

GBM Gold Ltd

ACN 119 956 624

Notice of annual general meeting

Meeting to be held: 30 November 2018 at 1:00 pm at 66 Ham Street, Kangaroo Flat
Victoria, 3555

Definitions

A number of capitalised terms are used throughout this notice of annual general meeting and explanatory memorandum. Except to the extent the context otherwise requires:

Term	Definition
ASIC	means Australian Securities & Investments Commission.
ASX	means ASX Limited ACN 008 624 691 or the securities exchange operated by it (as the case requires).
Board	means the board of Directors of the Company.
Chairman	means the chairman of the Company.
Company or GBM	means GBM Gold Limited ACN 119 956 624.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Directors	means the directors of the Company.
Explanatory Memorandum	means the explanatory memorandum attached to the Notice.
KMP	means key management personnel as defined in the Corporations Act.
Listing Rules	means the listing rules of ASX.
Notice	means this notice of annual general meeting.
Shareholders	means the registered holders of Shares in the Company.
Shares	means a fully paid ordinary share in the capital of the Company.

Notice of Annual General Meeting

GBM Gold Ltd ACN 119 956 624

Notice is given that the annual general meeting of GBM Gold Ltd ACN 119 956 624 (**Company**) will be held at:

Location	66 Ham Street, Kangaroo Flat, Victoria, 3555
Date	30 November 2018
Time	1:00 pm

Ordinary business

Financial statements and reports

To receive and consider the Company's financial reports and the reports of the Directors and the auditor for the financial year ended 30 June 2018.

1. Directors' remuneration report

To consider and, if in favour, to pass the following resolution under section 250R(2) of the Corporations Act:

'That the remuneration report for the financial year ended 30 June 2018 be adopted.'

Note: This resolution will be decided as if it were an ordinary resolution but under section 250R(3) of the Corporations Act the vote on this resolution is advisory only and does not bind the Directors of the Company.

Note: Votes must not be cast on this resolution (in any capacity) by or on behalf of members of key management personnel (**KMP**) details of whose remuneration are included in the remuneration report or their closely related parties. Refer to note 4 below for further information.

2. Retirement and re-election of Eric Ng

To consider and, if in favour, to pass the following resolution as an ordinary resolution:

'That Eric Ng, who retires by rotation under rule 3.6 of the Company's constitution, and being eligible, be re-elected as a Director of the Company.'

Note: Information about the candidate appears in the Explanatory Memorandum.

3. Retirement and re-election of Linda Lau

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

'That Linda Lau, who retires by rotation under rule 3.6 of the Company's constitution, and being eligible, be re-elected as a Director of the Company.'

Special business

4. Additional capacity to issue equity securities

To consider and, if in favour, to pass the following resolution as a special resolution:

'That the Company be provided an additional 10% capacity to issue equity securities under Listing Rule 7.1A on the terms set out in the Explanatory Memorandum.'

Date: 31 October 2018

By order of the Board



Andrew Chan
Company Secretary

Notes

- 1 A Shareholder who is entitled to attend and cast a vote at the meeting is entitled to appoint a proxy.
- 2 The proxy need not be a Shareholder of the Company. A Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.
- 3 If you wish to appoint a proxy and are entitled to do so, then complete and return the **attached** proxy form.
- 4 KMP or their closely related parties (as defined in the Corporations Act) appointed as a proxy must not vote on a resolution connected directly or indirectly with the remuneration of KMP if the proxy is undirected unless:
 - a. the proxy is the person chairing the meeting; and
 - b. the proxy appointment expressly authorises the person chairing the meeting to vote undirected proxies on that resolution.
- 5 A corporation may elect to appoint a representative in accordance with the Corporations Act in which case the Company will require written proof of the representative's appointment which must be lodged with or presented to the Company before the meeting.
- 6 The Company has determined under regulation 7.11.37 Corporations Regulations 2001 that for the purpose of voting at the meeting or adjourned meeting, securities are taken to be held by those persons recorded in the Company's register of Shareholders as at 7:00 pm (Victorian time) on 29 November 2018.

Voting exclusion statement

Corporations Act

The Company will disregard votes cast on resolution 1 by a member of the KMP, details of whose remuneration are included in the remuneration report, or a closely related party of such a member, in contravention of section 250R or 250BD of the Corporations Act. Restrictions also apply to votes cast as proxy unless exceptions apply.

