

18 April 2019

Dear Shareholder,

I am pleased to invite you to attend the Annual General Meeting of KGL Resources Limited ACN 082 658 080 (**Company** or **KGL**) to be held on 21 May 2019 at 10 am (AEST) at:

The offices of McCullough Robertson Lawyers

Level 11, 66 Eagle Street  
Brisbane QLD 4000

The business to be dealt with at the Annual General Meeting is set out in the attached Notice of Meeting, with the Explanatory Memorandum providing further detail in relation to the proposed resolutions.

If you are able to attend the Annual General Meeting, please bring the enclosed proxy form with you to assist with registration.

If you do not plan to attend the Annual General Meeting, you may wish to appoint a proxy to attend and vote on your behalf. To do this, you will need to complete and lodge the enclosed Appointment of Proxy form in accordance with the instructions provided. Proxy forms must be received by no later than 10 am (AEST) on 19 May 2019.

Yours sincerely,

Denis Wood  
Chairman

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS GIVEN** that the ANNUAL GENERAL MEETING of shareholders of KGL Resources Limited ACN 082 658 080 will be held at the offices of McCullough Robertson Lawyers, Level 11, 66 Eagle Street, Brisbane QLD 4000, on 21 May 2019 at 10 am (AEST).

### ORDINARY BUSINESS

#### Reports

To receive and consider the financial statements of the Company and the Directors' and auditors' reports for the year ended 31 December 2018.

#### **Resolution 1                      Re-election of Director, Mr. Denis Wood**

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

"That Mr. Denis Wood, a Director who retires in accordance with rule 13.5(d) of the Constitution and ASX Listing Rule 14.5, and who, being eligible, offers himself for re-election as a Director of the Company, be re-elected as a Director of the Company."

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

#### **Resolution 2                      Re-election of Director, Mr. Ferdian Purnamasidi**

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

"That Mr. Ferdian Purnamasidi, a Director who retires in accordance with rule 13.5(d) of the Constitution and ASX Listing Rule 14.5, and who, being eligible, offers himself for re-election as a Director of the Company, be re-elected as a Director of the Company."

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

#### **Resolution 3                      Election of Director, Ms. Fiona Murdoch**

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

"That Ms. Fiona Murdoch, a Director who was appointed by the Board to fill a casual vacancy on 12 June 2018 and retires in accordance with rule 13.5(b) of the Constitution, and who, being eligible, offers herself for election as a Director of the Company, be elected as a Director of the Company."

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

#### **Resolution 4                      Election of Director, Mr. John Gooding**

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

"That Mr. John Gooding, a Director who was appointed by the Board to fill a casual vacancy on 12 June 2018 and retires in accordance with rule 13.5(b) of the Constitution, and who, being eligible, offers himself for election as a Director of the Company, be elected as a Director of the Company."

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

#### **Resolution 5                      Remuneration Report**

To consider and, if thought fit, pass the following Resolution under section 250R of the *Corporations Act 2001* (Cth) (**Corporations Act**):

"That the Remuneration Report set out in the Company's Annual Report (as part of the Directors' report) for the year ended 31 December 2018 be adopted."

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

## **SPECIAL BUSINESS**

### **Resolution 6. Ratification of Share Placement**

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the issue by the Company of 15,019,737 fully paid ordinary Shares at \$0.38 per Share on 31 August 2018, as described in the Explanatory Memorandum and announced to ASX on 31 August 2018, be ratified.”

### **Resolution 7. Ratification of Share Placement**

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the issue by the Company of 21,666,666 fully paid ordinary Shares at \$0.30 per Share on 27 March and 3 April 2019, as described in the Explanatory Memorandum and announced to ASX on 27 March and 4 April 2019, be ratified.”

### **Resolution 8. Issue of Shares to Mr. Denis Wood**

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

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for Mr. Denis Wood, Executive Chairman of the Company, to be issued with 4,000,000 fully paid ordinary Shares in the Company on the terms and conditions set out in the Explanatory Memorandum.”

## **BY ORDER OF THE BOARD**



Kylie Anderson  
Company Secretary  
18 April 2019

## Voting exclusion statements

### Resolution 5

A vote must not be cast (in any capacity) on Resolution 5 by or on behalf of a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report, or their closely related parties.

A 'closely related party' is defined in the Corporations Act and includes a spouse, dependents and certain other close family members, as well as any companies controlled by a member of the Key Management Personnel.

