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# **PANTERRA GOLD LIMITED**

**ABN 48 008 031 034**

## **NOTICE OF ANNUAL GENERAL MEETING**

**The Annual General Meeting of Shareholders  
will be held at 10.30 am (AEST) on Tuesday, 17 May 2016**

**at**

**Level 2, 3 Spring Street,  
Sydney NSW**

*If you are unable to attend the meeting, please complete the form of proxy enclosed and return it in accordance with the instructions set out on that form.*

**PANTERRA GOLD LIMITED**  
**ABN 48 008 031 034**

**NOTICE OF ANNUAL GENERAL MEETING**

Notice is given that the Annual General Meeting of the Shareholders of PanTerra Gold Limited ("PanTerra Gold" or the "Company") will be held at Level 2, 3 Spring Street, Sydney, NSW at 10.30am (AEST) on Tuesday 17 May 2016.

The Explanatory Statement and proxy form which accompany and form part of this Notice, describe in more details the matters to be considered. Please consider this Notice, the Explanatory Statement and the proxy form in their entirety.

**AGENDA**

**ORDINARY BUSINESS**

**Receipt of Financial Statements and Reports**

To receive and consider the Financial Statements, Directors' Report and the Independent Auditor's Report for PanTerra Gold and its controlled entities for the year ended 31 December 2015.

**Resolution 1: Adoption of Remuneration Report**

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

*"That for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report (included in the Directors' Report) for the financial year ended 31 December 2015 be adopted."*

**Voting Exclusion Statement**

The Company will disregard any votes on Resolution 1 by or on behalf of the following persons:

- (a) A member of the Key Management Personnel ("KMP"), details of whose remuneration are included in the Remuneration Report; or
- (b) A closely related party of a KMP; or
- (c) A person appointed as proxy where the appointment does not specify the way the proxy is to vote on the resolution, and the person is:
  - (i) a KMP; or
  - (ii) a closely related party of a KMP,

however, the above persons may cast a vote on Resolution 1 if:

- (a) the person is acting as proxy and the proxy form specifies how the proxy is to vote and the vote is not cast on behalf of a person who is otherwise excluded from voting on Resolution 1 as described above; or
- (b) The person is the Chairman voting an undirected proxy which expressly authorizes the Chairman to vote the proxy on a resolution connected with the remuneration of a member of the KMP.

**Resolution 2: Election of Mr Ruoshui Wang as a Director of the Company**

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

*"That Mr Ruoshui Wang, having been appointed to the Board during the year, retires as a Director in accordance with the Constitution and having consented and being eligible for election, be elected as a Director of the Company."*

### **Resolution 3: Re-Election of Mr Ugo Cario as a Director of the Company**

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

*“That Mr Ugo Cario, being a Director who retires pursuant to the Constitution of the Company and being eligible for re-election offers himself for re-election, is hereby re-elected as a Director of the Company.”*

### **Resolution 4: Re-Approval of Employee Performance Rights Plan**

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

*“That, for the purposes of Exception 9(b) in Listing Rule 7.2 and for all other purposes, Shareholders re-approve the:*

- (a) Company’s Employee Performance Rights Plan (“Plan”) as described in the Explanatory Statement;*
- (b) Grant of Rights to ordinary fully paid shares in the Company under the Plan; and*
- (c) Issue or transfer of ordinary fully paid shares upon the vesting of Rights under the Plan.”*

### **Voting Exclusion Statement**

The Company will disregard any votes cast on this resolution by a Director (except a Director who is ineligible to participate in any employee incentive plan) and their associates.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) 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 proxy decides.

### **Resolution 5: Ratification of Previous Issue of Shares**

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

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify and approve the prior allotment and issue of 4,769,622 fully paid Ordinary Shares in the Company on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting.”*

### **Voting Exclusion Statement**

The Company will disregard any votes cast on Resolution 5 by or on behalf of Central American Mezzanine Infrastructure Fund LP and its associates.

However, the Company need not disregard a vote on Resolution 5 if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) 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 proxy decides.

