
DOURADO RESOURCES LIMITED

ACN 131 090 947

NOTICE OF GENERAL MEETING AND EXPLANATORY STATEMENT

TIME: 11.00am (WST)
DATE: Monday, 28 April 2014
PLACE: Mining Corporate Pty Ltd
Level 11, 216 St Georges Terrace
Perth, Western Australia 6000

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (08) 9481 0389.

DOURADO RESOURCES LIMITED

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The General Meeting of the Shareholders of Dourado Resources Limited which this Notice of Meeting relates to will be held at 11.00am WST on Monday, 28 April 2014 at: Mining Corporate Pty Ltd, Level 11, 216 St Georges Terrace, Perth, Western Australia 6000.

YOUR VOTE IS IMPORTANT

The business of the General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

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

VOTING BY PROXY

To vote by proxy, please complete and sign the proxy form enclosed and either:

- post to Dourado Resources Limited, GPO Box 2517, Perth WA 6831;
 - send by email to liz@miningcorporate.com.au; or
 - send on facsimile number +61 (0) 8 9463 6103,
- so that it is received not later than 11.00am WST on Saturday, 26 April 2014.

Proxy forms received later than this time will be invalid.

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

- each member has a right to appoint a proxy;
- the proxy need not be a member of the company; and
- a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes each proxy may exercise, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all 'directed' proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does**:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

NOTICE OF GENERAL MEETING

Notice is given that the General Meeting of Shareholders of Dourado Resources Limited will be held at 11.00am WST on Monday, 28 April 2014 at: Mining Corporate Pty Ltd, Level 11, 216 St Georges Terrace, Perth, Western Australia 6000.

The Explanatory Statement annexed to this Notice of Meeting provides additional information on matters to be considered at the General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

In accordance with Regulation 7.11.37 of the *Corporations Regulations*, the Directors have set a date to determine the identity of those entitled to attend and vote at the General Meeting. For the purposes of determining voting entitlements at the General Meeting, Shares will be taken to be held by the persons who are registered as holding them at 5.00pm (WST) on, Wednesday, 23 April 2014. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the General Meeting.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

AGENDA

RESOLUTION 1 - CONSOLIDATION OF CAPITAL

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

“That for the purposes of Section 254H of the Corporations Act and for all other purposes, approval is given for the issued share capital of the Company to be consolidated on the basis that:

- A) *every 10 Shares be consolidated into 1 Share; and*
- B) *every 10 Options be consolidated into 1 Option,*

and where this Consolidation results in a fraction of a Share or an Option being held, the Directors be authorised to round that fraction up to the nearest whole Share or Option, with the Consolidation taking effect on the Record Date and otherwise as described in the Explanatory Statement.”

RESOLUTION 2 - APPROVAL FOR PLACEMENT OF SHARES

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to that number of Shares, when multiplied by the issue price, will raise up to \$3,000,000 on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person 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 any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, 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 3 - ISSUE OF CONVERTIBLE NOTE TO RM CORPORATE FINANCE PTY LTD

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

"That for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to issue Convertible Notes with an aggregate face value of up to \$2,500,000 to RM Corporate Finance Pty Ltd (or its nominee), and otherwise on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on Resolution 3 by RM Corporate Finance Pty Ltd, their nominees, and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary Securities, if Resolution 3 is passed and any associate of those persons. 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 directions on the proxy form or 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 4 - APPROVAL OF ISSUE OF SHARES TO RED BLUFF NOMINEES PTY LTD IN LIEU OF DIRECTORS FEES TO PETER DEL FANTE

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

"That for the purpose of Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes approval is given for the Company to issue, on a pre-Consolidation basis, 47,362,000 Shares to Red Bluff Nominees Pty Ltd (a nominee of the managing director Peter Del Fante), on the terms and conditions set out in the Explanatory Statement accompanying this Notice of General Meeting."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Red Bluff Nominees Pty Ltd, Mr Del Fante and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, 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 - APPROVAL OF ISSUE OF SHARES TO AUSNOM PTY LTD IN LIEU OF DIRECTORS FEES TO JOHN CHEGWIDDEN

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

"That for the purpose of Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes approval is given for the Company to issue, on a pre-Consolidation basis, 4,375,000 Shares to Ausnom Pty Ltd (a nominee of non-executive director John Chegwidden who resigned on 9 January 2014), on the terms and conditions set out in the Explanatory Statement accompanying this Notice of General Meeting."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Ausnom Pty Ltd, Mr John Chegwidden and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, 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 - APPROVAL OF ISSUE OF SHARES TO DARYL SMITH IN LIEU OF DIRECTORS FEES

