



excelsiorgold
LIMITED

Notice of General Meeting

The General Meeting of the Company will be held at
Unit 2, 124 Stirling Highway,
North Fremantle WA 6159 on 5 September 2016 at 10.00 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 General Meeting

Notice is hereby given that the General Meeting of the Shareholders of Excelsior Gold Limited will be held at Unit 2, 124 Stirling Highway, North Fremantle WA 6159 on 5 September 2016 at 10.00 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 10.00 am (WST) on 2 September 2016.

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

Agenda

1 RESOLUTION 1 - RATIFICATION OF PRIOR SHARE 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 75,833,334 Shares on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

2 RESOLUTION 2 - RATIFICATION OF PRIOR SHARE 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 1,082,670 Shares on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

3 RESOLUTION 3 - 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.

4 RESOLUTION 4 - 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.

5 RESOLUTION 5 - 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.

6 RESOLUTION 6 - ISSUE OF FARRAH ATTACHING OPTIONS

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

“That for the purposes of Listing Rule 7.1 and for all other purposes, Shareholder approval is given for the Company to issue up to 14,000,000 Attaching Options to Farrah Property Securities Pty Ltd or its nominee(s) on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

7 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 - Ratification of Prior Issues	Clients of Morgans Financials Limited, Hartleys Limited, Patersons Securities Limited and Ord Minnett Pty Ltd to whom the Shares were issued and an associate of those persons.
Resolution 2 - Ratification of Prior Share Issue	APP Securities Pty Ltd and Ord Minnett Pty Ltd and their associates.
Resolution 3 - Ratification of GWR Convertible Note Issue	GWR Group Limited and its associates.
Resolution 4 - Ratification of Shares Issued in Satisfaction of Farrah Convertible Loan	Farrah Property Securities Pty Ltd and its associates.
Resolution 5 - Ratification of Additional Placement Shares Issued to Farrah	Farrah Property Securities Pty Ltd and its associates.
Resolution 6 - Issue of Attaching Options	Farrah Property Securities Pty Ltd 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:

- (a) 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
- (b) 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

Nicholas Ong
Excelsior Gold Limited
3 August 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 Unit 2, 124 Stirling Highway, North Fremantle WA 6159 on 5 September 2016 at 10.00 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 10.00 am (WST) on 2 September 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 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 1 September 2016.

3 RESOLUTION 1 - RATIFICATION OF PRIOR SHARE ISSUE

3.1 Introduction

On 27 October 2015 the Company announced the issue of 75,833,334 Shares at \$0.06 per Share, raising \$4.55 million before costs of the issue (**October 2015 Placement**).

The October 2015 Placement was made to unrelated parties of the Company within the Company's 10% additional placement capacity under Listing Rules 7.1 and 7.1A, and therefore without Shareholder approval.

3.2 Regulatory Requirements

Listing Rule 7.1 provides that, unless an exemption applies, a company must not, without prior approval of shareholders, issue or agree to issue Equity Securities if the Equity Securities will in themselves or when aggregated with the ordinary securities issued by the company during the previous 12 months, exceed 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 states that an issue by a company of securities made without approval under Listing Rule 7.1 is treated as having been made with approval for the purpose of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and the company's members subsequently approve it. Issues made under listing rule 7.1A can also be ratified under Listing Rule 7.4.

Resolution 1 seeks Shareholder approval to ratify the issue of Shares issued pursuant to the October 2015 Placement and made within the Company's available capacity under Listing Rules 7.1 and 7.1A. The effect of Shareholders passing this Resolution and ratifying the issue is 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.

3.3 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 number of securities issued by the Company was 75,833,334 Shares.
- (b) The issue price of the Shares was \$0.06.
- (c) The Shares issued are in the same class of the Company's existing fully paid ordinary shares.
- (d) The securities were issued to clients of Morgans Financial Australia Limited, Hartleys Limited, Patersons Securities Limited and Ord Minnett Pty Ltd.
- (e) Funds raised from the issue were used for mining working capital and development of mining operations at the Kalgoorlie North Gold Project, for delivery of ore to the Paddington Mill.
- (f) A voting exclusion statement for Resolution 1 is included in the Notice.

3.4 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 1. 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.

4 RESOLUTION 2 - RATIFICATION OF PRIOR SHARE ISSUE

4.1 Introduction

On 2 November 2015 the Company announced the issue of 1,082,670 Shares at a deemed issue price of \$0.06 per Share, as part broker commission for the Placement (**November 2015 Placement**).

The November 2015 Placement was made to unrelated parties of the Company and within the Company's 10% additional placement capacity under Listing Rule 7.1 and 7.1A and therefore without Shareholder approval.

4.2 Regulatory Requirements

Resolution 2 seeks Shareholder approval to ratify the issue of the Shares issued within the Company's available capacity under Listing Rule 7.1.

The effect of Shareholders passing Resolution 2 and ratifying the issue is 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.