## **Resolution 6: Ratification of Previous Issue of Shares and Options**

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

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify and approve the prior allotment and issue of 808,500 fully paid Ordinary Shares and 808,500 Listed Options on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting.”*

### **Voting Exclusion Statement**

The Company will disregard any votes cast on Resolution 6 by or on behalf of Colbern Fiduciary Nominees Pty Ltd and its associates.

However, the Company need not disregard a vote on Resolution 6 if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) 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 proxy decides.

## **Resolution 7: Ratification of Previous Issue of Shares and Options**

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

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify and approve the prior allotment and issue of 1,400,000 fully paid Ordinary Shares and 1,400,000 Listed Options on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting.”*

### **Voting Exclusion Statement**

The Company will disregard any votes cast on Resolution 7 by or on behalf of Marie Linette Garcia Campos and her associates.

However, the Company need not disregard a vote on Resolution 7 if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) 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 proxy decides.

## **Resolution 8: Ratification of Previous Issue of Shares and Options**

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

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify and approve the prior allotment and issue of 1,000,000 fully paid Ordinary Shares and 1,000,000 Listed Options on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting.”*

### **Voting Exclusion Statement**

The Company will disregard any votes cast on Resolution 8 by or on behalf of One Managed Investment Funds Limited and its associates.

However, the Company need not disregard a vote on Resolution 8 if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) 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 proxy decides.

## **SPECIAL BUSINESS**

### **Resolution 9: Approval of Additional Capacity to Issue Shares**

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

*“That, pursuant to and in accordance with 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 Statement.”*

### **Voting Exclusion Statement**

The Company will disregard any votes cast by a person on Resolution 9 who may participate in the proposed issue and a 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 an associate of that person.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) 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 proxy decides.

**By Order of the Board**



**Pamela Bardsley  
Company Secretary**

**5 April 2016**

## **PROXY AND SHAREHOLDER INFORMATION**

### **Attendance and Voting**

The Company has determined for the purposes of determining voting entitlements at this Annual General Meeting (“AGM”), that all the Shares of the Company recorded in the Company’s register at 7.00pm (AEST), 15 May 2016, shall be taken to be held by the persons registered as holding the Shares at that time. Only those persons will be entitled to vote at the AGM and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the AGM.

Shareholders may vote by attending the AGM in person or by proxy (see below).

Ordinary resolutions require the support of more than 50% of those Shareholders voting in person, by proxy, by representative or by attorney. Special resolutions require the support of at least 75% of those Shareholders voting in person, by proxy, by representative or by attorney.

Every question arising at this AGM will be decided in the first instance by a show of hands. A poll may be demanded in accordance with the Company’s Constitution. On a show of hands, every Shareholder who is present in person or by proxy, representative or attorney, will have one vote. Upon a poll, every person who is present in person or by proxy, representative or attorney, will have one vote for each Share held by that person.

### **Proxies**

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

- each Shareholder has the right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

To vote by proxy, please complete and sign the Proxy Form enclosed with this Notice of Annual General Meeting as soon as possible and either:

- send the Proxy Form by facsimile to Computershare Investor Services Pty Ltd on fax number (within Australia) 1800 783 447 (outside Australia) 61 3 9473 2555; or
- post the Proxy Form to Computershare Investor Services Pty Limited, GPO Box 242, Melbourne VIC 3001; or
- lodge your proxy electronically by going to [www.investorvote.com.au](http://www.investorvote.com.au) using the details printed on the personalized proxy form.
- Relevant custodians may lodge their Proxy Forms online at [www.intermediaryonline.com](http://www.intermediaryonline.com).

Proxy Forms must be received by the Company not later than 48 hours before the time specified for the commencement of the AGM.

### **Corporate Representatives**

A corporate Shareholder wishing to appoint a person to act as its representative at the meeting may do so by providing that person with the following information which the representative should bring to the meeting:

1. a letter executed in accordance with the Shareholder’s constitution and the Corporations Act authorizing that person as the corporate Shareholder’s representative at the meeting; or
2. a copy of the resolution appointing the person as the corporate Shareholder’s representative at the meeting, certified by the company secretary or Director of the corporate Shareholder.

