

EASTERN GOLDFIELDS LIMITED

ACN 100 038 266

NOTICE OF GENERAL MEETING AND EXPLANATORY STATEMENT

TIME: 10.00am WST
DATE: 4 January 2018
PLACE: Level 1, 24 Mumford Place, Balcatta, WA 6021

**This Notice of General 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, Ms Shannon Coates, on +61 8 6241 1866.**

CONTENTS PAGE

Notice of General Meeting (setting out the proposed Resolutions)	3
Explanatory Statement (explaining the proposed Resolutions)	7
Glossary	17

NOTICE OF GENERAL MEETING

Notice is given that a general meeting of the Shareholders of Eastern Goldfields Limited (**EGS** or the **Company**) will be held at Level 1, 24 Mumford Place, Balcatta WA 6021 on 4 January 2018 commencing at 10.00am WST to consider and, if thought fit, to pass the Resolutions set out below.

Terms used in this Notice of Meeting and accompanying Explanatory Statement are defined in the glossary to this document.

The Explanatory Statement which accompanies and forms part of this Notice of Meeting describes the matters to be considered at the General Meeting.

1. RESOLUTION 1 - RATIFICATION OF AGREEMENT TO ISSUE SECURITIES (TRANCHE 1 OF PLACEMENT)

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

“That, for the purpose of Listing Rule 7.4, and for all other purposes, Shareholders approve and ratify the agreement to issue 42,000,000 Shares at a price of \$0.20 per Share and 42,000,000 Options to sophisticated and professional investors, for the purposes and on the terms set out in the Explanatory Statement accompanying this Notice of Meeting.”

Voting exclusion: The Company will disregard any votes cast on Resolution 1 by any person who participated in the issue and any Associates of those persons. However, the Company will not disregard any votes cast on Resolution 1 by such person if:

- (a) the person is acting as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person is the Chairman of the Meeting acting 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.

2. RESOLUTION 2 – APPROVAL OF SECURITIES ISSUE (TRANCHE 2 OF PLACEMENT OTHER THAN ISSUE TO MICHAEL FOTIOS)

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

“That, for the purpose of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 95,500,000 Shares at a price of \$0.20 per Share and 95,500,000 Options to sophisticated and professional investors, for the purposes and on the terms set out in the Explanatory Statement accompanying this Notice of Meeting.”

Voting exclusion: The Company will disregard any votes cast on Resolution 2 by any person who may participate in the proposed issue and any 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 will not disregard any votes cast on Resolution 2 by such person if:

- (a) the person is acting as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person is the Chairman of the Meeting acting 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.

3. RESOLUTION 3 – PARTICIPATION IN TRANCHE 2 OF PLACEMENT – APPROVAL TO ISSUE SECURITIES TO MICHAEL FOTIOS AND/OR INVESTMET LIMITED (RELATED PARTY)

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

“That for the purpose of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 12,500,000 Shares at a price of \$0.20 per Share and 12,500,000 Options to Michael Fotios and/or Investmet Limited (being a Related Party of Mr Michael Fotios) and/or

their Associates, for the purposes and on the terms set out in the Explanatory Statement accompanying this Notice of Meeting.”

Voting exclusion: The Company will disregard any votes cast on Resolution 3 by Mr Michael Fotios, Investmet Limited and any of their Associates. However, the Company will not disregard any votes cast on Resolution 3 by such person if:

- (a) the person is acting as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person is the Chairman of the Meeting acting 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.

4. RESOLUTION 4 – APPROVAL TO ISSUE SECURITIES TO JETT CAPITAL ADVISORS LLC

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

That, for the purpose of Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of up to 8,500,000 Options to Jett Capital Advisers LLC, for the purpose and on the terms set out in the Explanatory Statement accompanying this Notice of Meeting.

Voting exclusion: The Company will disregard any votes cast on Resolution 4 by any person who may participate in the proposed issue and any 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 person associated with those persons. However, the Company will not disregard any votes cast on Resolution 4 by such person if:

- (a) the person is acting as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person is the Chairman of the Meeting acting 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.

5. RESOLUTION 5 – APPROVAL TO ISSUE SECURITIES TO MR CRAIG READHEAD (RELATED PARTY) IN LIEU OF FEES

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

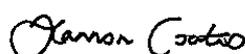
“That for the purpose of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 750,000 Shares at a price of \$0.20 per Share to Mr Craig Readhead (or his nominee), for the purpose and on the terms set out in the Explanatory Statement accompanying this Notice of Meeting.”