If you are a member of the Key Management Personnel or a closely related party of a member of the Key Management Personnel (or acting on behalf of them) and purport to cast a vote that will be disregarded by the Company, you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.

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
- the person chairing the Annual General Meeting as proxy for a person who is entitled to vote, where the proxy form does not specify the way the proxy is to vote but expressly authorises the person chairing the Annual General Meeting to exercise the proxy notwithstanding that the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

The Chairman intends to vote all available proxies in favour of this Resolution. However, if you appoint another Director or member of the Key Management Personnel as your proxy you **must** direct your proxy how to vote, or otherwise your vote will not be counted. Follow the instructions on the proxy form to direct your proxy how to vote.

### Resolution 6 and Resolution 7

The Company will disregard any votes cast on Resolution 6 or Resolution 7 by any person who participated in the placement and any associates 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 8

The Company will disregard any votes cast on Resolution 8 by Mr. Denis Wood or any associates of Mr. Wood. 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.

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### Notes

1. The Company has determined that for the purpose of determining voting entitlements at the Annual General Meeting, Shares in the Company will be taken to be held by those persons recorded on the Company's register of shareholders at 7 pm (AEST) on 19 May 2019. Accordingly, Share transfers registered after this time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.
2. A shareholder entitled to attend and vote may attend and vote in person, by proxy, or by attorney (or where the shareholder is a body corporate, by representative).
3. The proxy of a shareholder does not need to be a shareholder of the Company.
4. A shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of the shareholder's votes each proxy is entitled to exercise. If the appointment does not specify the proportion or number of the shareholder's votes, each proxy may exercise one half of those votes.
5. A proxy form accompanies this Notice of Meeting and, to be effective, must be received by the Company's share registry by 10 am (AEST) on 19 May 2019.

6. If you have any queries on how to cast your vote, please call the Company's share registry, Link Market Services Limited, on 1300 554 474 (within Australia) or +61 1300 554 474 (overseas), during business hours.

## **Explanatory Memorandum**

### **Introduction**

This Explanatory Memorandum should be read in conjunction with the Notice of Meeting to which this Explanatory Memorandum is attached and forms part of. Please take the time to read through this document.

### **Financial reports**

Whilst the Corporations Act requires the financial report, Directors' report and auditors' report for the year ended 31 December 2018 to be laid before the Annual General Meeting, neither the Corporations Act nor the Constitution requires shareholders to vote on, approve or adopt those reports.

Shareholders will, however, have a reasonable opportunity at the Annual General Meeting to raise questions on these reports. Each shareholder will have had access to a copy of the Annual Report, which contains the financial report, Directors' report and auditors' report for the year ended 31 December 2018.

In addition to asking questions at the Annual General Meeting, shareholders may address written questions to the Chairman about the management of the Company or to the Company's auditor, BDO Audit Pty Ltd (**BDO**), if the question is relevant to:

1. the content of the auditor's report; or
2. the conduct of its audit of the annual financial report to be considered at the Annual General Meeting.

Under section 250PA(1) of the Corporations Act, a shareholder must submit the question to the Company no later than the fifth business day before the day on which the Annual General Meeting is held. Written questions for the auditor must therefore be delivered by 5 pm (AEST) on 14 May 2019. Please send any written questions for BDO to:

**The Company Secretary**  
**KGL Resources Limited**  
Level 7, 167 Eagle Street  
BRISBANE QLD 4000

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### **Resolution 1      Re-election of Director, Mr. Denis Wood**

ASX Listing Rule 14.5 states that a public listed company must hold an election of directors at each annual general meeting. Rule 13.5(d) of the Constitution requires that an election of Directors occur at each annual general meeting of the Company, whereby two of the Directors (if the number of Directors is five or less, as is the case at present) must retire from office. ASX Listing Rule 14.4 and rule 13.5(a) of the Constitution further state that no Director may hold office, without re-election, past:

1. the third annual general meeting following that Director's appointment; or
  2. three years,
- whichever is longer.

Of those Directors to whom rule 13.5(d) of the Constitution applies, Mr. Wood and Mr. Purnamasidi are the Directors who have been longest in office since their last re-election. As such, Mr. Wood will retire in accordance with rule 13.5(d)(iv) of the Constitution and, being eligible, stand for re-election.

Mr. Wood retires pursuant to rule 13.5(d) of the Constitution and ASX Listing Rule 14.5, and offers himself for re-election as Director of the Company in accordance with the Constitution.