**PANTERRA GOLD LIMITED**  
**ABN 48 008 031 034**

**EXPLANATORY STATEMENT TO SHAREHOLDERS**

**Financial Statements and Reports**

The Financial Statements, Directors' Report and Auditor's Report for the Company for the year ended 31 December 2015 will be laid before the meeting. The Financial Statements and Reports are contained in the Company's 2015 Annual Report, which is available on the Company's website [www.panterragold.com/Newsroom/ Annual Report 2015](http://www.panterragold.com/Newsroom/Annual%20Report%202015).

There is no requirement for Shareholders to approve these Reports. However, the Chairman of the meeting will allow a reasonable opportunity for Shareholders to ask questions about, or make comments on, the management of the Company. Shareholders will also be given a reasonable opportunity to ask the auditor or the auditor's representative, questions relevant to the conduct of the audit and the content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of the Financial Statements and Reports and the independence of the auditor in relation to the conduct of the audit.

Written questions to the Company's auditor about the content of the Auditor's Report and the conduct of the audit of the Annual Financial Report to be considered at the meeting may be submitted up to five business days before the meeting to:

The Chairman  
PanTerra Gold Limited  
PO Box 846  
Bowral 2576 NSW Australia

**RESOLUTION 1 – Adoption of Remuneration Report**

In accordance with section 250R(2) of the Corporations Act, the Company is required to put a non-binding resolution to its members that the Remuneration Report as contained in the Directors' Report in the 2015 Annual Report, be adopted.

The Remuneration Report sets out the Company's remuneration arrangements for the executive and non-executive Directors and executive employees of the Company.

Shareholders will be given the opportunity to ask questions and to make comments on the Remuneration Report at the meeting.

Under the Corporations Act, if at least 25% of votes cast on the resolution are voted against the adoption of the Remuneration Report at two consecutive AGMs, Shareholders will be required to vote at the second of those AGMs on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors (other than the Executive Chairman) must go up for re-election. The Company encourages all Shareholders to cast their votes on Resolution 1 (Adoption of Remuneration Report).

**Proxy Voting Restrictions in Respect of Resolution 1**

The Company will disregard any votes cast on Resolution 1 by KMP or closely related parties of KMP.

The KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, whether directly or indirectly. Members of KMP include Directors (both executive and non-executive) and certain senior executives named in the Company's Remuneration Report.

A 'closely related party' is defined in the Corporations Act 2001 (Cth) and includes a KMP's spouse, dependent and certain other close family members, as well as companies controlled by the KMP.

**Recommendation:** The Board recommends that Shareholders vote in favour of Resolution 1. The Chairman intends to vote open proxies given to him "For" the adoption of the Remuneration Report.

## **RESOLUTION 2 – Election of Director – Ruoshui Wang**

Mr Wang was appointed as an additional Director on 27 November 2015 under Article 52.1 of the Company's Constitution. Mr Wang is the nominee Director for the Company's largest shareholder, Mercury Connection International Co., Limited.

Under ASX Listing Rule 14.4 and Article 52.2 of the Company's Constitution, a Director appointed as an addition to the existing Directors holds office until the next annual general meeting and then is eligible for election.

Mr Wang offers himself for election as a Director of the Company. Details of Mr Wang's qualifications and experience are set out in the Company's 2015 Annual Report.

**Recommendation:** The Board (excluding Mr Wang) unanimously recommends that Shareholders vote in favour of adopting Resolution 2.

## **RESOLUTION 3 – Re-election of Director – Ugo Cario**

In accordance with ASX Listing Rule 14.4 and Article 54.1 of the Company's Constitution, at every annual general meeting, one third of the Directors for the time being must retire from office and are eligible for re-election. The Directors to retire are to be those who have been in office for 3 years since their appointment or last re-appointment or who have been longest in office since their appointment or last re-appointment or, if the Directors have been in office for an equal length of time, by agreement.