Voting exclusion: The Company will disregard any votes cast on Resolution 5 by Mr Craig Readhead and any of his Associates. However, the Company will not disregard any votes cast on Resolution 5 by such person if:

- (a) the person is acting as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person is the Chairman of the Meeting acting 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.

The Company will also disregard any votes cast on this Resolution by a member of the Key Management Personnel or their Closely Related Parties, as proxy for another person, where the Proxy Form does not specify how the proxy is to vote on this Resolution, with the exception that votes cast by the Chairman as proxy appointed in writing, in accordance with a direction on the Proxy Form to vote as the proxy decides, will not be excluded.

BY ORDER OF THE BOARD OF DIRECTORS



SHANNON COATES
Company Secretary
4 December 2017

ENTITLEMENT TO ATTEND AND VOTE

You will be entitled to attend and vote at the General Meeting if you are registered as a Shareholder of the Company as at 4:00pm (WST) on 2 January 2018. This is because, in accordance with the *Corporations Regulations 2001* (Cth), the Board has determined that the Shares on issue at that time will be taken, for the purposes of the General Meeting, to be held by the persons who held them at that time. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

HOW TO VOTE

Voting in person

Shareholders who plan to attend the Meeting are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting if possible, so that their holding may be checked against the Company's register of members and attendances recorded.

Corporate representatives

A body corporate, which is a Shareholder or which has been appointed as a proxy, may appoint an individual to act as its corporate representative at the Meeting in accordance with section 250D of the Corporations Act. The appropriate appointment document must be produced prior to admission. A form of the certificate can be obtained from the Company's registered office.

Voting by proxy

A Shareholder who is entitled to attend and cast a vote at the Meeting may appoint a proxy. A proxy need not be a Shareholder and may be an individual or body corporate. If a body corporate is appointed as a proxy it must appoint a corporate representative in accordance with section 250D of the Corporations Act to exercise its powers as proxy at the Meeting (see above).

A Shareholder who is entitled to cast two or more votes may appoint two proxies to attend the Meeting and vote on their behalf and may specify the proportion or a number of votes each proxy is appointed to exercise. If a Shareholder appoints two proxies and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, each proxy may exercise half of the votes (disregarding fractions). If you wish to appoint a second proxy, you may copy the enclosed proxy form or obtain a form from the Company's registered office.

To be effective for the scheduled meeting a proxy appointment (and any power of attorney or other authority under which it is signed or otherwise authenticated, or a certified copy of that authority) must be received by the Company's share registry no later than 10.00am (WST) on 2 January 2018, being 48 hours before the time of the Meeting. Any proxy appointment received after that time will not be valid for the scheduled meeting.

By mail: Computershare Investor Services Pty Limited
GPO Box 242, Melbourne VIC 3001, Australia;

By fax: 1800 783 447 (within Australia)
or +61 3 9473 2555 (outside Australia)

For further information concerning the appointment of proxies and the ways in which proxy appointments may be submitted, please refer to the enclosed proxy form.

Voting by attorney

A Shareholder may appoint an attorney to attend and vote on their behalf. For an appointment to be effective for the Meeting, the instrument effecting the appointment (or a certified copy of it) must be received by the Company's share registry at least 48 hours prior to the commencement of the Meeting.

Chairman as proxy

If you appoint a proxy, the Company encourages you to consider directing them how to vote by marking the appropriate box on each of the proposed Resolutions.

If a Shareholder entitled to vote on a Resolution appoints the Chairman of the Meeting as their proxy (or the Chairman becomes their proxy by default) and the Shareholder does not direct the Chairman how to vote on the Resolution:

- the Chairman intends to vote in favour of the Resolution as proxy for that Shareholder on a poll; and

- for Resolution 5 the Shareholder will be taken to have given the Chairman express authority to vote as the Shareholder's proxy on that resolution even though that resolution is connected directly or indirectly with the remuneration of a member of the KMP and even though the Chairman is a member of the KMP, unless the Shareholder expressly indicates to the contrary in the proxy appointment.

If you do not want to put the Chairman in the position to cast your votes in favour of any of the proposed Resolutions, you should complete the appropriate box on the Proxy Form, directing your proxy to vote against, or to abstain from voting, on the Resolution.