4.3 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 number of securities issued by the Company was 1,082,670 Shares.
- (b) The deemed issue price of the Shares was \$0.06.
- (c) The Shares issued are in the same class of the Company's existing fully paid ordinary shares.
- (d) The securities were issued to the following investment advisors as part payment of the broker commission for the Placement:
 - (i) APP Securities Pty Ltd; and
 - (ii) Ord Minnett Pty Ltd.
- (e) No funds were raised from the Second Placement.
- (f) A voting exclusion statement for Resolution 2 is included in the Notice.

4.4 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 2. 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.

5 RESOLUTIONS 3 TO 6 - FARRAH/GWR FUNDING AGREEMENTS

5.1 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.

A prospectus for the Rights Issue was lodged with ASIC and announced to ASX on 13 July 2016, and was sent to shareholders residing in Australia or New Zealand

(Eligible Shareholders) on 21 July 2016. Eligible shareholders should consider the prospectus carefully and use the entitlement and acceptance form accompanying the prospectus in taking up Shares under the Rights Issue.

The Company will potentially raise up to \$4.84 million under the Rights Issue before issue costs.

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

5.2 Resolutions sought under this Notice

Resolutions 3 to 6 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; and
- (d) the issue to Farrah of 14 million free Attaching Options, being one Attaching Option for each Share issued upon conversion of the Farrah Convertible Loan and the Additional Placement.

5.3 Pro forma capital structure

The pro forma capital structure on completion of the transactions contemplated by Resolutions 3 to 6 of the Notice is set out in SCHEDULE 3.

5.4 Timetable

The proposed timetable for the GWR/Farrah capital raising is as follows:

Issue Shares on conversion of Farrah Convertible Loan	18 July 2016
Rights Issue record date (Record Date)	19 July 2016
Send Rights Issue prospectus & Open Rights Issue offer	21 July 2016
Send Notice of Meeting	3 August 2016
Close Rights Issue	9 August 2016
Issue Rights Issue Shares	16 August 2016
Issue Underwritten Shortfall Shares	16 August 2016
Shareholder Meeting	5 September 2016

The above timetable may change subject to the Corporations Act and Listing Rules.

6 RESOLUTION 3 - RATIFICATION OF GWR CONVERTIBLE NOTES

6.1 Introduction

Resolution 3 seeks Shareholder approval under Listing Rule 7.4 for the ratification of the issue of 17,193,878 GWR Convertible Notes.

6.2 Regulatory requirements

The regulatory requirements of Listing Rule 7.4 and the effect of Shareholders passing this Resolution are set out at section 3.2 above.

6.3 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 3 is included in the Notice.

6.4 Directors' recommendation

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

7 RESOLUTION 4 - SHARE ISSUE IN SATISFACTION OF FARRAH CONVERTIBLE LOAN

7.1 Introduction

Resolution 4 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.

7.2 Regulatory requirements

The effect of passing Resolution 5 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.

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 10,000,000 Shares.
- (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 4 is included in the Notice.

7.4 Director's recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 4. 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 5 - RATIFICATION OF ADDITIONAL PLACEMENT SHARE ISSUE TO FARRAH

8.1 Introduction

Resolution 5 seeks Shareholder approval under Listing Rule 7.4 for the ratification of the issue Additional Placement Shares.

8.2 Regulatory requirements

The effect of passing Resolution 5 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 4,000,000 Shares.

- (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 5 is included in the Notice.

8.4 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 5. 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 6 - ISSUE OF FARRAH ATTACHING OPTIONS

9.1 Introduction

Resolution 6 seeks Shareholder approval under Listing Rule 7.1 for the issue of up to 14,000,000 Attaching Options to Farrah.

9.2 Regulatory requirements

The effect of passing Resolution 6 will be to allow the Directors to issue securities in accordance with the Resolution without those securities being included in the 15% limit.

9.3 Information required by Listing Rule 7.3

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

- (a) The Company will issue 14,000,000 Attaching Options.
- (b) The Attaching Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue will occur on the same date.
- (c) The options are free Attaching Options.
- (d) The terms of the Attaching Options are included at SCHEDULE 2.
- (e) The securities will be issued to Farrah or its nominee(s).
- (f) No funds will be raised from the issue of Attaching Options. Any funds raised from the exercise of the Attaching Options will be used for mining working

capital and resource expansion at the Kalgoorlie North Gold Project, for continued delivery of ore to the Paddington Mill.

- (g) The Attaching Options will be issued immediately following the Shareholders meeting and in any event no later than 3 months following shareholder approval.
- (h) A voting exclusion statement for Resolution 6 is included in the Notice.

9.4 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.