Accordingly, pursuant to Article 54.1 of the Company's Constitution, Mr Ugo Cario, being a Director of the Company, retires by way of rotation and, being eligible, offers himself for re-election. Details of the qualifications and experience of Mr Cario's are set out in the 2015 Annual Report.

**Recommendation:** The Board (excluding Mr Cario) unanimously recommends that Shareholders vote in favour of adopting Resolution 3.

## **RESOLUTION 4 - Re-Approval of Employee Performance Rights Plan**

### **Background**

Shareholder approval is sought in accordance with listing Rule 7.2 for the issue of Rights pursuant to the Company's Employee Performance Rights Plan ("Plan"). The Plan contemplates the issue to eligible employees of Performance Rights, each of which upon vesting entitle the eligible employee to a fully-paid ordinary share in the Company.

### **Reasons for the Plan**

In line with the Company's remuneration policy, the Board believes that appropriately designed equity based plans are an important component of the Company's remuneration arrangements.

The Board believes that in order to attract and retain talented employees and to provide a long-term incentive which continues to align the interests of employees with the Company's strategies, a flexible equity based plan should be established to allow the Board to grant different types of performance-based awards depending on the prevailing circumstances.



The objectives of the Plan are to:

- (i) Reward the achievement of excellent results by providing the opportunity to talented employees to accumulate equity in the Company;
- (ii) Attract and retain talented employees in the Company; and
- (iii) Increase Shareholder value by motivating key employees.

## **Listing Rules**

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Certain issues falling within an exception to Listing Rule 7.1 include an issue of securities to persons participating in an employee rights scheme where Shareholders at a general meeting held not more than 3 years before the date of issue have approved the issue of securities under the scheme pursuant to Listing Rule 7.2 Exception 9. The Plan was originally approved by Shareholders at the Company's 2010 Annual General Meeting and re-approved at the 2013 Annual General Meeting. In accordance with Listing Rule 7.2 Exception 9 re-approval of the Plan is again required.

In order to take advantage of the exception from Listing Rule 7.1 and allow the Company greater flexibility to issue securities, Shareholders are requested to approve the Plan under Listing Rule 7.2 Exception 9. This approval will be effective for a period of 3 years from the date of the passing by Shareholders of Resolution 4.

The Plan was and will be offered to employees under ASIC Class Order 03/184 Employee Share Schemes. At such time, the Board may determine the number of shares and issue price (if any), subject to the Corporations Act and Listing Rules. The number of shares which may be issued under the Plan is subject to an effective limit of 5% of the Company's total issued share capital, subject to certain excluded offers under section 708 of the Corporations Act.

## **Summary of the Plan**

Under the Plan, the Board may grant rights to an employee or executive director of the Company or any wholly owned subsidiary or controlled entity of the Company whom the Board decides in its absolute discretion is eligible to be invited to receive a grant of Rights in the Plan from time-to-time and who is not prohibited from participating in the Plan under the terms and conditions of the Plan "Eligible Employees".

An invitation to an Eligible Employee may be in such form and content as the Board determines and may include information relating to:

- 1) The ratio in which the Right may convert to ordinary shares in the Company; and
- 2) The date on which Rights will be allotted.

Holders of Rights must not grant any security over any Right of the shares for which the Right may convert.

Mandatory vesting of Rights will occur when the specified conditions and performance measures are satisfied. Each Right, when vested, will automatically convert to one fully paid ordinary share in the Company. The Rights are generally granted to vest in equal installments over a period of three years.

Rights will expire or lapse on the earlier of:

- 1) The Vesting Date if any performance conditions contained in the Plan Rules are not satisfied by the Vesting Date; or
- 2) The termination of employment of an Eligible Employee (subject to Board determination).

The Company will not apply for ASX quotation of any Rights issued under the Plan. The Rights are not assignable.