Other members of KMP as proxy

If a Shareholder appoints a Director (other than the Chairman) or another member of the KMP (or a Closely Related Party of any such person) as their proxy and does not direct the proxy how to vote on Resolution 5 by marking the 'For', 'Against' or 'Abstain' box opposite the relevant Resolution on the proxy appointment, the proxy will not be able to exercise the Shareholder's proxy and vote on their behalf on those Resolutions.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice of Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Meeting preceding this Explanatory Statement. Capitalised terms in this Explanatory Statement and not otherwise defined, are defined in the glossary to the Notice.

If you have any questions regarding the matters set out in this Explanatory Statement or the preceding Notice of Meeting, please contact the Company Secretary, Ms Shannon Coates, your stockbroker or other professional adviser.

ORDINARY BUSINESS

1. RESOLUTION 1 – RATIFICATION OF AGREEMENT TO ISSUE SECURITIES (TRANCHE 1 OF PLACEMENT)

Background

On 8 November 2017, and as announced to the ASX on 9 November 2017 (and discussed in further detail in relation to Resolution 2 below), the Company entered into a binding heads of agreement (**Heads of Agreement**) for a cornerstone investment of \$17.5 million from Hawke's Point Holdings L.P. (**Hawke's Point**). The Heads of Agreement contemplated the cornerstone investment being made as part of a total issue of between 137,500,000 and 150,000,000 Shares at an issue price of A\$0.20 per Share with a corresponding 1 for 1 free attaching unlisted option to acquire a Share (**Option**), by way of a placement to sophisticated and professional investors in order to raise between \$27.5 million and up to \$30 million in total, including the Hawke's Point investment (**Placement**).

The Company has received firm commitments from sophisticated and professional investors (including Michael Fotios and/or his Associates) to subscribe for a further 62,500,000 Shares to raise an additional \$12.5 million. It is proposed that of such Shares, 12,500,000 will be issued to Michael Fotios and/or Investmet Limited (**Investmet**) and/or their Associates for either cash or a non-cash subscription by way of conversion of amounts owed to Investmet pursuant to a loan agreement between the Company and Investmet (approval for which is sought under Resolution 3).

The Options issued under the Placement will be issued in two tranches:

- (a) between 68,750,000 and up to 75,000,000 Options will be issued with an exercise price of \$0.25 (**Tranche A Options**); and
- (b) between 68,750,000 and up to 75,000,000 Options will be issued with an exercise price of \$0.275 (**Tranche B Options**),

with the investors under the Placement receiving one half of their respective Options as Tranche A Options and the other half as Tranche B Options.

The Placement is to be completed via two tranches, comprising:

- (a) 42,000,000 Shares and 42,000,000 Options being issued on or around the date of the Meeting under the Company's Listing Rule 7.1 placement capacity (**Tranche 1**); and
- (b) the balance of up to 108,000,000 Shares and 108,000,000 Options being issued subject to Shareholder approval being obtained (**Tranche 2**).

The Company anticipates that the issue of Shares and Options pursuant to Tranche 1 will complete on or around the date of the Meeting subject to the ASX granting re-quotations of the Company's shares to trading on the ASX.

The issue of Shares and Options pursuant to Tranche 2 is expected to take place as soon as reasonably practicable after the Company obtains shareholder approval pursuant to Resolution 2 below and subject to satisfying the other conditions precedent in the Subscription Agreement.

Capital Structure of the Company

The capital structure of the Company after the issue of shares pursuant to resolutions approved by Shareholders at the Meeting, assuming the issue of the maximum number of Shares and Options pursuant to the Placement, is set out below.

	Number of Shares
Shares on issue at the date of this Notice of Meeting	564,885,416
Shares to be issued to sophisticated and professional investors under Resolution 1	42,000,000
Shares to be issued to Hawke's Point and to sophisticated and professional investors under Resolution 2	95,500,000
Shares to be issued to Michael Fotios / Investmet Limited under Resolution 3	12,500,000
Shares to be issued to Craig Readhead in lieu of fees under Resolution 5	750,000
Total number of Shares	715,635,416
	Number of Options
Options on issue at the date of this Notice of Meeting	57,725,167
Options to be issued to sophisticated and professional investors under Resolution 1	42,000,000
Options to be issued to Hawke's Point and to sophisticated and professional investors under Resolution 2	95,500,000
Options to be issued to Michael Fotios / Investmet Limited under Resolution 3	12,500,000
Options to be issued to Jett Capital Advisors LLC under Resolution 4	8,500,000
Total number of Options	216,225,167

The purpose of Resolution 1 is for Shareholders to ratify the agreement to issue the Shares and Options under Tranche 1 pursuant to the Placement without Shareholder approval.

