



Notice of Annual General Meeting

The Annual General Meeting of the Company will be held at
38 Station Street, Subiaco WA 6008
on Wednesday 25 November 2016 at 10.30 am (WST).

This Notice of General Meeting should be read in its entirety. If Shareholders are in any doubt as to how they should vote, they should seek advice from their professional advisor prior to voting.

Please contact the Company Secretary on (08) 9335 7770 if you wish to discuss any matter concerning the Meeting.

Excelsior Gold Limited

ABN 38 123 629 863

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the Shareholders of Excelsior Gold Limited will be held at 38 Station Street, Subiaco, WA 6008 on 25 November 2016 at 10.30 am (WST).

The Explanatory Memorandum to this Notice of Meeting provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and Proxy Form form part of this Notice of Meeting.

Shareholders are urged to vote by attending the Meeting in person or by returning a completed Proxy Form. Instructions on how to complete a Proxy Form are set out in the Explanatory Memorandum.

Proxy Forms must be received by no later than 5.00 pm (WST) on 23 November 2016.

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in the Explanatory Memorandum.

Agenda

1 ANNUAL REPORT

To receive and consider the financial statements of the Company and the reports of the Directors and Auditors for the financial year ended 30 June 2016.

2 RESOLUTION 1 - REMUNERATION REPORT (NON-BINDING)

To consider, and if thought fit, to pass with or without amendment the following as a non-binding ordinary resolution:

“That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company’s annual financial report for the year ending 30 June 2016.”

A voting exclusion statement is set out below.

3 RESOLUTION 2 - RE-ELECTION OF DIRECTOR - MR JIMMY LEE

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

“That Mr Jimmy Lee, having been appointed a director of the Company on 20 June 2016 and who retires in accordance with clause 11.12 of the Company’s Constitution and, being eligible, offers himself for re-election, be elected as a non-executive director of the Company.”

No Voting Exclusion

4 RESOLUTION 3 - RE-ELECTION OF DIRECTOR - MR ROWAN JOHNSTON

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

“That Mr Rowan Johnston, having been appointed a director of the Company on 21 September 2016 and who retires in accordance with clause 11.12 of the Company’s Constitution and, being eligible, offers himself for re-election, be elected as a non-executive director of the Company.”

No Voting Exclusion

5 RESOLUTION 4 - RE-ELECTION OF DIRECTOR - MR DAVID HATCH

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

“That Mr David Hatch, having been appointed a director of the Company on 21 September 2016 and who retires in accordance with clause 11.12 of the Company’s Constitution and, being eligible, offers himself for re-election, be elected as a non-executive director of the Company.”

No Voting Exclusion

6 RESOLUTION 5 - RE-ELECTION OF DIRECTOR - DR JONATHAN WEST

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

“That Dr Jonathan West, having been appointed a director of the Company on 21 September 2016 and who retires in accordance with clause 11.12 of the Company’s Constitution and, being eligible, offers himself for re-election, be elected as a non-executive director of the Company.”

No Voting Exclusion

7 RESOLUTION 6 - RATIFICATION OF GWR CONVERTIBLE NOTE ISSUE

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

“That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 17,193,878 Convertible Notes to GWR Group Limited or its nominee(s) on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

8 RESOLUTION 7 - RATIFICATION OF SHARES ISSUED IN SATISFACTION OF FARRAH CONVERTIBLE LOAN

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

“That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 10,000,000 Shares to Farrah Property Securities Pty Ltd on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

9 RESOLUTION 8 - RATIFICATION OF ADDITIONAL PLACEMENT SHARES ISSUED TO FARRAH

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

“That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 4,000,000 Shares to Farrah Property Securities Pty Ltd on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

10 RESOLUTION 9 - RATIFICATION OF SHARES ISSUED TO SOPHISTICATED INVESTOR

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

“That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 10,000,000 Shares to Dr Christopher Shun on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

11 RESOLUTION 10 - RATIFICATION OF SHARES ISSUED TO SOPHISTICATED INVESTOR

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

“That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 19,000,000 Shares to clients of DJ Carmichael on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

12 RESOLUTION 11 - APPROVAL OF 10% PLACEMENT FACILITY

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

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

A voting exclusion statement is set out below.