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

“That for the purpose of Section 208 of the Corporations Act, ASX Listing Rule 10.11, and for all other purposes approval is given for the Company to issue, on a pre-Consolidation basis, 10,769,750 Shares to non-executive director Daryl Smith (or his nominee) who resigned on 9 January 2014, on the terms and conditions set out in the Explanatory Statement accompanying this Notice of General Meeting.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mr Daryl Smith (or his nominee) and any of his associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, 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 - APPROVAL OF ISSUE OF SHARES TO AMACAT PTY LTD

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

“That for the purpose of ASX Listing Rule 7.1, and for all other purposes, approval is given for the Company to issue, on a pre-Consolidation basis, 2,512,245 Shares to Amacat Pty Ltd (or its nominee), on the terms and conditions set out in the Explanatory Statement accompanying this Notice of General Meeting.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Amacat Pty Ltd (or their nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, 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 - APPROVAL OF ISSUE OF SHARES TO BRALLGA PTY LTD

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

“That for the purpose of ASX Listing Rule 7.1, and for all other purposes, approval is given for the Company to issue, on a pre-Consolidation basis, 12,500,000 Shares to Brallga Pty Ltd (or its nominee), on the terms and conditions set out in the Explanatory Statement accompanying this Notice of General Meeting.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any Brallga Pty Ltd (or their nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, 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 9 - APPROVAL OF ISSUE OF SHARES TO ADVISOR BUSINESS SERVICES GROUP PTY LTD

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

“That for the purpose of ASX Listing Rule 7.1, and for all other purposes, approval is given for the Company to issue, on a pre-Consolidation basis, 13,613,922 Shares to Advisor Business Services Group Pty Ltd (or its nominee), on the terms and conditions set out in the Explanatory Statement accompanying this Notice of General Meeting.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Advisor Business Services Group Pty Ltd (or their nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, 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 10 - APPROVAL OF ISSUE OF SHARES TO JCW PARTNERS PTY LIMITED

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

“That for the purpose of ASX Listing Rule 7.1, and for all other purposes, approval is given for the Company to issue, on a pre-Consolidation basis, 6,250,000 Shares to JCW Partners Pty Limited (or its nominee), on the terms and conditions set out in the Explanatory Statement accompanying this Notice of General Meeting.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by JCW Partners Pty Limited (or their nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, 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 11 - APPROVAL OF ISSUE OF SHARES TO RM CORPORATE FINANCE PTY LTD

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

“That for the purpose of ASX Listing Rule 7.1, and for all other purposes, approval is given for the Company to issue on a post-Consolidation basis, 7,000,000 Shares to RM Corporate Finance Pty Ltd (or its nominee), on the terms and conditions set out in the Explanatory Statement accompanying this Notice of General Meeting.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by RM Corporate Finance Pty Ltd ((or their nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, 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 12 - APPROVAL OF ISSUE OF SHARES TO TRIUMPH MINING PTY LTD

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

“That for the purpose of Section 208 of the Corporations Act, ASX Listing Rule 10.11, approval is given for the Company to issue, on a pre-Consolidation basis, 25,000,000 Shares to Triumph Mining Pty Ltd (an associated company of the managing director Peter Del Fante), on the terms and conditions set out in the Explanatory Statement accompanying this Notice of General Meeting.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Triumph Mining Pty Ltd, Mr Del Fante and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, 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 13 - APPROVAL OF ISSUE OF SHARES FOR CONVERSION OF LOAN TO RED BLUFF NOMINEES PTY LTD

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

“That for the purpose of Section 208 of the Corporations Act, ASX Listing Rule 10.11, approval is given for the Company to issue, on a pre-Consolidation basis, 12,500,000 Shares to Red Bluff Nominees Pty Ltd (a nominee of the managing director Peter Del Fante), on the terms and conditions set out in the Explanatory Statement accompanying this Notice of General Meeting.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Red Bluff Nominees Pty Ltd, Mr Del Fante and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, 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

Elizabeth Hunt
Company Secretary
17 March 2014

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the General Meeting of Dourado Resources Limited to be held at 11.00am WST on Monday, 28 April 2014 at: Mining Corporate Pty Ltd, Level 11, 216 St Georges Terrace, Perth, Western Australia 6000.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting (of which this Explanatory Statement forms a part).

1. RESOLUTION 1: CONSOLIDATION OF CAPITAL

1.1 Background

Resolution 1 seeks Shareholder approval to consolidate the number of Shares and Options on issue on a 1 for 10 basis (**Consolidation**).