Denis Wood is an Australian and international mining industry director, investor, executive, professional metallurgist and geologist with more than 45 years' experience. Denis' early career comprised 13 years with BHP as a metallurgist followed by eight years with the mining industry technical services provider, CCI Holdings, where he reached the position of Managing Director.

Denis then moved to Chicago to join a multinational company which supplied a complete range of services to the mining industry. Responsible for commercial testing and engineering, he managed more than 50 branches in the United States as well as operations in South Africa and South America.

Upon returning to Australia, Denis took up multiple directorships and shareholdings of Australian based resource companies including QCC, Cumnock Coal, Sedgman, Jupiter Mines and Marathon Resources. Denis then accepted the position of Managing Director/CEO of Australian Premium Coals, a subsidiary of Macarthur Coal Limited, and was responsible for the successful development of greenfield sites including the Coppabella and Moorvale coal mines in Central Queensland. Subsequently, he spent eight years as Executive Director of the Talbot Group in the position of Director of Resources.

Following a brief retirement, Denis returned to the industry to restructure and focus the direction of KGL to become a robust, world class copper producer in the Northern Territory.

**The Board, with Mr. Wood abstaining, recommends that shareholders vote in favour of Mr. Wood's re-election.**

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## **Resolution 2                      Re-election of Director, Mr. Ferdian Purnamasidi**

ASX Listing Rule 14.5 states that a public listed company must hold an election of directors at each annual general meeting. Rule 13.5(d) of the Constitution requires that an election of Directors occur at each annual general meeting of the Company, whereby two of the Directors (if the number of Directors is five or less, as is the case at present) must retire from office. ASX Listing Rule 14.4 and rule 13.5(a) of the Constitution further state that no Director may hold office, without re-election, past:

3.        the third annual general meeting following that Director's appointment; or
  4.        three years,
- whichever is longer.

Of those Directors to whom rule 13.5(d) of the Constitution applies, Mr. Wood and Mr. Purnamasidi are the Directors who have been longest in office since their last re-election. As such, Mr. Purnamasidi will retire in accordance with rule 13.5(d)(iv) of the Constitution and, being eligible, stand for re-election.

Mr. Purnamasidi retires pursuant to rule 13.5(d) of the Constitution and ASX Listing Rule 14.5, and offers himself for re-election as Director of the Company in accordance with the Constitution.

Ferdian is an Executive at the Salim Group and in charge of Business Development and Strategic Acquisitions within the resources sector. Ferdian brings over 17 years of professional experience working both in Australia and overseas.

The Salim Group is a major shareholder of KGL through its Singapore based company KMP Pte Ltd. The Salim Group a diversified business conglomerate which owns interests in companies involved in the mining business, dairy products, flour milling, instant noodles, cooking oil, automobile assembly, property, insurance and retail.

Ferdian is also the Managing Director of Mach Energy Australia Pty Ltd which owns the world-class Mt Pleasant coal operation in the Hunter Valley region in New South Wales.

In addition, Ferdian sits at multiple Indonesian projects owned by the wider Salim Group.

Ferdian graduated with Bachelor of Commerce from the Curtin University of Western Australia in 2002.

Mr Purnamasidi was Chair of the Remuneration Committee to 22 August 2018 and a member of the Audit and Risk Committee.

**The Board, with Mr. Purnamasidi abstaining, recommends that shareholders vote in favour of Mr. Purnamasidi's re-election.**

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## **Resolution 3                      Election of Director, Ms. Fiona Murdoch**

Rule 13.5(b) of the Constitution states that a Director appointed to fill a casual vacancy or as an addition to the Board must not hold office (without re-election) past the next annual general meeting of the Company.



Ms. Murdoch was appointed by the Board as a Director of the Company (to fill a casual vacancy) on 12 June 2018, and therefore retires pursuant to rule 13.5(b) of the Constitution, and offers herself for election as a Director of the Company in accordance with the Constitution.

Fiona has over 28 years of experience in the resources and infrastructure sectors in Australia and internationally.

She is a Non-Executive Director for Metro Mining Limited (ASX:MMI) and serves as Chair of Metro's Remuneration and Nomination Committee and is a member of the Audit and Risk Committee. Fiona sits on the board of Building Queensland and on the Joint Venture Committee for the West Pilbara Iron Ore Project. She is also a Director of metallurgical services company Core Resources. She was a Partner of corporate advisory firm Neuchâtel Partners for 10 years.

