expenditure ($'000)	Resources	Intersections	PEM Range	Valuation Range ($'000)
Bobadah EL5878	1,191	11[11]	52		√	1.5 – 1.9	80 - 100
Mount Hope EL6837	580	49	284	√	√	2.5 – 2.9	710 - 820
Main Road EL8058 [12]	83	49	41		√	1.5 – 1.9	60 - 80
TOTAL	**1,854**		**377**				**850 – 1,000**

Table 6: CWG Exploration Expenditure and Valuation Range

The valuation range using this methodology (Table 6) is quite narrow and based on the confidence in each project advancing to the next stage of exploration and ultimately development, Geos Mining considers that the preferred value would be at the upper end of this range. This conclusion is mainly supported by the high degree of confidence in upgrading of the mineral resource at Mt Hope.

6.6.3. Market Capitalisation Equivalence

We have searched for companies with similar projects, primarily using the SNL database system, company websites and ASX announcements, for publicly available data to enable some subjective comparisons to be made. Table 7 shows a summary of data collected with the market capitalisation equivalence of the CWG portfolio of projects. A number of broad assumptions are made:

- Companies with broadly equivalent projects to CWG in Eastern Australia have been selected.
- Project stages have been broadly categorised as:
  - Advanced stage projects – resources compliant with JORC (2012) criteria
  - Mid stage projects – significant quality intersections drilled
  - Early stage projects – grass roots exploration with some indications of mineralisation
- CWG's portfolio is categorised as:
  - Advanced stage projects – 0
  - Mid stage projects – 2 (Mount Hope, Bobadah)
  - Early stage projects – 1 (Main Road)

[11] CWG holds a 11.8% contributing interest in 3 units of the total 8 unit tenement. Expenditure by tenement holder has not been included in the total CWG expenditure.
[12] Expenditure includes predecessor EL5343.

Company	Early Stage Projects	Mid Stage Projects (intersections)	Advanced Stage Projects (resources)	Market Cap (A$m)	CWG Attributable[13] Equivalent Market Cap[14] (A$m)
Gold Mountain Ltd	2	2	0	4.8	0.6
Argent Minerals Ltd	0	2	1	5.3	0.6
Capital Mining Ltd	2	2	1	3.2	0.2
Comet Resources Ltd	3	1	0	2.3	0.3
			Range	**2.3 – 5.3**	**0.2 – 0.6**

Table 7: Comparable Companies with Market Capitalisation Equivalence

The valuation range using this methodology (Table 7) is quite broad and we consider that this reflects a number of factors including:

- Technical quality of the projects
- Market perception of that technical quality
- Corporate management and policy

Geos Mining considers that CWG would have a preferred valuation range towards the upper end of the values calculated in Table 7, based on our assessment of the three factors mentioned above.

6.6.4. Comparable Transactions

We have searched the SNL database system, company websites and ASX announcements for publicly available data on transactions between unrelated companies to determine likely market values for the CWG projects. Table 8 shows a summary of data collected.

The selected transactions are for single projects of a similar resource size to CWG's Mt Hope prospect. Therefore, the valuation using this method needs to take into account the additional value of CWG's equity in the Bobadah and Main Road projects.

[13] 'Attributable' means that the actual CWG equities in their current projects have been considered in this calculation
[14] CWG Equivalent Market Cap is calculated by pro-rating the CWG project types (advanced/ mid/ early stage) against other comparable companies projects with reference to their current market capitalisation

Project / State	Companies (Buyer / Vendor)	Date	Transaction Value 100% basis (A$,000)[15]	$/oz Gold	Comment
Mount Hope / NSW	*Fisher Resources / CWG*	*March 2012*	*860*	*28.80*	*Farm-in JV. $600,000 exploration expenditure to earn 70%. Inferred Resource 30,000 oz Au*
Kaiser Cu-Au / NSW	Alkane / Ajax Joinery	Jan 2014	710		Farm-in JV. Cash + exploration commitment + 2% NSR
Clonbinane Au / VIC	Nagambie / Auminco	June 2014	413	8.80	Purchase of company by cash + shares. Inferred Resource 47,000 oz Au
Suplejack Au / NT	ABM Resources / Ord River Resources	Oct 2014	860	13.70	Farm-in JV. Cash + exploration commitment to earn 70% Inferred Resource 62,700 oz Au
Golden Camel / VIC	Golden Camel / Iron Mountain	Oct 2014	325	16.25	Purchase of project for cash + royalty. Inferred Resource 20,000 oz Au
		Range 100%	**325 - 860**	**9 - 16**	
		Range CWG Attributable	**160 - 420**		