Any shares issued or transferred as a result of the vesting of Rights issued under the Plan will rank equally with existing fully paid ordinary shares in the Company, in all respects including voting rights, entitlements to dividends and future entitlement issues.

The number of Rights issued under the Plan since the last approval are:

Number of Rights issued since the last approval	10,296,666
Number of Rights that did not vest	2,700,000
Number of Rights that did vest	4,556,666
Balance of Rights issued and not currently vested	3,040,000

**Recommendation:** Each Director not eligible to participate in the Plan (being each non-executive Director) recommends that Shareholders vote in favour of Resolution 4.

### **RESOLUTION 5 - Ratification of Previous Share Issue**

The Company entered into an Agreement to Issue Redeemable Preference Shares ("RPS Agreement") with Central American Mezzanine Infrastructure Fund LP ("CAMIF") on 16 August 2013. Under the terms of the RPS Agreement, the Company may issue shares in lieu of cash dividend payments. 4,769,622 Ordinary Shares were issued to CAMIF on 30 July 2015 at a deemed issue price of \$0.143361 per Share in lieu of a cash payment for the dividend. The Shares were issued in lieu of cash because the Company is currently constrained from paying the dividend from cash reserves by a Subordination Deed between CAMIF and the primary lender of the Las Lagunas project.

Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Shares the subject of the placement.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1), those securities will be deemed to have been made with Shareholder approval for the purposes of Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

### **Regulatory Requirements – ASX Listing Rule 7.4**

Listing Rule 7.5 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to Listing Rule 7.4:

- a) The number of Shares issued was 4,769,622.
- b) The Shares were issued at a deemed issue price of \$0.143361 per Share.
- c) The Shares allotted and issued rank equally in all respects with all of the existing Shares on issue.
- d) The Shares were issued to Central American Mezzanine Infrastructure Fund LP, which is not a related party or associate of the Company.
- e) The Shares were issued in lieu of cash payment of a dividend.

- f) An appropriate voting exclusion statement is included in the Notice of Meeting.

#### **RESOLUTION 6 - Ratification of Previous Issue of Shares and Options**

Resolution 6 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of Shares and Options in lieu of payment for lead manager services provided by Patersons Securities during the 2015 Non-Renounceable Rights Issue.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1), those securities will be deemed to have been made with Shareholder approval for the purposes of Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

On 30 September 2015 the Company issued 808,500 Ordinary Shares and 808,500 free attaching listed Options (exercisable at 15 cents each on or before 31 December 2018) to the nominee of Patersons Securities, Colbern Fiduciary Nominees Pty Ltd, in lieu of payment for lead manager services provided to the Company.

#### **Regulatory Requirements – ASX Listing Rule 7.4**

Listing Rule 7.5 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to Listing Rule 7.4:

- a) The number of securities issued was 808,500 Ordinary Shares and 808,500 listed Options.
- b) The Shares were issued at an issue price of \$0.10 each. The Options were issued for Nil consideration at an exercise price of 15 cents each.
- c) The Shares allotted and issued rank equally in all respects with all of the existing Shares on issue. The Options were issued on the terms set out in Appendix A to this Explanatory Statement.
- d) The Shares and Options were issued to Colbern Fiduciary Nominees Pty Ltd, which is not a related party or associate of the Company.
- e) The Shares and Options were issued in lieu of payment for lead manager services provided to the Company.
- f) An appropriate voting exclusion statement is included in the Notice of Meeting.

#### **RESOLUTION 7 - Ratification of Previous Issue of Shares and Options**

Resolution 7 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of Shares and Options in lieu of payment for legal services undertaken in the Dominican Republic on 30 September 2015.