Fiona brings a strong commercial focus to KGL, with significant expertise in strategy development and feasibility studies, gained from senior operational leadership roles with AMCI Investments, MIM Holdings and Xstrata Queensland. She has also had extensive exposure to international projects, working with Chinese, Japanese, South Korean, German and South American investment partners.

Fiona is a Graduate of the AICD Company Director program and holds a Masters of Business Administration as well as an Honours degree in Law.

She is Chair of KGL's Audit and Risk Committee and a member of the Remuneration Committee.

**The Board, with Ms. Murdoch abstaining, recommends that shareholders vote in favour of Ms. Murdoch's election.**

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#### **Resolution 4            Election of Director, Mr. John Gooding**

Rule 13.5(b) of the Constitution states that a Director appointed to fill a casual vacancy or as an addition to the Board must not hold office (without re-election) past the next annual general meeting of the Company.

Mr. Gooding was appointed by the Board as a Director of the Company (to fill a casual vacancy) on 12 June 2018, and therefore retires pursuant to rule 13.5(b) of the Constitution, and offers himself for election as a Director of the Company in accordance with the Constitution.

Mr. Gooding is a mining engineer with over 40 years of experience in all aspects of gold and base metals operations including mining, exploration, smelting and refinery, sales and marketing and major capital expansion projects.

He most recently served as the Managing Director and Chief Executive Officer of Highlands Pacific, and prior to this held executive management positions with Normandy Mining, MIM, Xstrata, Ok Tedi Mining and Roche Mining.

He holds a Mine Managers Certificate, is a Fellow of both the Institute of Engineers and the Australasian Institute of Mining and Metallurgy, and is currently the Chairman of Hillgrove Resources and Kasbah Resources.

He is a member of the Audit and Risk Committee and of the Remuneration Committee.

**The Board, with Mr. Gooding abstaining, recommends that shareholders vote in favour of Mr. Gooding's election.**

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#### **Resolution 5            Remuneration Report**

Section 300A of the Corporations Act requires that the Directors' report include a separately identified section addressing various matters in connection with the remuneration of its Key Management Personnel. The Company is also required under section 250R(2) of the Corporations Act to put adoption of the Remuneration Report to the vote at the Annual General Meeting.



The Remuneration Report is set out in the Annual Financial Statements.

The Remuneration Report explains the Board's policies in relation to the nature and level of remuneration paid to Directors and specified executives of the Company and sets out remuneration details for each Director and specified executive.

As detailed in the Remuneration Report, the Board believes that the remuneration granted to Directors and specified executives is in line with the current employment market and a reflection of the current commodity market conditions.

Shareholders will be asked to vote at the Annual General Meeting on the Resolution to adopt the Remuneration Report. The Chairman will give shareholders a reasonable opportunity to discuss the Remuneration Report at the Annual General Meeting.

The Board will continue to monitor the progress of the Company's projects and exploration activities in relation to the appropriateness of the remuneration of the Board and other members of the Company's Key Management Personnel.

**The Board unanimously recommends that shareholders vote in favour of Resolution 5.**

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### **Resolution 6 Ratification of Share Placement**

This Resolution seeks to ratify, in accordance with ASX Listing Rule 7.4, the issue of 15,019,737 Shares in the Company by way of a placement to sophisticated and professional investors on 30 August 2018. Without shareholder approval, this issue of these Shares would otherwise be counted towards KGL's 15% limit of Shares which can be issued in any 12 month period under ASX Listing Rule 7.1.

The allotment and issue of the Shares the subject of this Resolution 6 did not, when aggregated with the securities issued by KGL during the previous 12 months, exceed the 15% threshold. However, ASX Listing Rule 7.4 provides that where shareholders subsequently approve the issue of Shares, the issue is treated as having been made with approval for the purposes of ASX Listing Rule 7.1. This replenishes the Company's 15% capacity under ASX Listing Rule 7.1 and enables KGL to issue further securities up to that limit.