Regulatory Requirements

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

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

The issue of the Shares and Options under Tranche 1 forms part of the Company's Listing Rule 7.1 placement capacity without the need for Shareholder approval.

The Company is now seeking Shareholder approval to ratify the agreement to issue the Shares and Options under Tranche 1 under Listing Rule 7.4. Such ratification will limit the

restrictive effect of Listing Rule 7.1 on any further issues of Equity Securities in the next 12 months, and provide the Company greater flexibility to issue further Equity Securities under Listing Rule 7.1 during the next 12 months.

The securities agreed to be issued, for which approval and ratification is sought under Resolution 1, comprise 13% of the Company's fully diluted issued capital (based on the number of Shares on issue as at the date of this Notice of Meeting).

Information required by Listing Rule 7.5

In compliance with the information requirements of Listing Rule 7.5, Shareholders are advised of the following information in relation to Resolution 1:

(a) Number of securities issued

The Company seeks from Shareholders ratification of the agreement to issue 42,000,000 Shares and 42,000,000 Options, of which 21,000,000 Options will be issued as Tranche A Options and 21,000,000 Options will be issued as Tranche B Options.

(b) The price at which the securities will be issued

The Shares issued under Tranche 1 will be issued at a price of \$0.20 per Share. The exercise price of each Tranche A Option will be \$0.25 and the exercise price of each Tranche B Option will be \$0.275.

(c) Terms of the securities

The Shares issued under Tranche 1 and the Shares issued on exercise of the Tranche A Options and Tranche B Options 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 rank equally in all respects with all of the existing ordinary Shares on issue.

The full terms of the Tranche A Options and the Tranche B Options are set out in Annexure A of this Explanatory Statement.

The Tranche A Options and Tranche B Options are unlisted.

(d) Names of the persons to whom the Shares and Options will be issued or the basis on which those persons were determined

The Shares and Options issued under Tranche 1 will be issued to sophisticated and professional investors who participate in the Placement, none of whom are a Related Party of the Company.

(e) The use (or intended use) of the funds raised

The Company's purpose in issuing the Shares and Options under Tranche 1 is to provide funds for additional exploration, ongoing resource development and feasibility studies in relation to the Company's Mt. Ida and Menzies Projects, as well as providing general working capital.

(f) Voting exclusion statement

A voting exclusion statement for Resolution 1 is included in the Notice of Meeting preceding this Explanatory Statement.

Board Recommendation

The Board believes that the ratification of these issues is beneficial for the Company as it allows the Company to retain the flexibility to issue further securities representing up to 15% of the Company's share capital during the next 12 months. Accordingly, the Board recommends Shareholders vote in favour of Resolution 1.

2. RESOLUTION 2 – APPROVAL OF SECURITIES ISSUE (TRANCHE 2 OF PLACEMENT OTHER THAN ISSUE TO MICHAEL FOTIOS)

Background

As set out in the Explanatory Statement relating to Resolution 1 above, the Company agreed with Hawke's Point and other sophisticated and professional investors in November 2017 to issue between 137,500,000 and 150,000,000 Shares at an issue price of \$0.20 per Share with a corresponding 1 for 1 Option by way of a placement to sophisticated and professional investors in order to raise between \$27.5 million and up to \$30 million (**Placement**).

Ratification of the agreement to issue Shares and Options under Tranche 1 is sought under Resolution 1.

Resolution 2 seeks Shareholder approval for the issue of up to 95,500,000 Shares at a price of \$0.20 and 95,500,000 Options under Tranche 2.

Heads of Agreement and Subscription Agreement with Hawke's Point

On 8 November 2017 the Company entered into a binding heads of agreement (**Heads of Agreement**) with Hawke's Point pursuant to which Hawke's Point will subscribe for 87,500,000 Shares in the Company at a price of \$0.20 per Share for an aggregate subscription amount of \$17.5 million subject to the terms and conditions of the Heads of Agreement, which are to be reflected in a full form subscription agreement to be agreed between Hawke's Point and the Company and entered into prior to the closing of Tranche 2 of the Placement (**Subscription Agreement**). Hawke's Point will also be issued 87,500,000 Options, of which 43,750,000 will be Tranche A Options and 43,750,000 will be Tranche B Options. Under the Heads of Agreement, the Company must procure additional subscribers for an aggregate subscription amount of \$12.5 million (as outlined in the Explanatory Statement relating to this Resolution 2 and Resolution 3 below, with \$2.5 million being provided by Michael Fotios and/or Investmet and/or their Associates by either cash subscription or non-cash subscription by way of conversion of amounts owed to Investmet pursuant to a loan agreement between the Company and Investmet) and financial close of Hawke's Point investment in the Company is conditional upon (amongst other things) the issue of the Shares and Options under Tranche 1.