10 DEFINITIONS

In this Notice and Explanatory Memorandum:

ASX	means ASX Limited or the Australian Securities Exchange operated by ASX Limited, as the context requires.
Attaching Option	means the Options on the terms set out in Schedule 2 of the Explanatory Memorandum.
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 5.3 of the Explanatory Memorandum.
Farrah	means Farrah Property Securities Pty Ltd (ACN 608 619 889).
Farrah Placement	has the meaning given in section 5.1 of the Explanatory Memorandum.
GWR	means GWR Group Limited (ACN 102 622 051).
GWR Convertible Notes	has the meaning given in section 5.1 of the Explanatory Memorandum.
GWR Loan	has the meaning given in section 5.1 of the Explanatory Memorandum.
Listing Rules	means the listing rules of the ASX.
Meeting or General	means the meeting convened by this Notice (as

Meeting	adjourned from time to time).
Notice	means this notice of meeting.
Option	means an option to be issued a Share.
Placement	has the meaning given in section 3.1 of the Explanatory Memorandum.
Proxy Form	means the proxy form attached to this Notice.
Record Date	means 8 July 2016.
Resolution	means a resolution set out in the Notice.
Rights Issue	has the meaning given in section 5.1 of the Explanatory Memorandum.
Second Placement	has the meaning given in section 4.1 of the Explanatory Memorandum.
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 ATTACHING OPTIONS TERMS

The terms of the issue of the Options are:

1. The Options will be issued for no consideration.
2. Each Option entitles the holder to be issued one Share.
3. The exercise price of the Options is \$0.05 each.
4. The expiry date of the Options is 12 months from date of issue.
5. The Options may be exercised at any time prior to the expiry date, in whole or in part, upon payment of the exercise price per Option.
6. The Options will not be quoted, but are transferable.
7. EXG will provide to each Option holder a notice that is to be completed when exercising the Options (**Notice of Exercise**). Options may be exercised by the Option holder in whole or in part by completing the Notice of Exercise and forwarding the same to EXG or its share registry to be received prior to the expiry date. The Notice of Exercise must state the number of Options exercised, the consequent number of Shares to be allotted and the identity of the proposed allottee. The Notice of Exercise by an Option holder must be accompanied by payment in full for the relevant number of Shares being subscribed, being an amount of the exercise price per Share.
8. All Shares issued upon the exercise of the Options will rank equally in all respects with EXG's then issued Shares. EXG will apply to the ASX for quotation of all Shares issued upon exercise of Options.
9. There are no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues or pro-rata issues of capital to Shareholders during the term of the Options. Thereby, the Option holder has no rights to a change in the exercise price of the Option or a change to the number of underlying securities over which the Option can be exercised except in the event of a bonus issue. EXG will ensure, for the purposes of determining entitlements to any issue, that Option holder will be notified of a proposed issue after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in such issues.
10. If from time to time on or prior to the Expiry Date EXG makes a bonus issue of securities to holders of Shares in EXG (**Bonus Issue**), then upon exercise of his or her Options a holder will be entitled to have issued to him or her (in addition to the Shares which he or she is otherwise entitled to have issued to him or her upon such exercise) the number of securities which would have been issued to him or her under that Bonus Issue if the Options had been exercised before the record date for the Bonus Issue.
11. In the event of any pro-rata issue of securities (except a Bonus Issue) the exercise price of the Options will be adjusted in accordance with ASX Listing Rule 6.22.2.

12. In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of EXG, all rights of the Option holder shall be reconstructed (as appropriate) in accordance with the ASX Listing Rules.

SCHEDULE 3 PRO-FORMA CAPITAL STRUCTURE

Shares to be issued under the GWR/Farrah transaction

	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
Maximum shares issued on exercise of Farrah Attaching Options ²	14,000,000	692,144,423
Shares to be issued on conversion of GWR Convertible Notes ³	17,193,878	709,338,301
Shares to be issued on conversion of GWR Loan ³	27,806,123	737,144,424
Maximum Shares on issue		737,144,424

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

Note 2: The issue of Attaching Options is subject to Shareholder approval (Resolution 6). Assumes maximum number of Attaching Options are exercised.

Note 3: GWR Loan is repayable on 21 June 2017 and GWR Convertible Notes will, at GWR's election, convert to Shares at \$0.0387 and mature on 21 June 2017.

PROXY FORM

**APPOINTMENT OF PROXY
EXCELSIOR GOLD LTD
ACN 123 629 863
GENERAL MEETING**

I/We

of

Appoint

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

Name of proxy

OR

the Chair of the General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the 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 General Meeting to be held at 10:00am (WST), on 5 September 2016 at Unit 2, 124 Stirling Highway, North Fremantle WA 6159 and at any adjournment thereof.

Voting on Business of the General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Ratification of Prior Share Issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Ratification of Prior Share Issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Ratification of GWR Convertible Note Issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Ratification of Shares Issued in Satisfaction of Farrah Convertible Loan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 – Ratification of Additional Placement Shares Issued to Farrah	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 – Issue of Farrah Attaching Options	<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 to be counted in computing the required majority on a poll.

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.

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

Signature of Member(s):

Date:

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 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 General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the 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 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,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.