Resolution 7 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Shares the subject of the placement which was made on the same terms as the recent Non-Renounceable Rights Issue but under the Company's 15% placement capacity under Listing Rule 7.1.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1), those securities will be deemed to have been made with Shareholder approval for the purposes of Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

#### **Regulatory Requirements – ASX Listing Rule 7.4**

Listing Rule 7.5 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to Listing Rule 7.4:

- a) The number of securities issued was 1,400,000 Ordinary Shares and 1,400,000 Listed Options.
- b) The Shares were issued at an issue price of \$0.10 each. The Options were issued for Nil consideration at an exercise price of 15 cents each.
- c) The Shares allotted and issued rank equally in all respects with all of the existing Shares on issue. The Options were issued on the terms set out in Appendix A to this Explanatory Statement.
- d) The Shares and Options were issued to Marie Linette Garcia Campos, who is not a related party or associate of the Company.
- e) The Shares and Options were issued in lieu of payment for legal services provided to the Company.
- f) An appropriate voting exclusion statement is included in the Notice of Meeting.

#### **RESOLUTION 8 - Ratification of Previous Issue of Shares and Options**

Resolution 8 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of Shares and Options pursuant to the conversion of an unsecured shareholder loan on 18 March 2016.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1), those securities will be deemed to have been made with Shareholder approval for the purposes of Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

#### **Regulatory Requirements – ASX Listing Rule 7.4**

Listing Rule 7.5 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to Listing Rule 7.4:

- a) The number of securities issued was 1,000,000 Ordinary Shares and 1,000,000 Listed Options.
- b) The Shares were issued at an issue price of \$0.10 each. The Options were issued for Nil consideration at an exercise price of 15 cents each.

- c) The Shares allotted and issued rank equally in all respects with all of the existing Shares on issue. The Options were issued on the terms set out in Appendix A to this Explanatory Statement.
- d) The Shares and Options were issued to the nominee of One Managed Investment Funds Limited, who is not a related party or associate of the Company.
- e) The Shares and Options were issued on the conversion of an unsecured shareholder loan.
- f) An appropriate voting exclusion statement is included in the Notice of Meeting.

## **RESOLUTION 9 – Approval for Additional Capacity to issue Equity Securities**

ASX Listing Rule 7.1A provides that eligible entities (being entities with market capitalization of less than \$300 million and not being included in the ASX 300 index), may seek prior shareholder approval to raise an additional 10% in capital through placements over a 12 month period after the annual general meeting (**10% Placement Facility**) in addition to the Company's 15% placement capacity under Listing Rule 7.1.

The Company is an eligible entity and is seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities (which has the same meaning as the Listing Rules) under the 10% Placement Facility.

The exact number of 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 below).

### **Listing Rules information requirements**

Listing Rule 7.1A provides that, with prior Shareholder approval by way of a special resolution at an annual general meeting, the Company may, within the following 12 months, issue an additional 10% of issued capital by way of placements.

Any Equity Security issued under the 10% Placement facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of this Notice, has on issue two classes of quoted Equity Securities, Shares and Listed Options.

The number of additional Equity Securities that may be issued under the 10% Placement Facility if Resolution 9 is approved will be calculated in accordance with the formula  $(A \times D) - E$ , where:

A is the number of Shares on issue 12 months before the date of issue or agreement,

- plus the number of Shares issued in the 12 months under an exception in Listing Rule 7.2,
- plus the number of Shares issued in the 12 months with approval of Shareholders under Listing Rules 7.1 or 7.4,
- less the number of Shares cancelled in the 12 months,

D equals 10%

E equals the number of 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.

Under Resolution 9, the Company seeks Shareholder approval for the issue of the Equity Securities to investors as set out below so as to increase the Company's capacity under Listing Rule 7.1 and 7.1A to issue further Equity Securities representing up to 25% of the Company's issued capital in the next 12 months.

At the date of this Notice, the Company has on issue 125,721,610 Ordinary Shares and therefore has a capacity to issue:

- (a) 18,858,241 Equity Securities under Listing Rule 7.1; and
- (b) if Resolution 8 is approved, 12,572,161 Equity Securities under Listing Rule 7.1A.

In accordance with the requirements of Listing Rule 7.3A, the Company provides the following information to Shareholders:

- (a) The minimum price at which Equity Securities will be issued pursuant to the approval sought by Resolution 9 will be no less than 75% of the volume weighted average price for Equity Securities calculated over the 15 trading days on which trades of the same class of securities 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 (i), the date on which the Equity Securities are issued.
- (b) If Resolution 9 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table to the extent Shareholders do not receive any Shares under the issue. There is a risk that:
  - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
  - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised.