In accordance with the requirements of ASX Listing Rule 7.5, shareholders are advised that the 15,019,737 Shares issued:

- were issued at a price of \$0.38 per Share, raising gross proceeds of approximately \$5.7 million, which is being (and will continue to be) used to fund the ongoing development of the Jervois project and working capital requirements of KGL;
- were allocated as follows:
  - » 5,400,000 Shares to KMP Investments Pte Ltd, KGL's largest shareholder, to raise approximately \$2.1 million; and
  - » 7,894,737 Shares to ASM Connaught House Fund LP and ASM Connaught House Fund (Master) III LP, which are managed by Argyle Street Management Limited, to raise approximately \$3.0 million.
  - » 1,725,000 Shares to RCF Opportunities Fund to raise approximately \$0.7 million;
- were issued on 31 August 2018; and
- have the same terms as, and rank equally with, the Company's existing Shares, and are quoted on ASX.

**The Board unanimously recommends that shareholders vote in favour of Resolution 6.**

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### **Resolution 7 Ratification of Share Placement**

This Resolution seeks to ratify, in accordance with ASX Listing Rule 7.4, the issue of 21,666,666 Shares in the Company by way of a placement to sophisticated and professional investors on 27 March and 3 April 2019. Without shareholder approval, this issue of these Shares would otherwise

be counted towards KGL's 15% limit of Shares which can be issued in any 12 month period under ASX Listing Rule 7.1.

The allotment and issue of the Shares the subject of this Resolution 7 did not, when aggregated with the securities issued by KGL during the previous 12 months, exceed the 15% threshold. However, ASX Listing Rule 7.4 provides that where shareholders subsequently approve the issue of Shares, the issue is treated as having been made with approval for the purposes of ASX Listing Rule 7.1. This replenishes the Company's 15% capacity under ASX Listing Rule 7.1 and enables KGL to issue further securities up to that limit.

In accordance with the requirements of ASX Listing Rule 7.5, shareholders are advised that the 21,666,666 Shares issued:

- were issued at a price of \$0.30 per Share, raising gross proceeds of approximately \$6.5 million, which will be used to fund the ongoing development of the Jervois project and working capital requirements of KGL.
- were allocated as follows:
  - 12,683,333 Shares to Marshall Plenty, a company associated with international mineral resources identity Mr. Ernie Thrasher, to raise approximately \$3.8 million;
  - » 3,333,333 Shares to ASM Connaught House Fund LP, ASM Connaught House Fund (Master) II LP and ASM Connaught House Fund (Master) III LP, which are managed by Argyle Street Management Limited, to raise approximately \$1.0 million
  - » were issued on 27 March 2019; and
  - » 5,650,000 Shares to KMP Investments Pte Ltd, KGL's largest shareholder, to raise approximately \$1.7 million
  - » Were issued on 3 April 2019
- have the same terms as, and rank equally with, the Company's existing Shares, and are quoted on ASX.

**The Board unanimously recommends that shareholders vote in favour of Resolution 7.**

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## **Resolution 8. Approval of issue of Shares to Mr. Denis Wood**

Resolution 8 seeks approval from shareholders for the issue of 4,000,000 fully paid ordinary Shares to Mr. Denis Wood, the Executive Chairman of the Company, as remuneration for his past 3 years of service.

The Company's Remuneration and Nomination Committee has recommended that Mr. Wood receive the Shares. Since May 2016, Mr. Wood has assumed the functions of the Chief Executive Officer of the Company and has not received any additional remuneration, beyond his fee for his role as Director, for undertaking that role. In this time, Mr. Wood has significantly advanced the Jervois project, improving the quality of the reported resources, managing and overseeing capital raisings at no cost to the Company, and advancing the studies necessary to develop the Jervois project

Subject to shareholder approval, the Shares will be issued at no cost to Mr. Wood. Further information in relation to the proposed issue of the Shares to Mr. Wood is set out below.

### ASX Listing Rules

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities to a related party (including a Director) of the Company, unless an exception applies. Accordingly, shareholder approval is being sought for the purposes of ASX Listing Rule 10.11 for the issue of the Shares to Mr. Wood. If shareholder approval is obtained pursuant to ASX Listing Rule 10.11, the Company is entitled to rely on ASX Listing Rule 7.2, exception 14 as an exception to ASX Listing Rule 7.1.

Subject to shareholder approval, it is proposed that the Shares will be issued to Mr. Wood on or before 31 May 2019 (and in any event no later than one month following the date of the Annual General Meeting, in accordance with ASX Listing Rule 10.13.3).

### Corporations Act

Under Chapter 2E of the Corporations Act, a public company cannot give a financial benefit to a related party of the public company unless an exception applies or shareholders of that public company have, in a general meeting, approved the giving of that financial benefit to the related party.