Table 8: Recent market transactions on projects similar to CWG's portfolio

The 2012 farmin agreement with Fisher in respect of the Mt Hope and Main Road projects values both (100% basis) at ~$860,000. We note however that both the gold price and US$/A$ exchange rate were quite different at the time of this transaction. We have therefore excluded this transaction for the purpose of this valuation but simply note it as reference.

The recent market transactions for projects considered equivalent to Mt Hope reflect the current weaker market for small gold projects although we note that the valuation range (100% basis) is still quite broad.

On the basis of this compilation (Table 8) and in consideration of the current market conditions, technical qualities of the Mt Hope Project and prospective address, Geos Mining considers that the preferred valuation range would be towards the higher end.

6.6.5. Assessment of Differences

Table 9 presents a summary of the valuations based on the three methods employed. It shows a moderate range of valuations based on the three methods employed, which is not unusual when dealing with small companies with limited assets and projects at a similar stage of development as the CWG projects.

[15] Adjusted to 100% equity basis in the cases of farm-in JVs.

Valuation Method	Valuation Range (A$m)
Attributable exploration expenditure	0.8 – 1.0
Equivalent market capitalisation	0.2 – 0.6
Comparable transactions	0.2 – 0.4

Table 9: Summary of valuation methods

The valuation ranges of CWG's NSW projects are based upon the attributable exploration expenditure, comparable transactions and market capitalisation equivalence methods but we consider that the determination of a fair and reasonable valuation range should take into account a number of factors, as explained below:

- Recent transactions have shown a weakening in demand for smaller projects and some companies have chosen to get out of the exploration industry for whatever amount that they can get.
- There has been very little investor appetite for small early to mid stage projects, especially without identified resources. In this type of market we would expect a much tighter range of values that the market would be prepared to pay.
- For the market capitalisation and comparable transactions valuation methods, it is difficult to find exact matches and differences between companies / projects may reflect aspects other than the intrinsic value of the company or projects. For example:
  - Location of projects in a "hot" area for mineralisation, or having valuable infrastructure nearby;
  - Board members having a strong reputation for delivering positive results for shareholders;
  - Differences in risk issues, particularly in environmentally sensitive areas;
  - Market capitalisations include a corporate component that reflects the value of having a company registered on the stock exchange.
- Of the three CWG exploration assets:
  - The Mt Hope project includes a mineral resource and is a tangible asset
  - The CWG portion of the Bobadah project has minimal value as it is outside the main prospective area
  - The Main Road project has evidence of gold mineralisation and would attract a minimal value only in association with Mt Hope

In summary, we have discounted the valuation range based on exploration expenditure due primarily to poor current market conditions and have relied more on recent transactions and market capitalisation equivalence to determine fair value.

- **Geos Mining values Central West Gold's equity in the projects at between A$400,000 and A$700,000 with the lower end of the range reflecting an arm's length cash sale and the upper end of the range reflecting joint venture terms**

7. Conclusions

As at 26 February 2015, Central West Gold held two exploration licences in NSW. One other exploration licence is held by another company but CWG retains an 11.2% interest in part of the tenement. A review of the licence documents indicates that there are no special conditions associated with the licences, access restrictions or work restrictions on the licences.

We note that CWG shares are currently trading at an extremely high premium to levels prior to September 2014 and that CWG have responded to ASX queries in regard to share price rises but have offered no explanation. Geos Mining has examined the market capitalisation of similar junior explorers and is not aware of any reason why CWG's market capitalisation should be at the current level when compared to its exploration assets. Therefore we have ignored CWG's own market capitalisation in this valuation, but note this significant anomaly.

We have valued the CWG portfolio using three approaches: attributable value of exploration expenditure, market capitalisation equivalence and comparable market valuations. The three methods give a low range of values, reflecting the current weak gold price and low interest in early to mid-stage projects.