13 VOTING PROHIBITION AND EXCLUSION STATEMENTS

Listing Rule 14.11

Under Listing Rule 14.11, the Company will disregard any votes cast on the following Resolutions by the following persons:

Resolution	Persons excluded from voting
Resolution 1 Remuneration Report	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of the following persons:</p> <ul style="list-style-type: none">(a) a member of the key management personnel, details of whose remuneration are included in the Remuneration Report; or(b) a closely related party of such member. <p>However, a person described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none">(a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or(b) the voter is the chair of the meeting and the appointment of the chair as proxy:<ul style="list-style-type: none">(i) does not specify the way the proxy is to vote on this Resolution; and(ii) expressly authorises the chair to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

Resolution	Persons excluded from voting
Resolution 6 - Ratification of GWR Convertible Note Issue	GWR Group Limited and its associates.
Resolution 7 - Ratification of Shares Issued in Satisfaction of Farrah Convertible Loan	Farrah Property Securities Pty Ltd and its associates.
Resolution 8 - Ratification of Additional Placement Shares Issued to Farrah	Farrah Property Securities Pty Ltd and its associates.
Resolution 9 - Ratification of Shares Issued to Sophisticated Investors	Dr Christopher Shun and his associates.
Resolution 10 - Ratification of Shares Issued to Sophisticated Investors	Persons who have participated in the issue.
Resolution 11 - Approval of 10% Placement Facility	Persons who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity as a holder of ordinary securities, if the Resolution is passed, and an associate of that person

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the direction on the Proxy Form; or
- it is cast by the person chairing the Meeting as proxy for the person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

By order of the Board of Directors

Amanda Sparks
Company Secretary
Excelsior Gold Limited
18 October 2016

Excelsior Gold Limited
ABN 38 123 629 863

Explanatory Memorandum

1 INTRODUCTION

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at 38 Station Street, Subiaco, WA 6008 on 25 November 2016 at 10.30 am (WST). The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding how to vote on the Resolutions set out in the Notice.

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice, and includes the Proxy Form located at the end of Explanatory Memorandum.

Please contact the Company Secretary on (08) 9335 7770 if you wish to discuss any matter concerning the Meeting.

2 ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Proxies

All Shareholders are invited and encouraged to attend the Meeting. If a Shareholder is unable to attend in person, they can appoint a proxy to attend on their behalf by signing and returning the Proxy Form (attached to the Notice) to the Company in accordance with the instructions on the Proxy Form. The Company encourages Shareholders completing a Proxy Form to direct the proxy how to vote on each Resolution.

The Proxy Form must be received no later than 48 hours before the commencement of the Meeting, i.e. by no later than 5.00 pm (WST) on 23 November 2016. Any Proxy Form received after that time will not be valid for the Meeting.

A Proxy Form may be lodged in the following ways:

By Email	admin@excelsiorgold.com.au
By Mail	PO Box 520, North Fremantle WA 6159
By Facsimile	(08) 9335 6231
By Hand	Unit 2, 124 Stirling Highway, North Fremantle WA 6159

Shareholders lodging a Proxy Form are not precluded from attending and voting in person at the Meeting.

2.2 Corporate representatives

Shareholders who are body corporates may appoint a person to act as their corporate representative at the Meeting by providing that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as the body corporate's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

An appointment of corporate representative form is available from the website of the Company's share registry (Security Transfer Registrars).

2.3 Eligibility to vote

The Directors have determined that, for the purposes of voting at the Meeting, Shareholders are those persons who are the registered holders of Shares at 5.00 pm (WST) on 23 November 2016.

3 ANNUAL REPORT

There is no requirement for Shareholders to approve the Annual Report.

Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report for the financial year ended 30 June 2016 which is available on the ASX platform at www.asx.com.au;
- (b) ask questions about or make comment on the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the auditor's report.

The chair of the Meeting will allow reasonable opportunity for the Shareholders as a whole at the Meeting to ask the auditor or the auditor's representative questions relevant to:

- (d) the conduct of the audit;
- (e) the preparation and content of the auditor's report;
- (f) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (g) the independence of the auditor in relation to the conduct of the audit.

In addition to taking questions at the Meeting, written questions to the Company's auditor about:

- (h) the content of the auditor's report to be considered at the Meeting; and

- (i) the conduct of the audit of the annual financial report to be considered at the Meeting,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

4 RESOLUTION 1 - REMUNERATION REPORT

The Remuneration Report is in the Directors' Report section of the Company's Annual Report.