ASX Listing Rules

Pursuant to the requirements of ASX Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution by on behalf of:

Resolution 4 – Approval of additional capacity to issue shares under Listing Rule 7.1A

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, or an associate of that person.

Note: Under Listing Rule 14.11.1 and the notes under that rule about Rule 7.1A, as at the date of this notice of meeting it is not known who may participate in the proposed issue (if any). On that basis, no Shareholders are currently excluded.

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, under the directions on the proxy voting form; or
- the person chairing the meeting as proxy for a person who is entitled to vote, under a direction on the proxy voting form to vote as the proxy decides.

Voting by Proxy

If you wish to appoint a proxy, to be effective, proxy forms must be received by the Company at its registered office, no later than 1:00 pm on 29 November 2018 (24 hours prior to the commencement of the meeting):

By Hand Delivery

66 Ham St, Kangaroo Flat, Victoria 3555

By Mail

P.O. Box 2709, Bendigo Mail Centre, Victoria 3554

By Fax

+61 3 5444 0036

Explanatory Memorandum

GBM Gold Ltd ACN 119 956 624

1. Introduction

- 1.1 This Explanatory Memorandum accompanies the notice of annual general meeting (AGM) of the Company (**Notice**) to be held at 1:00 pm on 30 November 2018.
- 1.2 The Explanatory Memorandum has been prepared to assist Shareholders in determining how to vote on the resolutions set out in the Notice and is intended to be read in conjunction with the Notice.

2. Item 1 – Financial statements and reports

- 2.1 The Corporations Act requires that the report of the Directors, the auditor's report and the financial report be laid before the annual general meeting.
- 2.2 Apart from the matters involving remuneration which are required to be voted upon, neither the Corporations Act nor the Company's constitution requires a vote of Shareholders at the annual general meeting on the financial statements and reports. However, Shareholders will be given reasonable opportunity at the meeting to raise questions with respect to these reports.
- 2.3 Shareholders may also submit written questions to the Company's auditor if the question is relevant to the content of the audit report or the conduct of its audit of GBM's annual report for the year ended 30 June 2018.

Note: Under section 250PA(1) of the Corporations Act, a Shareholder must submit the questions to the Company no later than the fifth business day before the day on which the AGM is held.

- 2.4 Any written questions must be submitted to the Company's registered office at 66 Ham Street, Kangaroo Flat, Victoria 3555 or faxed to the registered office at +61 3 5444 0036 on or before 29 November 2018.

3. Resolution 1 – Adoption of remuneration report

- 3.1 Section 250R(2) of the Corporations Act requires that the section of the Directors' report dealing with the remuneration of the Company's KMP be put to Shareholders for adoption.
- 3.2 The resolution of Shareholders is advisory only and not binding on the directors or the Company.
- 3.3 The remuneration report is contained in the Company's 2018 annual report, which is available on the Company's website at www.gbmgold.com.au.
- 3.4 The report:
 - (a) explains the Board's policies in relation to the nature and level of remuneration paid to the Company's KMP;
 - (b) discusses the link between the Board's policies and the Company's performance;
 - (c) sets out the remuneration details for each of the KMP; and
 - (d) makes clear that the basis for remunerating non-executive Directors is distinct from the basis for remunerating executives, including executive Directors.

- 3.5 The Directors unanimously recommend that Shareholders vote in favour of this resolution.

4. Resolution 2 – Retirement and re-election of Eric Ng

Background

- 4.1 Rule 3.6 of the Company's constitution requires that at every annual general meeting, one-third of the directors (other than the Managing Director) must retire from office.
- 4.2 Having retired by rotation in accordance with rule 3.6 of the Company's constitution, and being eligible, Eric Ng offers himself for re-election.