- **Geos Mining values Central West Gold's equity in the projects at between A$400,000 and A$700,000 with the lower end of the range reflecting an arm's length cash sale and the upper end of the range reflecting arm's length joint venture terms**

8. Statement of Capability

This report has been prepared by Geos Mining and has been compiled and edited by Project Managers, Murray Hutton and Jeff Randell. Principal Consultant, Sue Border, has reviewed this document. Significant contributors are listed below.

Sue Border (BSc Hons, Gr Dip, FAIG, FAusIMM, MMICA)

Sue Border has 35 years' experience in the minerals industry working mainly in Africa, Australia and Asia. Sue specialises in project assessment, exploration management and resource and reserve estimation. Sue's broad experience includes periods as a mine geologist, consultant, academic and exploration manager before starting Geos Mining. Sue is the Principal of Geos Mining, a consultancy company providing specialist exploration services to the coal, uranium, gold, base metals and industrial minerals sectors. Sue has specialist experience in a wide variety of metals and industrial minerals and supervises all independent geological reports produced by Geos Mining personnel.

Murray Hutton (BA (Hons, Geology), MAIG)

Murray has extensive exploration experience for gold, copper and base metals in Australia, PNG, Philippines, Fiji and South America. He has held senior exploration positions and currently is a Senior Consultant who has supervised exploration programs in Australasia and South West Pacific regions. Murray is a Competent Person in a range of commodities.

Jeff Randell (BSc Hons, MAIG)

Jeff Randell is a widely experienced professional geologist in both exploration and mining with more than 35 years' experience in gold, base metals and bauxite. Jeff is a Competent Person in base metals, bauxite and gold and is a Registered Professional Geoscientist. He has particular expertise in the administrative management of projects and is currently employed as a Project Manager for Geos Mining.

All information in this report relating to Mineral Resources is based on and accurately reflects, information compiled by consultants and contractors employed by Geos Mining under the supervision of the company's Project Manager who is a Competent or Qualified Person as defined in the Australasian Code for Reporting or Mineral Resources and Ore Reserves.

Signature:

Name:	Jeff Randell	Position:	Project Manager
Qualifications:	BSc (Hons), MAIG, RPGeo	Date:	26 February 2015

9. Statement of Independence

Geos Mining is independent of all parties involved with the project activities described in this report. Geos Mining will receive a professional fee based on standard rates plus reimbursement of out of pocket expenses for the preparation of this report. The payment of these fees is not contingent upon the success or otherwise of the proposed listing or any associated fundraising. There are no pecuniary or other interests that could be reasonably regarded as being capable of affecting the independence of Geos or the undersigned.

The final report includes full disclosure of fees and work carried out for Central West Gold over the last two years, as required by ASIC Regulatory Guide 112.

Geos Mining is not aware of any appointments over the past two years by any stakeholders or other relevant parties involved in the Proposed Transaction that may be perceived as able to affect the independence of Geos Mining. Geos Mining, the authors and members of the authors' families, have no interest in, or entitlement to, any of the project areas the subject of this report.

10. Limitations and Consent

The opinions expressed herein are given in good faith and Geos Mining believes that any assumptions or interpretations are reasonable.

With respect to this report and its use by Central West Gold Limited and its advisors, Central West Gold Limited agrees to indemnify and hold harmless Geos Mining, its shareholders, directors, officers and associates against any and all losses, claims, damages, liabilities or actions to which they or any of them may become subject under any securities act, statute or common law, except in respect to fraudulent conduct, negligence or wilful misconduct, and will reimburse them on a current basis for any legal or other expenses incurred by them in connection with investigating any claims or defending any actions, except where they or any of them are found liable for, or guilty of fraudulent conduct, negligence or wilful misconduct.

This report is provided to Central West Gold Limited solely for the purpose of assisting Central West Gold Limited shareholders and other interested parties in assessing the geological and technical issues associated with the proposed transaction. This report does not constitute a full technical audit but rather it seeks to provide an independent overview and technical appreciation of Central West Gold Limited's projects and proposed acquisition. This report may be reproduced only in its entirety and then only with Geos Mining's written consent.

11. References

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12. Glossary

Terms not included in this glossary are used in accordance with their definitions in the Australian Concise English Dictionary.

Aeromagnetic Data: Geophysical data indicating the variation in magnetic intensity captured from an aircraft.