By way of summary, the Remuneration Report:

- (a) explains the Company's remuneration policy and the process for determining the remuneration of its Directors and executive officers;
- (b) addresses the relationship between the Company's remuneration policy and the Company's performance; and
- (c) sets out remuneration details for each Director and each of the Company's executives and group executives named in the Remuneration Report for the financial year ended 30 June 2016.

Section 250R(2) of the Corporations Act requires companies to put a resolution to their members that the Remuneration Report be adopted. The vote on this resolution is advisory only, however, and does not bind the Board or the Company. The Board will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

The Chairman will give Shareholders a reasonable opportunity to ask questions about or to make comments on the Remuneration Report.

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution that a further meeting is held at which all of the Company's Directors who were directors when the resolution to make the directors report considered at the later annual general meeting was passed (other than the Managing Director) must go up for re-election (**Spill Resolution**).

If more than 50% of votes cast are in favour of the Spill Resolution, the Company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were directors of the Company when the resolution to make the directors' report considered at the second annual general meeting was passed, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

Voting on Resolution 1 will be determined by a poll at the Meeting rather than a show of hands.

5 RESOLUTIONS 2 TO 5 - RE-ELECTION OF DIRECTORS - JIMMY LEE, ROWAN JOHNSTON, DAVID HATCH AND JONATHAN WEST

Clause 11.12 of the Constitution requires that any Director appointed during the year holds office until the next annual general meeting and then is to retire at the annual general meeting.

A Director who retires under clause 11.12 of the Constitution is eligible for re-election.

Messrs Jimmy Lee, Rowan Johnston, David Hatch and Jonathan West were appointed as additional Directors of the Company since the last annual general meeting, and accordingly, each of Messrs Jimmy Lee, Rowan Johnston, David Hatch and Jonathan West will retire at the Annual General Meeting and seek re-election.

6 RESOLUTIONS 6 TO 8 - GWR / FARRAH FUNDING AGREEMENTS

6.1 Introduction

On 17 June 2016 the Company entered into binding term sheets (**Term Sheet**) with GWR and Farrah, the material terms of which were as follows:

GWR

- (a) GWR would immediately invest \$2.25 million consisting of:
 - (i) 17,193,878 notes converting to Shares at a conversion price of \$0.0387 per Share (**GWR Convertible Notes**) ; and
 - (ii) a loan of \$1,584,949 (**GWR Loan**) repayable at GWR's election (following due diligence period up to 8 July 2016) through the issue of Shares at \$0.057 per Share.

The GWR Loan and GWR Convertible Notes mature on 17 June 2017 and accrue interest at 12% per annum. GWR may at its election convert the GWR Convertible Notes at any time prior to maturity.

- (b) GWR would have the right to be issued further securities (subject to Shareholder approval) and partially underwrite the Rights Issue, upon which the GWR Convertible Notes and GWR Loan would convert to Shares.
- (c) GWR appointed Mr Jimmy Lee to the Company's board.

Farrah

- (d) Farrah would lend the Company \$500,000 automatically converting to Shares at a conversion price of \$0.05 per Share (**Farrah Convertible Loan**) upon obtaining Shareholder approval.
- (e) Farrah would severally underwrite the Offer for \$2 million and take up its then Entitlement (approximately 4 million New Shares).
- (f) Subject to Shareholder approval, Farrah would also be issued 10 Million Attaching Options.

The terms of the underwriting are as follows:

- (g) The Underwriter will subscribe for shortfall up to its commitment.
- (h) The Underwriter will only be relieved of its underwriting obligation to the extent valid applications are received in excess of the total underwritten amount.
- (i) The Underwriter may terminate its underwriting obligations upon the occurrence of certain events, which are usual for a transaction of this nature.
- (j) Farrah would be paid an underwriting fee of 2% or \$40,000.

On 7 July 2016 GWR advised that it would not elect to have the GWR Loan repaid through the issue of Shares, and remain as a junior lender to the Company. As a result, the Company remains indebted to GWR for \$2.25 million under the GWR Convertible Notes and GWR Loan.

On 12 July 2016 Farrah and the Company agreed that Farrah would subscribe for a further 4 million Shares at an issue price of \$0.05 per Share (**Farrah Placement**), at which time the Farrah Convertible Loan would convert to Shares.