Information on Eric Ng

- 4.3 Eric Ng has been the principal consultant of Chadway Management Service Pte Ltd since 1982. He is responsible for providing operational management, planning and executing growth strategies, merger and acquisition activities and corporate finance services to companies in Singapore and the region including Australia. He also advises on business growth and globalisation strategies, capital market and corporate governance issues and is an active capital market intermediary matching capital with business. Chadway also provides advisory services for companies in their listing via an initial public offering or a reverse takeover on a stock exchange in the region such as SGX and ASX.
- 4.4 Eric is currently the chairman of Chasen Holdings Ltd (listed on the Singapore Exchange). At Chasen, Eric chairs the audit committee and is a member of the Remuneration and Nominations Committees.
- 4.5 Eric is also active in various societies and institutions, being a member of the Singapore Institute of Directors and a fellow of the Singapore Human Resources Institute. He also served as district governor for Singapore of Lions Clubs International from 2002 to 2003.

Recommendation

- 4.6 The Directors (other than Eric Ng who does not make a recommendation) unanimously recommend that Shareholders vote in favour of this resolution.

5. Resolution 3 – Retirement and re-election of Linda Lau

- 5.1 Rule 3.6 of the Company's constitution requires that at every annual general meeting, one-third of the directors (other than the Managing Director) must retire from office.
- 5.2 Having retired by rotation in accordance with rule 3.6 of the Company's constitution, and being eligible, Linda Lau offers herself for re-election.

Information on Linda Lau

- 5.3 Linda was appointed to the Board on 9 July 2013. Linda has a Bachelor of Arts Asian Studies and a Diploma of Business Communications and has experience in commercial and corporate practice in Australia and China and has been an Australian citizen for over forty years.
- 5.4 Linda has had an interesting career having served as a senior consultant and executive for a major Australian and international corporation and in particular resources and mining companies. Ms Lau does not hold any other listed company directorships.

Recommendation

- 5.5 The Directors (other than Linda Lau who does not make a recommendation) unanimously recommend that Shareholders vote in favour of this resolution.

6. Resolution 4 – Additional capacity to issue equity securities

Background

- 6.1 ASX Listing Rule 7.1 allows the Company to issue a maximum of 15% of its issued capital in any 12 month period without requiring Shareholder approval.
- 6.2 Under ASX Listing Rule 7.1A, eligible entities, being companies that are outside the S&P/ASX 300 index and have a market capitalisation of \$300 million or less, can issue a further 10% (on top of the 15% permitted by ASX Listing Rule 7.1) of the share capital in 12 months on a non, pro rata basis.
- 6.3 The Company is an eligible entity as at the date of this notice and must remain compliant with the requirements of ASX Listing Rule 7.1A to be able to utilise the additional capacity to issue Shares under that Listing Rule.
- 6.4 The ability of the Company to issue Shares under ASX Listing Rule 7.1A is subject to Shareholder approval by way of special resolution at an annual general meeting.
- 6.5 For the purposes of ASX Listing Rule 7.3A the Company provides the following information:

Minimum price at which the equity securities may be issued	<p>The issue price of each Share must be no less than 75% of the volume weighted average price for the Shares calculated over the 15 trading days on which trades in that class were recorded immediately before:</p> <ul style="list-style-type: none">▪ the date on which the price, at which the Shares are to be issued, is agreed; or▪ if the Shares are not issued within five trading days of that date, the date on which the Shares are issued.
Risk of economic and voting dilution	<p>An issue of Shares under ASX Listing Rule 7.1A involves the risk of economic and voting dilution for existing Shareholders. The risks include:</p> <ul style="list-style-type: none">▪ the market price for Shares may be significantly lower on the issue date other than on the date of the approval under Listing Rule 7.1A; and▪ Shares may be issued at a price that is at a discount to the market price for the Shares on the issue date. <p>A table describing the notional possible dilution, based upon various assumptions as stated, is set out below.</p>
Date by which the Company may issue the securities	<p>The period commencing on the date of the annual general meeting and expiring on the first to occur of the following:</p> <ul style="list-style-type: none">▪ the date which is 12 months after the date of the annual general meeting; and▪ the date of the approval by holders of the Company's ordinary securities of a transaction under ASX Listing Rules 11.1.2 or 11.2 (other than the transaction described in resolution 9).
Purposes for which the equity securities may be issued, including whether the Company may issue them for non-cash consideration	<p>The Company may issue Shares:</p> <ul style="list-style-type: none">▪ to raise funds to advance the production of gold, undertake further exploration or progress feasibility studies at the Company's project areas;▪ for non-cash consideration for the acquisition of new resources assets and investments. In such circumstances the Company will