The purpose of the Consolidation is to implement a more appropriate capital structure for the Company going forward and enable the Company to satisfy Chapters 1 and 2 of the ASX Listing Rules and obtain re-quotations of the Shares on ASX. This resolution is conditional on all other resolutions in this Notice of Meeting being approved.

1.2 Legal requirements

Section 254H of the Corporations Act provides that a company may, by resolution passed in a general meeting, convert all or any of its shares into a larger or smaller number.

Listing Rule 7.22.1 provides that in a consolidation of capital, the number of Options must be consolidated in the same ratio as the ordinary capital and the exercise price must be amended in inverse proportion to that ratio.

1.3 Fractional Entitlements and Taxation

Not all Shareholders will hold that number of Shares which can be evenly divided by ten. Where a fractional entitlement occurs, the Directors will round that fraction up to the nearest whole Share or Option.

It is not considered that any taxation implications will exist for Security Holders arising from the Consolidation. However, Security Holders are advised to seek their own tax advice on the effect of the Consolidation and neither the Company, nor the Directors (or the Company's advisors) accept any responsibility for the individual taxation implications arising from the Consolidation.

1.4 Holding Statements

From the date of the Consolidation, all holding statements for Securities will cease to have any effect, except as evidence of entitlement to a certain number of Securities on a post-Consolidation basis.

After the Consolidation becomes effective, the Company will arrange for new holding statements for Securities to be issued to holders of those Securities.

It is the responsibility of each Security Holder to check the number of Securities held prior to disposal or exercise (as the case may be).

1.5 Effect on capital structure

As at the date of this notice the Company has the following Securities on issue.

The capital structure of the Company (subject to rounding) Consolidation and other matters is set out below. This table assumes that all resolutions the subject of this Notice of Meeting are approved.

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SHARES	NUMBER
Shares on issue at the date of this Notice	519,539,329
Shares to be issued pre-consolidation:	
Resolution 2 (Placement of Shares)	750,000,000*
Resolution 4 (Red Bluff Nominees Pty Ltd)	47,362,000
Resolution 5 (Ausnom Pty Ltd)	4,375,000
Resolution 6 (Daryl Smith)	10,769,750
Resolution 7 (Amacat Pty Ltd)	2,512,245
Resolution 8 (Brallga Pty Ltd)	12,500,000
Resolution 9 (Advisor Business Services Group Pty Ltd)	13,613,922
Resolution 10 (JCW Partners Pty Limited)	6,250,000
Resolution 12 (Triumph Mining Pty Ltd)	25,000,000
Resolution 13 (Red Bluff Nominees Pty Ltd)	12,500,000
Total Shares on issue pre-Consolidation	1,404,422,246
Total Shares on issue post-Consolidation	140,442,224
Resolution 11 (RM Corporate Finance Pty Ltd)	7,000,000
Total Shares on issue post-Consolidation and completion of post-Consolidation issues	147,442,224

*Assumes issue of \$3,000,000 Shares at \$0.004 per Share on a pre-Consolidation basis.

If this Resolution 1 is passed the number of Shares and Options on issue will be reduced on a 1:10 basis and the exercise price of all Options will be increased in inverse proportion to that ratio.

All of the existing Options which are on issue by the Company have been issued on terms which permit them to be changed to the extent necessary to comply with the Listing Rules applying to a reconstruction of capital at the time of the reconstruction.

Post-Consolidation, the Share capital structure of the Company will be as follows (assuming no further Shares or Options have been issued, other than those set out in the table above, and no existing Options have been converted into Shares):

	Number (pre-Consolidation)	Number (post-Consolidation)	Pre-consolidated Option exercise price	Post-consolidated Option exercise price
Shares (DUO)	519,539,329	147,442,224	N/A	N/A
Options 30 Nov 2014 (DUOO)	242,031,571	24,203,157	\$0.20	\$2.00

1.6 Timetable

The indicative timetable for the Consolidation is as follows:

Event	Date
Company announces reorganisation and send out notices of General Meeting	19 March 2014
General Meeting to approve transaction	28 April 2014
Notification to ASX of results of General Meeting	28 April 2014
Last day for trading in pre-reorganised Securities*	29 April 2014
Trading in reorganised Securities on a deferred settlement basis would ordinarily occur*	30 April 2014
Last day to register transfers on a pre-reorganisation basis	6 May 2014
First day for Company to send notice to Shareholders of change of holdings as a result of reorganisation First day for Company to register Securities on a post-reorganisation basis and for issue of holding statements	7 May 2014
Despatch date Deferred settlement market ends Last day for Securities to be entered into the holders' security holdings and for Company to send notice to each security holder	13 May 2014

* The Company's Securities are currently, and will continue to be, suspended from trading on this date so trading and deferred settlement trading will not occur.