On 18 July 2016 the Company issued 14 million Shares to Farrah in repayment of the Farrah Convertible Loan and under the Farrah Placement.

6.2 Resolutions sought under this Notice

Resolutions 6 to 8 seek Shareholder approval for:

- (a) the ratification of the issue of 17,193,878 GWR Convertible Notes;
- (b) the ratification of 10 million Shares issued to Farrah upon conversion of the Farrah Convertible Loan;
- (c) the ratification of 4 million Shares issued to Farrah under the Farrah Placement.

7 RESOLUTION 6 - RATIFICATION OF GWR CONVERTIBLE NOTES

7.1 Introduction

Resolution 6 seeks Shareholder approval under Listing Rule 7.4 for the ratification of the issue of 17,193,878 GWR Convertible Notes.

7.2 Regulatory requirements

The regulatory requirements of Listing Rule 7.4 and the effect of Shareholders passing this Resolution are set out at section 6.2 above.

7.3 Information required by Listing Rule 7.5

For the purposes of Listing Rule 7.5, the following information is provided about the issue:

- (a) The Company issued 17,193,878 Convertible Notes.
- (b) The issue price of the Convertible Notes was \$0.0387 per note.
- (c) The terms of the Convertible Notes are summarised in SCHEDULE 1.
- (d) The Convertible Notes were issued to GWR.
- (e) Funds raised from the issue were used for mining working capital at the Kalgoorlie North Gold Project, for continued delivery of ore to the Paddington Mill.
- (f) A voting exclusion statement for Resolution 6 is included in the Notice.

7.4 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 6. This will restore the Company's ability to issue further capital to the maximum 25% limit under Listing Rules 7.1 and 7.1A during the next 12 months and allow the Company to issue further securities without Shareholder approval.

8 RESOLUTION 7 - SHARE ISSUE IN SATISFACTION OF FARRAH CONVERTIBLE LOAN

8.1 Introduction

Resolution 7 seeks Shareholder approval under Listing Rule 7.4 for the ratification of the issue of 10,000,000 Shares in satisfaction of the Farrah Convertible Loan at an issue price of \$0.05 per Share.

8.2 Regulatory requirements

The effect of passing Resolution 7 will be to restore the Company's ability to issue further capital to the maximum 15% limit during the next 12 months and increase the base figure (i.e. variable 'A') in which the Company's 15% and 10% annual

placement capacities are calculated, which in turn allow for a proportionately higher number of securities to be issued without Shareholder approval.

8.3 Information required by Listing Rule 7.5

For the purposes of Listing Rule 7.5, the following information is provided about the issue:

- (a) The Company issued 10,000,000 Shares on 18 July 2016.
- (b) The issue price of the Shares was \$0.05 per Share.
- (c) The Shares issued are in the same class of the Company's existing fully paid ordinary shares.
- (d) The Shares were issued to Farrah.
- (e) Funds raised from the issue were used for mining working capital and resource expansion at the Kalgoorlie North Gold Project, for continued delivery of ore to the Paddington Mill.
- (f) A voting exclusion statement for Resolution 7 is included in the Notice.

8.4 Director's recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 7. This will restore the Company's ability to issue further capital to the maximum 25% limit under Listing Rules 7.1 and 7.1A during the next 12 months and allow the Company to issue further securities without Shareholder approval.

9 RESOLUTION 8 - RATIFICATION OF ADDITIONAL PLACEMENT SHARE ISSUE TO FARRAH

9.1 Introduction

Resolution 8 seeks Shareholder approval under Listing Rule 7.4 for the ratification of the issue Additional Placement Shares.

9.2 Regulatory requirements

The effect of passing Resolution 8 will be to restore the Company's ability to issue further capital to the maximum 15% limit during the next 12 months and increase the base figure (i.e. variable 'A') in which the Company's 15% and 10% annual placement capacities are calculated, which in turn allow for a proportionately higher number of securities to be issued without Shareholder approval.

9.3 Information required by Listing Rule 7.5

For the purposes of Listing Rule 7.5, the following information is provided about the issue:

- (a) The Company issued 4,000,000 Shares on 18 July 2016.