	<p>provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3;</p> <ul style="list-style-type: none"> ▪ to raise funds to provide cash consideration for the acquisition of new assets or investments (including any expense associated with such acquisition); or ▪ to raise working capital.
The Company's allocation policy for issues under the approval	<p>The Company's allocation policy will depend on the prevailing market conditions at the time of any proposed issue. The identity of allottees of Shares will be determined on a case-by-case basis having regard to factors including but not limited to the following:</p> <ul style="list-style-type: none"> ▪ the methods of raising funds that are available to the Company including but not limited to, rights issues or other issues in which existing Shareholders can participate; ▪ the effect of the issue of the Shares on the control of the Company; ▪ the financial situation and solvency of the Company; and ▪ advice from corporate, legal, financial and broking advisors (if applicable). <p>The allottees under the 10% placement facility approved under ASX Listing Rule 7.1A have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.</p>
Previous approvals obtained under rule 7.1A	<p>The Company obtained approval under ASX Listing Rule 7.1A at its annual general meeting held on 28 November 2017.</p> <p>As the Company has previously obtained Shareholder approval under Listing Rule 7.1A, and is now seeking Shareholder approval to renew its capacity to issue an additional 10% of its issued capital under Listing Rule 7.1A, it is required by Listing Rule 7.3A.6 to provide details of all issues of securities in the 12 months preceding the date of the meeting.</p> <p>The total number of securities issued preceding the date of the meeting and the percentage they represent of the Company's securities on issue at the commencement of that 12 month period are set out below.</p>
Total number of securities issued in the last 12 months preceding the date of the meeting	Nil.
Percentage that this number represents of the total securities on issue at the commencement of the 12 month period	0%.

6.6 Listing Rule 7.3A.2 requires the Company to provide a table demonstrating the potential dilution effect based on three different assumed prices of Shares and three different numbers of Shares on

issue in the Company (Variable 'A' in Listing Rule 7.1 and 7.1A). For convenience, we will refer to the latter as Variable 'A'.

6.7 The following table shows the dilution of existing Shareholdings on the basis of the current market price of Shares and the current number of Shares for Variable 'A' calculated in accordance with the formula in Listing Rule 7.1A.2 (described above) as at the date of this Notice.

6.8 The table also shows:

- (a) two examples where Variable 'A' has increased by 50% and 100%. The number of Shares on issue may increase as a result of issues of Shares that do not require Shareholder approval or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (b) two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2	Dilution	0.005 50% decrease in issue price	0.01 Issue price	0.02 100% increase in issue price
Current Variable A 1,118,319,553	10% Voting Dilution	111,831,955	111,831,955	111,831,955
	Funds raised	\$559,160	\$1,118,320	\$2,236,639
50% increase in current Variable A 1,677,479,330	10% Voting Dilution	167,747,933	167,747,933	167,747,933
	Funds raised	\$839,740	\$1,677,479	\$3,354,959
100% increase in current Variable A 2,236,639,106	10% Voting Dilution	223,663,911	223,663,911	223,663,911
	Funds raised	\$1,118,320	\$2,236,639	\$4,473,278

6.9 The above table has been prepared on the following assumptions:

- (a) The Company issues the maximum number of Shares available under the 10% placement capacity.
- (b) No options are exercised into Shares before the date of the issue of Shares.
- (c) The 10% voting dilution reflects the aggregate percentage dilution against the issued Share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (d) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% placement facility, based on that Shareholder's holding at the date of the meeting.

- (e) The table shows only the effect of issues of Shares under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (f) The issue of Shares under the 10% placement facility consists only of Shares, to the exclusion of all options.
- (g) The issue price is \$0.01, being the volume weighted average price for the Shares calculated over the 15 trading days closing price of the Shares on ASX prior to 22 October 2018.

GBM Gold Limited ACN 119 956 624**Section 1: Name and address of member**

Full name

Address

Section 2: Appointment of proxy

I, being a member of the Company and entitled to attend and vote appoint

the Chairman of the meeting

(mark with an 'X')

OR

Write here the full name of the person or body corporate you are appointing if this person **is someone other than** the Chairman of the meeting.

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the meeting, as my proxy to attend, to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit), and to act generally on my behalf, at the general meeting of the Company to be held at:

Location	66 Ham Street, Kangaroo Flat, Victoria Australia 3555
Date	30 November 2018
Time	1:00 pm

and at any adjournment of that meeting.