Mr. Wood is a related party of the Company due to the fact that he is a Director of the Company. The issue of Shares constitutes a “Financial Benefit” as described in the Corporations Act. Accordingly, the proposed issue of Shares to Mr. Wood will constitute the provision of a financial benefit to a related party of the Company.

It is the view of the Directors that the exception under section 211 of the Corporations Act will apply to the proposed issue of Shares to Mr. Wood (that is, that the issue of the Shares to Mr. Wood is reasonable remuneration and therefore are excepted from requiring shareholder approval).

However, notwithstanding that the Directors have determined that it is not necessary to seek shareholder approval under section 208 of the Corporations Act, shareholder approval must nonetheless be obtained pursuant to ASX Listing Rule 10.11. If approval of the issue is obtained for the purposes of ASX Listing Rule 10.11, approval is not separately required to be sought and obtained for the purposes of ASX Listing Rule 7.1.

### Terms

In accordance with the requirements of ASX Listing Rule 10.13, shareholders are advised of the following further details in respect of the Shares proposed to be issued to Mr. Wood:

Holder	Quantum	Security	Issue price per Share	Value of the Shares
Denis Wood (or nominated holder)	4,000,000	Fully paid ordinary Shares	Nil	\$1.18 million based upon the closing Share price of \$0.295 per Share on 12 April 2019

The Shares that are issued to Mr. Wood will be issued on the same terms as, and will rank equally with, existing Shares on issue in KGL.

**The Board, with Mr. Wood abstaining, recommends that shareholders vote in favour of the issue of 4,000,000 Shares to Mr. Denis Wood (or his nominated holder).**

## GLOSSARY OF TERMS

“**AEST**” means Australian Eastern Standard Time.

“**Annual General Meeting**” means the Company’s annual general meeting the subject of this Notice of Meeting.

“**Annual Report**” means the 2018 annual report of the Company.

“**ASX**” means ASX Limited ACN 008 624 691.

“**ASX Listing Rules**” means the listing rules of ASX.

“**Board**” means the board of Directors of the Company.

“**Company or KGL**” means KGL Resources Limited ACN 082 658 080.

“**Constitution**” means the constitution of the Company adopted on 25 October 2004.

“**Corporations Act**” means *Corporations Act 2001* (Cth).

“**Director**” means a director of the Company.

“**Explanatory Memorandum**” means the explanatory statement accompanying the Resolutions contained in this Notice of Meeting.

“**Key Management Personnel**” means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).

“**Notice of Meeting**” means this notice of meeting and includes the Explanatory Memorandum.

“**Remuneration Report**” means the section of the Directors’ report for the year ended 31 December 2018 that is included under section 300A(1) of the Corporations Act.

“**Resolution**” means a resolution included in this Notice of Meeting.

“**Shares**” means fully paid ordinary shares in the Company.

## LODGE YOUR VOTE

 **ONLINE**  
[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

 **BY MAIL**  
KGL Resources Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia

 **BY FAX**  
+61 2 9287 0309

 **BY HAND**  
Link Market Services Limited  
1A Homebush Bay Drive, Rhodes NSW 2138

 **ALL ENQUIRIES TO**  
Telephone: 1300 554 474

## PROXY FORM

I/We being a member(s) of KGL Resources Limited and entitled to attend and vote hereby appoint:

### APPOINT A PROXY

☐ **the Chairman of the Meeting (mark box)**

**OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:00am (AEST) on Tuesday, 21 May 2019 at the offices of McCullough Robertson Lawyers, Level 11, 66 Eagle St Street, Brisbane QLD 4000, (the Meeting)** and at any postponement or adjournment of the Meeting.

**Important for Resolution 5:** If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 5, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).


**The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.**

### VOTING DIRECTIONS

**Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an ☒.**

#### Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Re-election of Director, Mr. Denis Wood	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director, Mr. Ferdian Purnamasidi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Ratification of Share Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Election of Director, Ms. Fiona Murdoch	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Ratification of Share Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Election of Director, Mr. John Gooding	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8 Issue of Shares to Mr. Denis Wood	<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.

### SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

### DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted 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 the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to 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's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the 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 half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

### SIGNING INSTRUCTIONS

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

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am (AEST) on Sunday, 19 May 2019**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



#### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



#### BY MAIL

KGL Resources Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



#### BY FAX

+61 2 9287 0309



#### BY HAND

delivering it to Link Market Services Limited\*  
1A Homebush Bay Drive  
Rhodes NSW 2138

\* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.  
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**