- (b) The issue price of the Shares was \$0.05 per Share.
- (c) The Shares issued are in the same class of the Company's existing fully paid ordinary shares.
- (d) The Shares were issued to Farrah.
- (e) Funds raised from the issue were used for mining working capital and resource expansion at the Kalgoorlie North Gold Project, for continued delivery of ore to the Paddington Mill.
- (f) A voting exclusion statement for Resolution 8 is included in the Notice.

9.4 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 8. This will restore the Company's ability to issue further capital to the maximum 25% limit under Listing Rules 7.1 and 7.1A during the next 12 months and allow the Company to issue further securities without Shareholder approval.

10 RESOLUTION 9 - RATIFICATION OF PLACEMENT SHARES

10.1 Introduction

Resolution 9 seeks Shareholder approval under Listing Rule 7.4 for the ratification of the issue Additional Placement Shares.

10.2 Regulatory requirements

The effect of passing Resolution 9 will be to restore the Company's ability to issue further capital to the maximum 15% limit during the next 12 months and increase the base figure (i.e. variable 'A') in which the Company's 15% and 10% annual placement capacities are calculated, which in turn allow for a proportionately higher number of securities to be issued without Shareholder approval.

10.3 Information required by Listing Rule 7.5

For the purposes of Listing Rule 7.5, the following information is provided about the issue:

- (a) The Company issued 10,000,000 Shares on 16 August 2016.
- (b) The issue price of the Shares was \$0.05 per Share.
- (c) The Shares issued are in the same class of the Company's existing fully paid ordinary shares.
- (d) The Shares were issued to Dr Christopher Shun.
- (e) Funds raised from the issue were used for mining working capital and resource expansion at the Kalgoorlie North Gold Project, for continued delivery of ore to the Paddington Mill.

- (f) A voting exclusion statement for Resolution 9 is included in the Notice.

10.4 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 9. This will restore the Company's ability to issue further capital to the maximum 25% limit under Listing Rules 7.1 and 7.1A during the next 12 months and allow the Company to issue further securities without Shareholder approval.

11 RESOLUTION 10 - RATIFICATION OF PLACEMENT SHARES

11.1 Introduction

Resolution 10 seeks Shareholder approval under Listing Rule 7.4 for the ratification of the issue Additional Placement Shares.

11.2 Regulatory requirements

The effect of passing Resolution 10 will be to restore the Company's ability to issue further capital to the maximum 15% limit during the next 12 months and increase the base figure (i.e. variable 'A') in which the Company's 15% and 10% annual placement capacities are calculated, which in turn allow for a proportionately higher number of securities to be issued without Shareholder approval.

11.3 Information required by Listing Rule 7.5

For the purposes of Listing Rule 7.5, the following information is provided about the issue:

- (a) The Company issued 19,000,000 Shares on 19 August 2016.
- (b) The issue price of the Shares was \$0.05 per Share.
- (c) The Shares issued are in the same class of the Company's existing fully paid ordinary shares.
- (d) The Shares were issued to clients of DJ Carmichael.
- (e) Funds raised from the issue were used for mining working capital and resource expansion at the Kalgoorlie North Gold Project, for continued delivery of ore to the Paddington Mill.
- (f) A voting exclusion statement for Resolution 10 is included in the Notice.

11.4 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 10. This will restore the Company's ability to issue further capital to the maximum 25% limit under Listing Rules 7.1 and 7.1A during the next 12 months and allow the Company to issue further securities without Shareholder approval.

12 RESOLUTION 11 - APPROVAL OF 10% PLACEMENT FACILITY

12.1 General

The Company seeks Shareholder approval to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period following shareholder approval (**10% Placement Facility**).

Resolution 11 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to section 12.2(a) below). The issue price is yet to be determined, but will be no less than 75% of the price of the Equity Securities at the time of any issue.

Funds raised under any placement will be used for development of mining operations at the Kalgoorlie North Gold Project.

12.2 Listing Rule 7.1A

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period following shareholder approval by way of a special resolution. The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

(a) Maximum number of Equity Securities which may be issued

The number of Equity Securities which may be issued, or agreed to be issued, under the 10% Placement Facility is prescribed in Listing Rule 7.1A.2 and is calculated as follows:

$\text{Number of Equity Securities} = (A \times D) - E$

"A" the number of shares on issue 12 months before the date of issue or agreement:

- (A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (B) plus the number of partly paid shares that become fully paid in the 12 months;
- (C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under

the entity's 15% placement capacity without shareholder approval;

- (D) less the number of fully paid shares cancelled in the 12 months.