Section 3: Voting instructionsVoting directions to proxy – please mark ☒ to indicate your directions.

Resolution 1	Adoption of remuneration report
Resolution 2	Retirement and re-election of Mr Eric Ng as a Director
Resolution 3	Retirement and re-election of Ms Linda Lau as a Director
Resolution 4	Additional capacity to issue equity securities

For	Against	Abstain*
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

Important information in relation to Resolution 1

If you appoint the Chairman as your proxy (or the Chairman becomes your proxy by default), and do not provide voting instructions, you are expressly authorising the Chairman to cast your vote in accordance with his stated intentions, even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the KMP. The Chairman intends to vote all available proxies in favour of all resolutions, including Resolution 1. You can direct the Chairman how to cast your vote (or to abstain from voting) by marking the appropriate boxes above.

If you appoint another Director or member of the KMP as your proxy, you must direct your proxy how to vote by marking the appropriate boxes above, otherwise your vote will not be counted.

Section 4: Signing by memberThis section **must** be signed in accordance with the instructions overleaf to enable your directions to be implemented.**Individual or Member 1****Member 2 (if joint holding)****Member 3 (if joint holding)**

Sole Director and Sole Secretary

Director/Company Secretary
(delete one)
Director

Please provide the information below in case we need to contact you.

Contact name

Contact day time telephone

Date

Instructions for completion of proxy form

Section 1: Name and address of member

- 1 Insert your name and address. If it is a joint holding, insert details of all holders.

Section 2: Appointment of proxy

- 2 If you wish to appoint the Chairman of the meeting as your proxy, mark the box. If the person or body corporate you wish to appoint as your proxy is someone other than the Chairman of the meeting, write the full name of that person or body corporate in the space provided. A proxy may be an individual or a body corporate. If you leave this section blank or your named proxy does not attend the meeting, the Chairman of the meeting will be your proxy. A proxy need not be a member of the Company.
- 3 If you are entitled to cast two or more votes at the general meeting, you are entitled to appoint two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional proxy form may be obtained by telephoning the Company. Alternatively you may copy this form.
- 4 To appoint a second proxy:
- (a) on each of the first proxy form and second proxy form state the percentage of your voting rights or number of shares applicable to that form (if the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise one half of your votes, and fractions of votes will be disregarded); and
 - (b) return both forms in the same envelope.

Section 3: Voting instructions

- 5 You may direct your proxy how to vote on an item of business by placing a mark in one of the three boxes opposite that item of business. All of your Shares will be voted in accordance with your direction unless you indicate a proportion of voting rights on any item by inserting the percentage or number of Shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may decide whether or how to vote on that item. If you mark more than one box on an item, your vote on that item will be invalid.

Section 4: Signing by member

- 6 You must sign this form as follows in the spaces provided:

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 must sign.
Power of Attorney	To sign under power of attorney, either the power of attorney must have already been lodged with the Company's share registry for notation or the original (or a certified copy) of the power of attorney must accompany this document.
Companies	<p>In the following cases, subject to the Company's constitution, the following person must sign:</p> <ul style="list-style-type: none">(a) Australian proprietary company with a sole director who is also the sole company secretary - that person must sign;(b) Australian proprietary company with a sole director and no company secretary - that person must sign;(c) other Australian companies - two directors, or one director and one company secretary must sign; and(d) foreign company - in accordance with the laws of the jurisdiction of incorporation and constituent documents.

Corporate Representatives

- 7 If a representative of the corporation is to attend the meeting the appropriate 'Certificate of Appointment of Corporate Representative' should be produced prior to admission in accordance with the Notice. A form of the certificate may be obtained from the Company's registry.

Section 5: Lodging of proxy

- 8 This proxy form (and the original or a certified copy of any power of attorney under which it is signed) must be received by the Company not later than the time and date set out below, by mail, hand delivery or facsimile.

Last time and date for lodgement	1:00 pm (Victorian time) on 29 November 2018*
By delivery	66 Ham Street, Kangaroo Flat, Victoria 3555
By mail	PO Box 2709, Bendigo Mail Centre, Victoria 3554
By facsimile	+61 3 5444 0036

* Any proxy form received after this time will not be valid.