2. RESOLUTION 2 – APPROVAL FOR PLACEMENT OF SHARES

2.1 General

Resolution 2 seeks Shareholder approval for the issue of that number of Shares, when multiplied by the issued price, will raise up to \$3,000,000 (before costs) (**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.

The effect of Resolution 2 will be to allow the Company to issue the Shares during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% placement capacity.

2.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- the maximum number of Shares to be issued is up to that number of Shares which, when multiplied by the issue price, equals \$3,000,000;
- the Shares 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 ASX Listing Rules) and it is intended that issue of the Shares will occur progressively;
- the issue price will be not less than 80% of the average market price for Shares calculated over the 5 days on which sales in the Shares were recorded before the date on which the issue is made or, if there

is a prospectus, over the last 5 days on which sales in the Securities were recorded before the date the prospectus is signed;

- d) the person to whom, the Shares will be issued are not, as yet, identifiable, but will be subscribers to be identified by the Company and any brokers appointed by the Company to manage the issue. The persons will not be related parties of the Company;
- e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- f) the Company intends to use the funds raised from the Placement, for administration and statutory costs. In addition to this funds will be applied to exploration expenditure on the Company's Diamond Well Project, for working capital purposes and the retirement of existing trade creditors. Part funds will also be applied to the identification of other mineral exploration opportunities. The Company intends to allocate funds as follows assuming the full \$3,000,000 is raised:
 - Working capital and creditor retirements - \$1,300,000
 - Corporate Overheads - \$300,000
 - Provision of funds for the completion of a broad scale soil geochemical, rock shipping and mapping survey of the Diamond Well tenements - \$300,000
 - Implementation of detailed geophysics survey and interpretation of Diamond Well tenements - \$400,000
 - Subject to the results of these further exploration studies noted above conduct follow up Aircore and RC Drilling program at Diamond Well - \$700,000

2.3 Directors' Recommendation

None of the Directors have a material personal interest in the subject matter of Resolution 2. The Board recommends that Shareholders vote in favour of Resolution 2 as it will enable the Company to fund its ongoing commitments.

3. RESOLUTION 3 - ISSUE OF CONVERTIBLE NOTES TO RM CORPORATE FINANCE PTY LTD

3.1 General

Resolution 3 seeks Shareholder approval for the issue of Convertible Notes with an aggregate face value of up to \$2,500,000 in accordance with the Convertible Note Placement terms contained within the Capital Raising and Corporate Advisory Mandate (**Capital Raising Mandate**) to RM Corporate Finance Pty Ltd.

The Convertible Note and its conversion forms part of the Capital Raising Mandate as summarised below.

A summary of ASX Listing Rule 7.1 is set out in section 2.1 above.

The effect of Resolution 3 will be to allow the Company to issue the Convertible Notes pursuant to the Capital Raising Mandate, without using the Company's 15% annual placement capacity set out in ASX Listing Rule 7.1. ASX listing rule 7.3.2 provides that the issue of the convertible notes must occur no later than 3 months after the date of the General Meeting. That is, only Convertible Notes issued within 3 months from the date of the General Meeting will be under Resolution 3 approval.

The term of the Capital Raising Mandate is from date of execution (being 4 March 2014) until the last drawdown (being no later than 2 years from date of execution) (**Term**). It is presumed that only a small portion of the Convertible Notes will be issued within the 3 months allowed under Resolution 3, the Company intends to seek Shareholder approval, under listing rule 7.1 and 7.4 as applicable, across the Term, for each Convertible Note issued outside of the 3 months provided for in Resolution 3.

3.2 Terms of Convertible Notes

The key terms of the Convertible Notes are as follows:

- (a) the term of the Capital Raising Mandate is from date of execution (being 4 March 2014) until the last drawdown (being no later than 2 years from date of execution);
- (b) the aggregate face value of the Convertible Notes is to be no more than \$2,500,000;
- (c) the Convertible Notes will carry an interest rate of 5% per annum. The holder may elect for the interest to be paid in;
 - (i) Shares (which will be issued at the lesser of \$0.04 (on a post-Consolidation basis) or 80% of the 5 Trading Day VWAP per share for Trading Day VWAP per Share for outstanding interest) issued to be issued out of the Company's 15% capacity; or
 - (ii) cash;
- (d) the Convertible Notes will be convertible into Shares at the lesser of \$0.04 (on a post-Consolidation basis) or 80% of the 5 Trading Day VWAP per Share;
- (e) holders of Convertible Notes will have a right to call conversion any time after the issue of the Convertible Notes;
- (f) the conversion of the Convertible Notes into Shares is not conditional upon further Shareholder approval unless the Convertible Notes are not issued within the time frame approved within this meeting, being three (3) months (assuming no additional approval is obtained), or any additional Shareholder approved time frame at a future Shareholder meeting;
- (g) the Company may draw down on the Convertible Note loan facilities during the availability period, which commences on the day the holder confirms the availability of a Convertible Note loan facility to the Company and ceases on a date that of the final drawdown pursuant to the Capital Raising Mandate;
- (h) the first tranche will be drawn down within 14 days of the General Meeting and thereafter on a minimum of \$100,000 per month;
- (i) the Company does not intend to list the Convertible Notes for quotation on ASX and it is not obliged to do so; and
- (j) the Convertible Notes are unsecured.

3.3 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided

- (a) The Convertible Notes will be issued with a total face value of no more than \$2,500,000 and are convertible into Shares at the lesser of \$0.04 (on a post-Consolidate basis) or 80% of the 5 Trading Day VWAP per Share;
- (b) the Convertible Notes will carry an interest rate of 5% per annum in either cash or Shares (at the holder's election). Any Shares issued pursuant to the interest carried on the Convertible Notes will be issued at the lesser of \$0.04 (on a post-Consolidation basis) or 80% of the 5 Trading Day VWAP per Share;
- (c) the Convertible Notes will be issued and allotted no later than three months after the date of this Meeting;

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- (d) the Convertible Notes will be issued to sophisticated investors, who are not related parties of the Company;
- (e) the Shares issued on conversion of the Convertible Notes will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) the Company will make an application for Official Quotation by ASX of all Shares issued upon the conversion of the Convertible Notes;
- (g) the Company intends to use the funds raised from the Convertible Notes for detailed exploration at Diamond Well (including broad scale soil geochemical, rock shipping and mapping survey, detailed geophysics survey and interpretation and followup drilling) corporate costs and working capital.

5.4 Risk of voting dilution

The conversion of Convertible Notes into Shares will dilute the interests of Shareholders who do not receive any Shares under the issue.

The following table indicates the number of Shares that will be issued on conversion of Convertible Notes at various conversion prices (excluding interest) and based on total face value of \$2,500,000.

The Convertible Notes are convertible into Shares at the lesser of \$0.04 (on a post-Consolidate basis) or 80% of the 5 Trading Day VWAP per Share.

Conversion Price	Number of Shares
\$0.04	62,500,000
\$0.02	125,000,000
\$0.01	250,000,000

5.5 Directors' Recommendation

None of the Directors has a material personal interest in the subject matter of Resolution 3. The Board recommends Shareholders vote in favour of Resolution 3 as it will enable the Company to fund its ongoing commitments.

4. RESOLUTIONS 4, 5, 6, 12 AND 13 – APPROVAL OF ISSUE OF SHARES TO RELATED PARTIES

4.1 Background

Resolutions 4, 5, 6, 12 and 13 seek Shareholder approval, in accordance with section 208 of the Corporations Act and ASX Listing Rule 10.11, for the issue, on a pre-Consolidation basis, to the parties noted in the Table 1 below Shares on the terms and conditions set out in this Notice of Meeting.

The issue of Shares the subject of Resolutions 4, 5 and 6 is to settle outstanding director's fees as full and final payment of service/directors fees in arrears.

The issue of Shares the subject of Resolution 13 is for part-repayment of a loan made to the Company by Red Bluff Nominees Pty Ltd, a company of which Peter Del Fante is a 50% shareholder (**Loan**). Pursuant to an agreement dated 2 July 2013, Red Bluff Nominees Pty Ltd loaned the Company \$155,233.39. Resolution 13 seeks Shareholder approval for the conversion of \$50,000 of this loan to Shares.

The issue of Shares the subject of Resolution 12 relate to the settlement of outstanding monies in relation to the purchase of tenements set out below. The issue of the Shares to Triumph Mining Pty Ltd constitutes the giving a financial benefit. Peter Del Fante, a Director of the Company, is a Director and 50% shareholder of Red Bluff Nominees Pty Ltd which in turn holds one third of the Shares in Triumph Mining Pty Ltd. As such, Triumph Mining Pty Ltd is a related party of the Company.