The principal terms of the Heads of Agreement (which will be reflected in the full form Subscription Agreement) including the outstanding Closing Conditions are summarised in Annexure B of this Explanatory Statement.

Regulatory Requirements

A summary of Listing Rule 7.1 is set out in the Explanatory Statement relating to Resolution 1 above.

The issue of Shares and Options under Tranche 2 will exceed the Company's 15% placement capacity under Listing Rule 7.1 (given that the issue of the Shares and Options under Tranche 1 has exhausted its existing placement capacity) and therefore requires Shareholder approval. Resolution 2 therefore seeks Shareholder approval under Listing Rule 7.1 to issue the Shares and Options under Tranche 2.

The securities proposed to be issued, for which approval is sought under Resolution 2, comprise 26.6% of the Company's fully diluted issued capital (assuming the issue of the maximum number of Shares pursuant to the Placement).

Information required by Listing Rule 7.3

In compliance with the information requirements of Listing Rule 7.3, Shareholders are advised of the following information in relation to Resolution 2:

(a) Maximum number of securities to be issued

The Company intends to issue up to 95,500,000 Shares and 95,500,000 Options, of which 47,750,000 Options will be issued as Tranche A Options and 47,750,000 Options will be issued as Tranche B Options.

(b) Date of issue

The Shares and Options under Tranche 2 will be issued as soon as possible following the Meeting, but in any event no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

The Company expects to issue all of the Shares and Options under Tranche 2 on the same date, however the exact date of issue is unknown at this stage. The issue of Shares and Options to Hawke's Point is subject to certain Closing Conditions set out in the Heads of Agreement (and which will be included in the Subscription Agreement

to the extent that those conditions have not been satisfied or waived prior to execution of the Subscription Agreement). The Closing Conditions which are outstanding as at the date of this notice of meeting are summarised in Annexure B.

(c) Issue price

The Shares issued under Tranche 2 will be issued at a price of \$0.20 per Share. The exercise price of each Tranche A Option will be \$0.25 and the exercise price of each Tranche B Option will be \$0.275.

(d) Names of the persons to whom the Shares and Options under Tranche 2 will be issued or the basis on which those persons will be identified

The Shares and Options issued under Tranche 2 will be issued as follows:

- (i) 87,500,000 Shares, 43,750,000 Tranche A Options and 43,750,000 Tranche B Options issued to Hawke's Point (which is not a Related Party of the Company);
- (ii) 8,000,000 Shares, 4,000,000 Tranche A Options and 4,000,000 Tranche B Options issued to sophisticated and professional investors (other than Michael Fotios and his Associates) who participate in the Placement.

(e) Terms of the securities

The Shares issued under Tranche 2 and the Shares issued on exercise of the Tranche A Options and Tranche B Options are fully paid ordinary shares in the capital of the Company, issued on the same terms and conditions as the Company's existing Shares and rank equally in all respects with all of the existing ordinary Shares on issue.

The full terms of the Tranche A Options and the Tranche B Options are set out in Annexure A of this Explanatory Statement.

The Tranche A Options and Tranche B Options are unlisted.

(f) The intended use of the funds raised

The Company's purpose in issuing the Shares and Options under Tranche 2 is to provide funds for additional exploration, ongoing resource development and feasibility studies in relation to the Company's Mt. Ida and Menzies Projects, as well as providing general working capital.

(g) Voting exclusion statement

A voting exclusion statement for Resolution 2 is included in the Notice of Meeting preceding this Explanatory Statement.

Board Recommendation

The Board believes that the proposed issue is beneficial for the Company and recommends Shareholders vote in favour of Resolution 2. It will allow the Company to retain the flexibility to issue further Equity Securities representing up to 15% of the Company's share capital during the next 12 months.

Each of the Directors intends to vote all of the Shares he owns, manages or controls in favour of Resolution 2.