Aircore drilling: A combination of reverse circulation and diamond drilling techniques in which a small diameter core is air-lifted up the inside of the drill string. Suited to sticky clays and unconsolidated rock.

Alluvium/ Alluvial: Sediment deposited by a stream or river.

Alumina: any of various forms of aluminum oxide occurring naturally

Antimony: A metal, atomic symbol, Sb, antimony is the 51st element in the periodic table

Arc: chain of volcanic islands or mountains formed as an oceanic tectonic plate subducts under another tectonic plate and produces magma at depth under the over-riding plate. The magma ascends to form an arc of volcanoes parallel to the subduction zone

Banded Iron Formation (BIF): hard rock source of iron ore with many of the commercially important iron ore deposits formed by natural enrichment

Barite: a mineral consisting of barium sulphate with the chemical formula $BaSO_4$

Base Metal: Any metal at the lower end of the electrochemical series that oxidizes readily

Basement: the rocks below a sedimentary platform or cover, or more generally any rock below sedimentary rocks or sedimentary basins that are metamorphic or igneous in origin

Basin: A depressed segment of rock in which sediments accumulate and where hydrocarbons may be located.

Beneficiation: variety of process whereby extracted ore from mining is reduced to particles that can be separated into mineral and waste, the former suitable for further processing or direct use

BFS: Bankable Feasibility Study

Biotite: A common rock forming silicate mineral of the mica group, containing varying proportions of potassium, iron, magnesium and aluminium.

Bulk Density: A measure of the relative weight of a geological material as it is found in the ground before excavation, expressed in tonnes per cubic metre (t/m^3).

Breccia: A coarse-grained rock consisting of angular broken rock fragments held together by a fine-grained matrix, distinct from conglomerate.

Cambrian: The earliest period of the Palaeozoic era, covering the time between 570 and 500 million years ago.

Continental Margin: zone of the ocean floor that separates the thin oceanic crust from thick continental crust

Craton: an old and stable part of the continental lithosphere. Having often survived cycles of merging and rifting of continents, cratons are generally found in the interiors of tectonic plates

Deposit: A mineral occurrence of sufficient size and grade that it might, under favorable circumstances, be considered to have economic potential

Disseminated: Said of a mineral deposit in which the desired minerals occur as scattered particles in the rock.

En Echelon Veins: structures within rock caused by noncoaxial shear; and appear as sets of short, parallel, lenses on the surface of a rock. They are planar structures within the rock and originate as tension fractures which are subsequently filled by precipitation of a mineral.

Epigenetic: formed later than the surrounding or underlying rock formation

Exploration Licence: A granted title over an area of land entitling the holder to explore for one or more mineral commodities for a set period of time

Exploration Target: Information relating to exploration targets must be expressed so that it cannot be misrepresented or misconstrued as an estimate of Mineral Resources or Ore Reserves. The terms Resource(s) or Reserve(s) must not be used in this context. Any statement referring to potential quantity and grade of the target must be expressed as ranges and must include (1) a detailed explanation of the basis for the statement, and (2) a proximate statement that the potential quantity and grade is conceptual in nature, that there has been insufficient exploration to define a Mineral Resource and that it is uncertain if further exploration will result in the determination of a Mineral Resource.

Fault: A geological fracture along which rocks on one side of the fault are dislocated relative to those on the other side.

Feasibility Study: A study of the economic viability of the mining and production of base or precious metals or other minerals

Ferrous: of or relating to or containing iron

Goethite: an iron bearing hydrous oxide mineral found in soil and other low-temperature environments

Grade: Average quantity of ore or metal in a specified quantity of rock.

Granite/Granitic: Coarse-grained acid igneous rock containing quartz and feldspar.

Granitoid: A granitic rock.

Gravity Separation: Gravity separation is an industrial method of separating two components from a suspension or any other homogeneous mixture where separating the components with gravity is sufficiently practical

Greisen: A form of alteration restricted to the outer edges of some granite intrusions

Greywacke: A rather poorly sorted sandstone which contains fragmentary material mixed in with a matrix of finer material such as clay

Head Grade: the grade of the ore as delivered to the metallurgical plant

Hematite: the principal form of iron ore, and is the mineral form of iron(III) oxide (Fe_2O_3), one of several iron oxides. Hematite crystallizes in the rhombohedral system

Illite: a non-expanding, clay-sized, micaceous phyllosilicate mineral with aggregates of grey or white monoclinic crystals

In Situ: In its original position, said of rock or soil when it has not moved from whence it was deposited and or lithified.