The Company entered into an Option Agreement on or about 5 August 2008 with Triumph Mining Pty Ltd (**Triumph**), as amended by a deed of variation dated 10 July 2009 (**Option Agreement**). In the Option

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Agreement, Triumph granted to the Company an option to purchase a 100% legal and beneficial interest in a number of mining tenements (**Option**). In consideration for the granting of the Option, the Company issued to Triumph eleven million (11,000,000) Shares and five million five hundred thousand (5,500,000) Options exercisable at \$0.20 on or before 30 November 2014.

Settlement of the Option Agreement occurred when the Company was admitted to the Official List of ASX on 1 December 2009. At settlement Triumph transferred the Tenements to the Company and the Company was to pay one hundred thousand dollars (\$100,000) to Triumph. This payment was never made by the Company.

Table 1:

Recipient Parties	Relation-ship to Company	Shares to be Issued on a pre-Consolidation basis	Amount due	Shares held in the Company on a pre-Consolidation basis prior to this issue	Options held in the Company on a pre-Consolidation basis prior to this issue
Peter Del Fante via his associated company Red Bluff Nominees Pty Ltd	Current Managing Director	47,362,000	\$189,448 (Directors Fees)	17,060,616	8,375,000
John Chegwiddden via his associated company Ausnom Pty Ltd	Previous non-executive director – resigned 9 January 2014	4,375,000	\$17,500 (Directors Fees)	Nil	Nil
Daryl Smith	Previous non-executive director – resigned 9 January 2014	10,769,750	\$43,079 (Directors Fees)	Nil	Nil
Peter Del Fante via his associated company Red Bluff Nominees Pty Ltd as a shareholder of Triumph Mining Pty Ltd	Current Managing Director	25,000,000	\$100,000 (Part consideration for tenement acquisition)	12,943,616	7,125,000
Peter Del Fante via his associated company Red Bluff Nominees Pty Ltd	Current Managing Director	12,500,000	\$50,000 (Part repayment of Loan)	17,060,616	8,375,000
TOTAL		100,006,750	\$400,027		

4.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and

- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

The issue of the Shares to the parties in Table 1 above constitutes giving a financial benefit, as each party is a related party of the Company.

It is the view of the Directors that the exceptions set out in Sections 210 to 216 of the Corporations Act do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the issue of the Shares to the parties in Table 1 above.

4.3 ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, Securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply.

Approval pursuant to ASX Listing Rule 7.1 is not required in respect of Resolutions 4 – 6 and 12 – 13 as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of these Shares in respect of Resolutions 4 – 6 and 12 – 13 will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

4.4 Technical Information required by Chapter 2E of the Corporations Act and ASX Listing Rule 10.13

Pursuant to and in accordance with the requirements of Sections 217 to 227 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to the proposed issue of the Shares:

- (a) the related parties of Resolution 4, 5, 6 and 13 are Peter Del Fante, John Chegwiddden and Daryl Smith and they are related parties by virtue of being or having recently been a Director of the Company (within the last 6 months of this Notice of Meeting). The related party of Resolution 12 is Triumph Mining Pty Ltd. Peter Del Fante is a Director of the Company and a Director of Red Bluff Nominees Pty Ltd which in turn holds one third of the shares in Triumph Mining Pty Ltd. As a director is a controlling shareholder of Triumph Mining Pty Ltd, Triumph Mining Pty Ltd is a related party of the Company;
- (b) the maximum number of Shares (being the nature of the financial benefit being provided) to be issued on a pre-Consolidation basis, is summarised in Table 1;
- (c) the Shares will be issued to the parties in Table 1 no later than 1 month after the date of the General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Shares will be issued on one date;
- (d) the issue price will be \$0.004 per Share,
- (e) the Shares will be issued to settle existing outstanding directors fees and liabilities and as such no funds will be raised; and
- (f) the Shares issued will be fully paid ordinary shares and will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (g) Peter Del Fante and his associates currently have a relevant interest in securities of the Company as noted in Table 1.

The primary purpose of the issue of Shares to Triumph Mining Pty Ltd is to extinguish an outstanding contractual liability to Triumph Mining Pty Ltd. The Board does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Shares upon the terms proposed.

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The remuneration and emoluments from the Company to Related Parties for both the current financial year and previous financial year are set out below. This includes amounts paid and amounts due to be paid.

Related Party	Current Financial Year	Previous Financial Year
Peter Del Fante	\$173,030	\$173,030
John Chegwidden	\$15,909	-
Daryl Smith	12,498-	\$72,015
James Ellingford	\$8,333	-
Peter Torney	-	-

The Company was suspended from trading on 15 March 2013 and consequently has no trading history for the 12 months before the date of this Notice of Meeting. The last trading price prior to suspension was 1.7 cents.

The Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 4 – 6 and 12 – 13. .

4.5 Directors' Recommendations

- (a) Mr Peter Del Fante declines to make a recommendation to Shareholders in relation to Resolutions 4, 12 and 13 due to a material personal interest in the outcome of those Resolutions. However, in respect of Resolutions 5 and 6, Mr Peter Del Fante recommends that Shareholders vote in favour of those Resolutions for the following reasons:
- i) the issue of the Shares is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Messrs John Chegwidden and Daryl Smith (or their nominees); and
 - ii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Shares upon the terms proposed;
- (b) with the exception of Mr Peter Del Fante, no other current Director has a personal interest in the outcome of Resolutions 4 – 6 and 12 – 13.
- (c) Mr James Ellingford recommends that Shareholders vote in favour of Resolutions 4 – 6 and 12 – 13, for the following reasons:
- i) the issue of the Shares is a reasonable and appropriate method to provide cost effective remuneration and discharge liabilities as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms were given to the related parties; and
 - ii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Shares upon the terms proposed; and
- (d) Mr Peter Torney recommends that Shareholders vote in favour of Resolutions 4 – 6 and 12 – 13, for the following reasons:
- i) the issue of the Shares is a reasonable and appropriate method to provide cost effective remuneration and discharge liabilities as the non-cash form of this

benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms were given to the related parties; and

- ii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Shares upon the terms proposed.

5. RESOLUTION 7 AND 8 – ISSUE OF SHARES IN LIEU OF FEES

5.1 General

Resolutions 7 and 8 seek Shareholder approval for the issue on a pre-Consolidation basis of 2,512,245 Shares and 12,500,000 Shares to Amacat Pty Ltd and Brallga Pty Ltd respectively.

These Shares issues are to satisfy outstanding director's fees to Mr Shane Casely (Amacat Pty Ltd) who resigned from the Company on 10 December 2012 and Mr Graeme Allen (Brallga Pty Ltd) who resigned from the Company on 14 March 2013.

A summary of ASX Listing Rule 7.1 is set out in section 2.1 above.

The effect of Resolutions 7 and 8 will be to allow the Company to issue the Shares pursuant, without using the Company's 15% annual placement capacity set out in ASX Listing Rule 7.1.

5.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Share Issue:

- (a) the maximum number of Securities to be issued is 2,512,245 Shares (Resolution 7) and 12,500,000 Shares (Resolution 8);
- (b) the Shares will be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issues will occur on the same date;
- (c) the Shares will be issued for nil cash consideration;;
- (d) the Shares will be issued to Amacat Pty Ltd and Brallga Pty Ltd as set out above. These entities are not related parties of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) no funds will be raised from the Shares however the issue will extinguish liabilities totalling \$60,049.

5.3 Directors' Recommendation

None of the Directors has a personal interest in the subject matter of Resolutions 7 or 8. The Board recommends Shareholders vote in favour of Resolutions 7 and 8 as it will preserve the Company's cash and provides the Company with the flexibility to issue further Securities representing up to 15% of the Company's share capital during the next 12 months without shareholder approval.

6. RESOLUTION 9 – ISSUE OF SHARES TO ADVISOR BUSINESS SERVICES GROUP PTY LTD

6.1 General

Resolution 9 seeks Shareholder approval for the issue on a pre-Consolidation basis, of 13,613,922 Shares to Advisor Business Services Group Pty Ltd.

This Share issue is to satisfy outstanding fees for accounting services performed during the period August 2012 to December 2012.

A summary of ASX Listing Rule 7.1 is set out in section 2.1 above.

The effect of Resolutions 9 will be to allow the Company to issue the Shares pursuant, without using the Company's 15% annual placement capacity set out in ASX Listing Rule 7.1.

6.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Share Issue:

- (a) the maximum number of Securities to be issued is 13,613,922 Shares;
- (b) the Shares will be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issues will occur on the same date;
- (c) the Shares will be issued for nil cash consideration;;
- (d) the Shares will be issued to Advisor Business Services Group Pty Ltd which is not a related party of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) no funds will be raised from the issue of the Shares, however it will extinguish liabilities totalling \$54,455.

6.3 Directors' Recommendation

None of the Directors has a personal interest in the subject matter of Resolution 9. The Board recommends Shareholders vote in favour of Resolution 9 as it will preserve the Company's cash and provides the Company with the flexibility to issue further Securities representing up to 15% of the Company's share capital during the next 12 months without shareholder approval.