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

The table also shows:

- (i) two examples where variable A has increased, by 50% and 100%. Variable A is based on the number of Shares the Company has on issue. The number of Shares on issue may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders meeting; and
- (ii) two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price.

Variable A in Listing Rule 7.1A		Dilution		
		\$0.048 (50% decrease in Market Price*)	\$0.097 (Current Market Price*)	\$0.194 (100% increase in Market Price*)
Current issued capital A = 125,721,610	10% Voting Dilution	12,572,161 Shares	12,572,161 Shares	12,572,161 Shares
	Funds raised	\$603,464	\$1,219,500	\$2,438,999
50% Increase in current Variable A = 188,582,415	10% Voting dilution	18,858,241 Shares	18,858,241 Shares	18,858,241 Shares
	Funds raised	\$905,196	\$1,829,249	\$3,658,499

100% Increase in current Variable A =	10% Voting dilution	25,144,322 Shares	25,144,322 Shares	25,144,322 Shares
251,443,220	Funds raised	\$1,206,927	\$2,438,999	\$4,877,998

- “Market Price” is the closing price of Shares traded on ASX on 4 April 2016, being the date prior to the date of this Notice.

The table above demonstrates the effect of an issue of Shares under Listing Rule 7.1A on the position of existing Shareholders and has been prepared based on the following assumptions:

- (a) The current variable “A” is calculated as follows:
  - (i) The current number of Shares on issue as at the date of this Notice is 125,721,610;
  - (ii) Shareholders ratify the issue of 4,769,622 Ordinary Shares to Central American Mezzanine Infrastructure Fund LP on 30 July 2015 pursuant to Resolution 5;
  - (iii) Shareholders ratify the issue of 808,500 Ordinary Shares on 30 September 2015 to Colbern Fiduciary Nominees Pty Ltd pursuant to Resolution 6;
  - (iv) Shareholders ratify the issue of 1,400,000 Ordinary Shares on 30 September 2015 to Marie Linette Garcia Campos pursuant to Resolution 7; and
  - (v) Shareholders ratify the issue of 1,000,000 ordinary Shares on 18 March 2016 to One managed Investment Funds Limited pursuant to Resolution 8;
- (b) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility;
- (c) No Options (including Options issued under the 10% Placement Facility) are exercised into Shares before the date of issue of the Equity Securities;
- (d) The 10% voting dilution reflects the aggregate percentage dilution against the issued capital the time of issue. This is why the voting dilution is shown in each example as 10%;
- (e) The table does not show an example of dilution that may be caused by a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder’s holdings at the date of the Meeting;
- (f) 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;
- (g) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of the Equity Securities includes Options, it is assumed that those Options are exercised into Shares for the purposes of calculating the voting dilution effect on existing Shareholders; and
- (h) The current market price is \$0.97, being the closing price of the Shares in the ASX on 4 April 2016.

Any Equity Securities issued pursuant to the 10% Placement Facility approval being sought by Resolution 9 will be issued no later than 16 May 2017, being 12 months after the date of the Meeting. The approval under Resolution 9 for the issue of the Equity Securities 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 undertakings).

The Company may seek to issue the Equity Securities under the 10% Placement Facility for the following purposes:

- (i) *Cash consideration*: fund exploration growth and provide general working capital; and
- (ii) *Non-cash consideration*: the acquisition of new projects and the repayment of debt 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.

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice, but may include existing substantial Shareholders, other Shareholders and/or new investors who are not related parties or associates of a related party of the Company.

The Company's allocation policy in respect of the Equity Securities issued under the 10% Placement Facility will depend on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of the Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) The methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
- (ii) The effect of the issue of the Equity Securities on the control of the Company;
- (iii) The financial situation and solvency of the Company; and
- (iv) Advice from corporate and other advisors.