Indicated Resource: that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed.

Inferred Resource: that part of a Mineral Resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes which may be limited or of uncertain quality and reliability.

JORC Code: A code prepared by the Joint Ore Reserves Committee which sets out minimum standards, recommendations and guidelines for public reporting in Australasia of exploration results, mineral resources and ore reserves.

JV: Joint venture

Kaolinite: A clay mineral with the chemical composition $Al_2Si_2O_5(OH)_4$. It is a layered silicate mineral, with one tetrahedral sheet linked through oxygen atoms to one octahedral sheet of alumina octahedra.

Kriging Method: a group of geostatistical techniques to interpolate the value of a random field at an unobserved location from observations of its value at nearby locations.

Lacustrine: of or relating to lakes

Laterite: Highly weathered material rich in secondary oxides of iron, aluminium or both.

Lode: a deposit of valuable ore occurring within definite boundaries separating it from surrounding rocks

Magnetic Susceptibility: the degree of magnetization of a material in response to an applied magnetic field

Mineralisation: Term describing the hydrothermal deposition of economically important minerals in the formation of ore bodies.

Molybdenum: A metallic chemical element (symbol Mo) with an atomic number of 42

Muscovite: A common rock forming silicate mineral of the mica group. It is a transparent mineral and commonly occurs in igneous rocks such as granite.

Ocean Crust: the part of Earth's lithosphere that surfaces in the ocean basins. Oceanic crust is primarily composed of mafic rocks, or sima, which is rich in iron and magnesium

Ordovician: The second earliest period of the Palaeozoic Era between 500 and 440 million years ago.

Orogen: Referring to the process of mountain building and uplift, folding and faulting

Palaeo-topography: The topography of a given area in the geologic past.

Palaeochannels: Deposits of unconsolidated or semi-consolidated sediments deposited in ancient, presently inactive river and stream channel systems.

Palaeoenviromental: Environment in the geologic past

PEM: Prospectivity enhancement multiplier. It commonly ranges from 0.5-3.0 and is applied to the effective expenditure. The selection of the appropriate multiplier is a matter of experience and judgement but is highly subjective.

Pig Iron: the name used for the iron directly produced from a blast furnace

Pisolitic: A somewhat spherical accretionary body in sediments

Polymetallic: refers to a substance composed of a combination of different metals

Porphyry/Porphyritic: An igneous rock in which larger crystals (“phenocrysts”) are scattered through a matrix of smaller crystals (“groundmass”)/descriptive of rocks displaying such textures.

Porosity: Porosity is a measure of the void spaces in a material and is a fraction of the volume of voids over the total volume, between 0–1, or as a percentage between 0–100%

Quartz: second most abundant mineral in the Earth's continental crust, after feldspar. It is made up of a continuous framework of SiO_4 silicon–oxygen tetrahedra, with each oxygen being shared between two tetrahedra, giving an overall formula SiO_2.

Recoverable Resources: Recoverable resource refers to the amount of resource that can be removed.

Reserves: The economically mineable part of a measured or indicated resource at the time of reporting, as defined in the JORC Code.

Resource: The part of a deposit for which there is a reasonable prospect for eventual economic extraction, as defined in the JORC Code. Not all of a resource may be economically minable.

Riffle Splitter: is a sampling device that is used for sample splitting. In the riffle splitter, the sample is poured from a suitable vessel, into a battery of about ten open chambers which are so arranged that any two adjacent chambers permit the material to flow out towards two different sides

Rift: a rift is a place where the Earth's crust and lithosphere are being pulled apart and is an example of extensional tectonics

Sediment: Material such as mud and sand that has been moved and deposited by water, ice or wind.

Shear: A deformation resulting from stresses that cause parts of a body to slide relative to each other in a direction parallel to their plane of contact

Smelting: Smelting is a form of extractive metallurgy; its main use is to produce a metal from its ore. This includes iron extraction (for the production of steel) from iron ore

Silicates: A silicate is a compound containing an ion in which one or more central silicon atoms are surrounded by electronegative ligands

Siliceous: Name used to describe silicon dioxide compounds.