7. RESOLUTION 10 – ISSUE OF SHARES TO JCW PARTNERS PTY LIMITED

7.1 General

Resolution 10 seeks Shareholder approval for the issue on a pre-Consolidation basis, of 6,250,000 Shares to JCW Partners Pty Ltd.

This Share issue is to satisfy outstanding fees for accounting services performed during the period April 2013 to June 2013.

A summary of ASX Listing Rule 7.1 is set out in section 2.1 above.

The effect of Resolutions 10 will be to allow the Company to issue the Shares pursuant, without using the Company's 15% annual placement capacity set out in ASX Listing Rule 7.1.

7.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Share Issue:

- (a) the maximum number of Securities to be issued is 6,250,000 Shares;
- (b) the Shares will be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issues will occur on the same date;

- (c) the Shares will be issued for nil cash consideration;;
- (d) the Shares will be issued to JCW Partners Pty Limited which is not a related party of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) no funds will be raised from the Share issue, however it will extinguish liabilities totalling \$25,000.

7.3 Directors' Recommendation

None of the Directors has a personal interest in the subject matter of Resolution 9. The Board recommends Shareholders vote in favour of Resolution 9 as it will preserve the Company's cash and provides the Company with the flexibility to issue further Securities representing up to 15% of the Company's share capital during the next 12 months without shareholder approval.

8. RESOLUTION 11 – ISSUE OF SHARES TO RM CORPORATE FINANCE PTY LTD

8.1 General

Resolution 11 seeks Shareholder approval for the issue of 7,000,000 Shares on a post-Consolidation basis, to RM Corporate Finance Pty Ltd.

These Shares are to be issued pursuant to the Capital Raising Mandate the subject of Resolution 3 and represent a sign on fee of 1,000,000 Shares and Corporate Advisory and Research Mandate Fee of 6,000,000 Shares.

A summary of ASX Listing Rule 7.1 is set out in section 2.1 above.

The effect of Resolutions 11 will be to allow the Company to issue the Shares pursuant, without using the Company's 15% annual placement capacity set out in ASX Listing Rule 7.1.

8.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Share Issue:

- (a) the maximum number of Securities to be issued is 7,000,000 Shares (on a post-Consolidation basis);
- (b) the Shares will be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue will occur on the same date;
- (c) the Shares will be issued for nil cash consideration;;
- (d) the Shares will be issued to RM Corporate Finance Pty Ltd which is not a related party of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) no funds will be raised from the issue of Shares.

8.3 Directors' Recommendation

None of the Directors has a personal interest in the subject matter of Resolution 11. The Board recommends Shareholders vote in favour of Resolution 11 as it will preserve the Company's cash and provides the Company with the flexibility to issue further Securities representing up to 15% of the Company's share capital during the next 12 months without shareholder approval.

GLOSSARY

For assistance in considering the Notice and accompanying Explanatory Memorandum, the following words are defined here:

ASX means ASX Limited (ACN 008 624 691).

Auditor's Report means the report prepared by the auditor of the Company on the Financial Report.

Board means the board of Directors of the Company.

Business Day means any day that is not a Saturday, Sunday or public holiday on which banks are open for business in Perth.

Chairman means the chairman of the General Meeting.

Closely Related Party means, in relation to a member of Key Management Personnel: (a) a spouse or child of the member, (b) a child of the member's spouse; (c) a dependent of the member or the member's spouse; (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity; (e) a company the member controls; or (f) a person prescribed by the regulations, as defined in the Corporations Act.

Company means Dourado Resources Limited (ACN 131 090 947).

Constitution means the constitution of the Company.

Corporations Act means the *Corporations Act 2001* (Commonwealth).

Corporations Regulations means the *Corporations Regulations 2011* (Commonwealth).

Director means a director of the Company.

Directors' Report means the annual directors' report prepared under chapter 2M of the *Corporations Act* for the Company and its controlled entities.

Explanatory Memorandum means the explanatory memorandum enclosed with, and comprising part of, this notice of general meeting.

Key Management Personnel means those persons details of whose remuneration are included in the Remuneration Report having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise), as defined in the Corporations Act.

Listing Rules means the Listing Rules of the ASX.

Managing Director means the managing or executive director of the Company.

Notice means this notice of general meeting.

Option means a listed Option to acquire a Share(s).

Proxy Form means the proxy form enclosed with the Notice.

Resolutions means the resolutions proposed in the Notice.

Security or Securities means a Share and/or Option.

Securities Holder means a holder of a Security.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

WST means Australian Western Standard Time.