It is possible that the allottees under the 10% Placement Facility may include vendors of new resources, assets or investments acquired by the Company.

The Company has not previously obtained Shareholder approval under Listing Rule 7.1A.

**Recommendation:** The Board unanimously recommends that Shareholders vote in favour of Resolution 9.



# PanTerra Gold Limited


ABN 48 008 031 034



PGI  
MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Lodge your vote:

  **Online:**  
[www.investorvote.com.au](http://www.investorvote.com.au)

 **By Mail:**  
Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

**For all enquiries call:**  
(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

## Proxy Form

XX



### Vote and view the annual report online

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

### Your access information that you will need to vote:

**Control Number: 999999**

**SRN/HIN: I9999999999 PIN: 99999**

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



 **For your vote to be effective it must be received by 10.30 am (AEST) on Sunday, 15 May 2016**

### How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### Signing Instructions for Postal Forms

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

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

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,  
or turn over to complete the form** →

MR SAM SAMPLE  
 FLAT 123  
 123 SAMPLE STREET  
 THE SAMPLE HILL  
 SAMPLE ESTATE  
 SAMPLEVILLE VIC 3030

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

IND

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of PanTerra Gold Limited hereby appoint

the Chairman of the Meeting OR

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

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, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of PanTerra Gold Limited to be held at Level 2, 3 Spring Street, Sydney NSW on Tuesday, 17 May 2016 at 10.30 am (AEST) and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 1 and 4 (except where I/we have indicated a different voting intention below) even though Items 1 and 4 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 1 and 4 by marking the appropriate box in step 2 below.

## STEP 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Election of Mr Ruoshui Wang as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-Election of Mr Ugo Cario as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Re-Approval of Employee Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Ratification of Previous Issue of Shares – 4,769,622 fully paid Ordinary Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Ratification of Previous Issue of Shares and Options – 808,500 fully paid Ordinary Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Ratification of Previous Issue of Shares and Options – 1,400,000 fully paid Ordinary Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Ratification of Previous Issue of Shares and Options – 1,000,000 fully paid Ordinary Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9 Approval of Additional Capacity to Issue Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

## SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name \_\_\_\_\_

Contact Daytime Telephone \_\_\_\_\_

Date / / \_\_\_\_\_

# PanTerra Gold Limited

ABN 48 008 031 034

**All correspondence to:**  
Computershare Investor Services Pty Limited  
GPO Box 2975 Melbourne  
Victoria 3001 Australia  
Enquiries (within Australia) 1300 855 080  
(outside Australia) +61 3 9415 4000  
Facsimile +61 3 9473 2500  
[www.computershare.com.au](http://www.computershare.com.au)

PGIRM

MR RETURN SAMPLE  
123 SAMPLE STREET  
SAMPLE SUBURB  
SAMPLETOWN VIC 3030

Dear Securityholder,

We have been trying to contact you in connection with your securityholding in PanTerra Gold Limited. Unfortunately, our correspondence has been returned to us marked "Unknown at the current address". For security reasons we have flagged this against your securityholding which will exclude you from future mailings, other than notices of meeting.

Please note if you have previously elected to receive a hard copy Annual Report (including the financial report, directors' report and auditor's report) the dispatch of that report to you has been suspended but will be resumed on receipt of instructions from you to do so.

We value you as a securityholder and request that you supply your current address so that we can keep you informed about our Company. Where the correspondence has been returned to us in error we request that you advise us of this so that we may correct our records.

You are requested to include the following;

- > Securityholder Reference Number (SRN);
- > ASX trading code;
- > Name of company in which security is held;
- > Old address; and
- > New address.

Please ensure that the notification is signed by all holders and forwarded to our Share Registry at:

Computershare Investor Services Pty Limited  
GPO Box 2975  
Melbourne Victoria 3001  
Australia

Note: If your holding is sponsored within the CHES environment you need to advise your sponsoring participant (in most cases this would be your broker) of your change of address so that your records with CHES are also updated.

Yours sincerely

**PanTerra Gold Limited**