"D" is 10%

"E" is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

The actual number of Equity Securities that may be issued under Listing Rule 7.1A is calculated at the date of issue of the Equity Securities in accordance with the above formula.

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

As at the date of this Notice, the Company's quoted securities on issue are 707,144,423 Shares.

As a result and subject to Shareholders approving Resolution 11, the Company has the capacity to issue 70,714,442 Equity Securities under Listing Rule 7.1A.

(b) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) The date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) If the Equity Securities are not issued within 5 Trading Days of the date in paragraph 12.2(b)(i) above, the date on which the Equity Securities are issued.

12.3 Specific information by Listing Rule 7.3A

For the purposes of Listing Rule 7.3A, the following information is provided about the proposed issue:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days on which trades in that class were recorded immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or

- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph 12.3(a)(i) above, the date on which the Equity Securities are issued.
- (b) There is a risk of economic and voting dilution to existing Shareholders in approving the 10% Placement Facility, including the risks that:
 - (i) the market price for the Company's Equity Securities may be significantly lower of the date of the issue of the Equity Securities than when Shareholders approval the 10% Placement Facility; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date, or issued for non-cash consideration for the acquisition of a new asset.

Following is a table that sets out the potential dilution of existing Shareholders if Equity Securities are issued under the 10% Placement Facility:

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$0.0205 50% decrease in Issue Price	\$0.041 Current Issue Price	\$0.082 100% increase in Issue Price
Current Variable A 707,144,423 Shares	10% Voting Dilution	70,714,442 shares	70,714,442 shares	70,714,442 shares
	Funds Raised	\$1,449,646	\$2,899,292	\$5,798,584
50% increase in current Variable A 1,060,716,635 Shares	10% Voting Dilution	106,071,663 shares	106,071,663 shares	106,071,663 shares
	Funds Raised	\$2,174,469	\$4,348,938	\$8,697,876
100% increase in current Variable A 1,414,288,846 Shares	10% Voting Dilution	141,428,884 shares	141,428,884 shares	141,428,884 shares
	Funds Raised	\$2,899,292	\$5,798,584	\$11,597,169

The table has been prepared on the following assumptions:

- (iii) The Company issues, or agrees to issue, the maximum number of Equity Securities available under the 10% Placement Facility.
- (iv) No Options are exercised before the date of the issue of the Equity Securities;
- (v) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares.

- (vii) The Company has issued Equity Securities in the 12 months prior to the Meeting that was not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1 (refer to Schedule 1).
- (viii) The issue price is \$0.041 being the closing price of the Shares on ASX on 11 October 2016.

The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.

The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

- (c) The latest date by which Equity Securities may be issued is 12 months after the Meeting. Approval for the issue of Equity Securities under the 10% Placement Facility will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking)).
- (d) The Equity Securities may be issued for the following purposes:
 - (i) To raise funds, in which case the Company intends to use the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.
 - (ii) In consideration of the acquisition of new resources assets and investments, in which case the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.

- (e) The Company is yet to identify the persons to whom Equity Securities will be issued to under the 10% Placement Facility. The Company's policy for allocating Equity Securities issued under the 10% Placement Facility will be determined on a case-by-case basis depending upon the purpose, and prevailing market conditions at the time, of any issue and having regard to factors including but not limited to the following:
 - (i) The fundraising methods available to the Company, including but not limited to, rights issue or other issue which may minimise dilution to Shareholders.
 - (ii) In the case of an asset or investment acquisition, the nature and circumstances of the acquisition.
 - (iii) The effect of the issue of the Equity Securities on the control of the Company.

- (iv) The financial situation and solvency of the Company.
- (v) Advice from corporate, financial and broking advisers (if applicable).

The subscribers may include vendors (in the case of any issue for non-cash consideration), existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

- (f) The total number of Equity Securities issued in the 12 months preceding the date of the Meeting is 157,071,653, representing 27.69% of the total number of Equity Securities on issue at the commencement of that 12 month period. The Company has previously obtained approval under Listing Rule 7.1A at its Annual General Meeting on 27 November 2015. The details of all issues of Equity Securities by the Company during the 12 months preceding the date of the Meeting is set out in Schedule 3 to this Explanatory Memorandum.
- (g) A voting exclusion statement is included in the Notice.