Silurian: A period within the Palaeozoic era between 440 and 400 million years ago

Source Rocks: rocks reflecting high productivity; most common source rocks: shales and mudstones; basalts; and quartz sandstones and limestones.

Spear Sample: Conducted using a PVC tube. This method is not equi-probable as it is susceptible to density segregation in the sample bag

Spinel: a hard glassy mineral consisting of an oxide of magnesium and aluminium which occurs in various colours

Stockwork Veins: three dimensional network of irregular veinlets

Strata: Layers of sedimentary rock, visually separable from other layers above and below.

Stratigraphy: The science of rock strata, concerned with all characteristics and attributes of rocks as strata, and their interpretation in terms of mode of origin and geologic history.

Strip Ratios: In open pit mining, the ratio of the total waste removed to the total mined, expressed as bank cubic metres per tonne (BCM/tonne).

Surficial: pertaining to or occurring on or near the earth's surface

Tenement: An area granted for exploration or mining purposes.

Tertiary: Thought to have covered the time between 65 and 2 million years ago.

Ternary Diagrams: a triangular graph used to plot percentages of each of three components such as sand, silt, and clay. Each apex is considered 100% of one component

Tonnage Equivalent: used in this report as a colloquial term used solely to compare tonnages within each tenement by permitting a comparison of ‘apples with apples’.

Trough: refers to a linear structural depression that extends laterally over a distance, while being less steep than a trench. A trough can be a narrow basin or a geologic rift

Turbidite: Sediments which are transported and deposited by density flows

Valmin Code: Code for the Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports. A code prepared to assist those involved in the preparation of public Independent Expert Reports that are required for the assessment and/or valuation of mineral and petroleum assets and securities so that the resulting reports will be reliable, thorough, understandable and include all the material information required by investors and their advisers when making investment decisions.

Variogram: A graph of the function of the spatial dependence of variance

Vein: A fracture in rock which has been filled with mineral, often quartz.

Workings: The entire system of openings in a mine for the purpose of operation

XRD: X-ray diffraction. A technique in which the patterns formed by the diffraction of X-rays on passing through a crystalline substance yield information on the lattice structure of the crystal, and the molecular structure of the substance.

XRF: X-ray fluorescence. X-rays are diffracted when directed at a crystalline material according to its lattice structure. The generation of an x-ray diffraction pattern that is characteristic for the crystalline phases contained within the sample is the result of the data collection process.

APPOINTMENT OF PROXY

I/We

……………………………………………………………………………………………………

……………………………………………………………………………………………………

(insert name and address)

being a member/members of Central West Gold Limited ABN 95 003 078 591 and entitled to vote hereby appoint

☐	the Chairman of the Meeting **OR**	

failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Central West Gold Limited ABN 95 003 078 591 to be held at Level 2, 3 Spring Street, Christie Conference Centre, Sydney NSW 2000 on Wednesday 15 April 2015 at 9.30am and at any adjournment of that meeting.

The Chairman intends to vote all undirected proxies in favour of all Resolutions.

Voting directions to your proxy – please mark ☒ to indicate your directions

Ordinary Resolutions

1.	Issue of Shares for acquisition of Harvest Champion	☐	☐	☐
2.	Substantial Change in Nature and Scale of Activities	☐	☐	☐
3.	Appointment of Peter Harrison	☐	☐	☐
4.	Appointment of Wang Qingli	☐	☐	☐
5.	Appointment of Ross Benson	☐	☐	☐
6.	Appointment of Alex Chee Leong Chow	☐	☐	☐
7.	Appointment of Wei Dong	☐	☐	☐

8. Appointment of Li Xiangli

Special Resolutions

9. To change the Company Name

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

PLEASE SIGN This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented

Individual or Securityholder 1	**Securityholder 2**	**Securityholder 3**
Sole Director and Sole Company Secretary	**Director**	**Director/Company Secretary**

In addition to signing the Proxy Form in the above box(es) please provide the information below

in case we need to contact you.

______________________________ ______________________________

Contact Name **Contact Daytime Telephone**

_________/_________/____________

Date