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

12.4 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 11. This will allow the Company to issue securities and raise funds whilst preserving the Company's 15% annual limit permitted by Listing Rule 7.1.

13 DEFINITIONS

In this Notice and Explanatory Memorandum:

ASX	means ASX Limited or the Australian Securities Exchange operated by ASX Limited, as the context requires.
Board	means the board of Directors.
Chairman	means the Chairman of the Company.
Company or EXG	means Excelsior Gold Limited ABN 38 123 629 863.
Constitution	means the constitution of the Company as amended.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth) as amended.
Director	means a director of the Company.
Equity Securities	has the same meaning giving in the Listing Rules.
Explanatory Memorandum	means this explanatory memorandum.
Farrah Convertible Loan	has the meaning given in section 6.1 of the Explanatory Memorandum.
Farrah	means Farrah Property Securities Pty Ltd (ACN 608 619 889).
Farrah Placement	has the meaning given in section 6.1 of the Explanatory Memorandum.
GWR	means GWR Group Limited (ACN 102 622 051).
GWR Convertible Notes	has the meaning given in section 6.1 of the Explanatory Memorandum.
GWR Loan	has the meaning given in section 6.1 of the Explanatory Memorandum.
Listing Rules	means the listing rules of the ASX.
Meeting or Annual General Meeting	means the meeting convened by this Notice (as adjourned from time to time).
Notice	means this notice of meeting.

Proxy Form	means the proxy form attached to this Notice.
Resolution	means a resolution set out in the Notice.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means a holder of a Share.
Trading Days	means a day determined by ASX to be a trading day in accordance with the Listing Rules.
Underwriter	means Farrah.
VWAP	means volume weighted average price.
WST	means Western Standard Time.

SCHEDULE 1 GWR CONVERTIBLE NOTE TERMS

The terms of the GWR Convertible Note are as follows:

Term	17,193,878 GWR Convertible Notes issued at an issue price of \$0.0387 per note, each convertible into 1 Share within 12 months from Tranche 1 Financial Close (which occurred on 23 June 2016)
Coupon	<p>12% per annum accrues quarterly in arrears in either (at the holder's election):</p> <ul style="list-style-type: none">(a) cash; or(b) subject to ASX Listing Rules, Shares (at an issue price of 90% of 20 traded day VWAP (as defined in the Listing Rules) prior to due date for payment. <p>Interest payment is due within 30 days of GWR making election.</p> <p>EXG will be required to maintain sufficient 15% capacity to satisfy its obligations under this clause.</p>
Security	None
Conversion	<ul style="list-style-type: none">(a) upon GWR exercising the Placement Option¹; or(b) at GWR election at any time prior to maturity at a conversion price of \$0.0387 per Share.
Events of default	<p>EXG becomes insolvent.</p> <p>EXG defaults on any payment of interest or repayment of principal for more than 5 business days from when due.</p>

Note:

¹ GWR has advised the Company that it would not exercise the Placement Option and thus the GWR Convertible Notes will be converted at GWR's election at any time prior to maturity at a conversion price of \$0.0387 per Share.

SCHEDULE 2 PRO-FORMA CAPITAL STRUCTURE

Shares issued GWR / Farrah / Shun and DJ Carmichael transactions:

	Shares	Maximum cumulative Shares on issue
Share capital prior to the GWR/Farrah transaction	567,266,648	567,266,648
Shares issued on conversion of Farrah Convertible Loan ¹	10,000,000	577,266,648
Shares issued to Farrah under the Additional Placement ¹	4,000,000	581,266,648
Maximum shares issued in Rights Issue	96,877,775	678,144,423
Placement of shares to Dr Shun	10,000,000	688,144,423
Placement of shares to clients of DJ Carmichael	19,000,000	707,144,423
Shares to be issued on conversion of GWR Convertible Notes	17,193,878	724,338,301
Maximum Shares on issue		724,338,301

Note 1: Conversion of Farrah Convertible Note into Shares and the issue of Shares under the Additional Placement happened on 18 July 2016.

SCHEDULE 3 - INFORMATION REQUIRED BY LISTING RULE 7.3A.6

Date of issue:	21 June 2016	18 July 2016	15 August 2016	15 August 2016	18 August 2016
Number issued:	17,193,878	14,000,000	96,877,775	10,000,000	19,000,000
Class/Type of equity security:	Convertible Note	FPO	FPO	FPO	FPO
Names of persons who received securities or basis on which those persons was determined:	GWR	Farrah	Rights issue to Shareholders of EXG	Dr Christopher Shun	Clients of DJ Carmichael
Price:	\$0.0387	\$0.05	\$0.05	\$0.05	\$0.05
Discount to market price (if any):	N/A	\$0.007	\$0.004	\$0.004	\$0.002
Total cash consideration received:	\$0.67 million	\$0.7 million	\$4.84 million	\$0.5 million	\$0.95 million
Amount of cash consideration spent:	\$0.67 million	\$0.7 million	\$4.84 million	-	-
Use of cash consideration:	Mining operations at the Kalgoorlie North Gold Project.	Mining operations at the Kalgoorlie North Gold Project.	Mining operations at the Kalgoorlie North Gold Project.	N/A	N/A
Intended use for remaining amount of cash (if any):	N/A	N/A	N/A	Mining operations at the Kalgoorlie North Gold Project.	Mining operations at the Kalgoorlie North Gold Project.

All securities were issued for cash consideration.



LODGE YOUR VOTE:

By Fax: +61 8 9335 6231

By Email: admin@excelsiorgold.com.au

By Mail: PO Box 520
North Fremantle, 6159
Western Australia

PROXY FORM

EXCELSIOR GOLD LTD

ACN 123 629 863

ANNUAL GENERAL MEETING

I/We

of

Appoint

being a member of Excelsior Gold Ltd entitled to attend and vote at the Annual General Meeting, hereby

Name of proxy

OR

the Chair of the Annual General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the Annual General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Annual General Meeting to be held at 10:30am (WST), on 25 November 2016 at 38 Station Street, Subiaco, WA 6008 and at any adjournment thereof.

Voting on Business of the Annual General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Remuneration Report (Non-Binding)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Re-election of Director – Jimmy Lee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Re-election of Director – Rowan Johnston	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Re-election of Director – David Hatch	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 – Re-election of Director – Jonathan West	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 – Ratification of GWR Convertible Note Issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 – Ratification of Shares Issued in Satisfaction of Farrah Convertible Loan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8 – Ratification of Additional Placement Shares Issued to Farrah	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9 – Ratification of Shares Issued to Sophisticated Investor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10 – Ratification of Shares Issued to Sophisticated Investors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 11 – Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

The Chair intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chair may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Important for Resolution 1

Where you have appointed the Chair as your proxy (or the Chair becomes your proxy by default), you expressly authorise the Chair to exercise your proxy on Resolution 1 (except where you have indicated a different voting intention above) even though Resolution 1 is connected directly with the remuneration of a member of key management personnel for the Company, which includes the Chair.

If two proxies are being appointed, the proportion of voting rights this proxy represents is

_____ %
Date:

Signature of Member(s):

Individual or Member 1

Member 2

Member 3

Sole Director/Company Secretary

Director

Director/Company Secretary

Contact Name: _____ **Contact Ph (daytime):** _____

Date:

E-mail address:

Consent for contact by e-mail:

YES ☐ **NO** ☐

**EXCELSIOR GOLD LTD
ACN 123 629 863**

Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a Proxy):** A member entitled to attend and cast a vote at an Annual General Meeting is entitled to appoint a proxy to attend and vote on their behalf at the meeting. If the member is entitled to cast 2 or more votes at the meeting, the member may appoint a second proxy to attend and vote on their behalf at the meeting. However, where both proxies attend the meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A member who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a member appoints 2 proxies and the appointments do not specify the proportion or number of the member's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a member of the Company.
2. **(Direction to Vote):** A member may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing Instructions):**
 - **(Individual):** Where the holding is in one name, the member must sign.
 - **(Joint Holding):** Where the holding is in more than one name, all of the members should sign.
 - **(Power of Attorney):** If you have not already provided the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual members from attending the Annual General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the Annual General Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Excelsior Gold Limited, PO Box 520, North Fremantle WA 6159; or
 - (b) facsimile to the Company on facsimile number (+61 8) 9335 6231; or
 - (c) email to the Company at admin@excelsiorgold.com.au

so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy forms received later than this time will be invalid.