3. RESOLUTION 3 – PARTICIPATION IN TRANCHE 2 OF PLACEMENT – APPROVAL TO ISSUE SECURITIES TO MICHAEL FOTIOS AND/OR INVESTMET LIMITED (RELATED PARTY)

Background

As detailed in the Explanatory Statement relating to Resolutions 1 and 2 above, the Company is proposing to undertake the Placement to raise between \$27.5 million and up to \$30 million,

by the issue of between 137,500,000 and up to 150,000,000 Shares at an issue price of \$0.20 per Share, and by the issue of the Tranche A Options and the Tranche B Options.

Mr Michael Fotios and/or Investmet Limited (**Investmet**) and/or their Associates (**Fotios Entities**) wish to participate in Tranche 2 of the Placement to raise \$2.5 million. It is proposed that the following number of Shares and Options will be issued to the Fotios Entities:

- (a) 12,500,000 Shares at a price of \$0.20 per Share; and
- (b) 12,500,000 Options, of which 6,250,000 will be Tranche A Options and 6,250,000 will be Tranche B Options.

Michael Fotios is a Related Party of the Company by virtue of being a Director. Investmet is a Related Party of the Company by virtue of being an entity controlled by Mr Michael Fotios. As Mr Fotios currently has voting power in the Company of over 20%, the maximum number of Shares which the Fotios Entities may subscribe for is permitted pursuant to the "creep" exemption in item 9 of s611 of the Corporations Act.

Accordingly, Resolution 3 seeks Shareholder approval for the issue of Shares and Options to the Fotios Entities and to permit their participation in the Placement for an amount not exceeding the limit permitted by item 9 of s611 of the Corporations Act.

Regulatory Requirements

Listing Rule 10.11 provides that, unless a specified exception applies, a Company must not issue or agree to issue securities to a Related Party without the approval of ordinary shareholders.

As such, Shareholder approval is sought under Listing Rule 10.11 as Resolution 3 proposes the issue of securities to the Fotios Entities, all of which are a Related Party of the Company as outlined above.

As Shareholder approval is being sought under ASX Listing Rule 10.11, approval is not also required under Listing Rule 7.1.

Approval is not being sought under Chapter 2E of the Corporations Act in this Resolution 3 as the nature of the issue by the Company to the Fotios Entities is being made on an arm's length basis in accordance with section 210 of the Corporations Act, as the Shares and Options to be issued to the Fotios Entities will be issued on the same terms as the Shares and Options issued to non-Related Party investors participating in the Placement.

The securities proposed to be issued, for which approval is sought under Resolution 2, comprise 3% of the Company's fully diluted issued capital (assuming the issue of the maximum number of Shares pursuant to the Placement).

Information required by Listing Rule 10.13

In compliance with the information requirements of Listing Rule 10.13, Shareholders are advised of the following information:

- (a) Name of person to receive securities
The Shares and Options will be issued to Michael Fotios and/or Investmet and/or their Associates. Michael Fotios is a Related Party of the Company by virtue of being a Director, and Investmet is a Related Party of the Company by virtue of being an entity controlled by Michael Fotios.
- (b) Maximum number of securities to be issued
The Company intends to issue 12,500,000 Shares and 12,500,000 Options, of which 6,250,000 Options will be issued as Tranche A Options and 6,250,000 Options will be issued as Tranche B Options.
- (c) Date of issue and allotment
The Shares and Options to be issued pursuant to Resolution 3 will be issued on a date no later than 1 month after the date of the Meeting or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules. The Company expects to issue all of the Shares and Options on the same date, however the exact date of issue is unknown at this stage.
- (d) Relationship with the Company
The Shares are proposed to be issued to Michael Fotios and/or Investmet and/or their Associates. As outlined above, Michael Fotios is a Related Party of the

Company by virtue of being a Director, and Investmet is a Related Party of the Company by virtue of being an entity controlled by Michael Fotios.

(e) Issue price

The Shares issued under Tranche 2 will be issued at a price of \$0.20 per Share. The exercise price of each Tranche A Option will be \$0.25 and the exercise price of each Tranche B Option will be \$0.275. The Shares will either be issued for cash or by way of conversion of amounts owed to Investmet pursuant to a loan agreement between the Company and Investmet.

(f) Terms of issue

The Shares issued under Tranche 2 and the Shares issued on exercise of the Tranche A Options and Tranche B Options 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 rank equally in all respects with all of the existing ordinary Shares on issue.

The full terms of the Tranche A Options and the Tranche B Options are set out in Annexure A of this Explanatory Statement.

The Tranche A Options and Tranche B Options are unlisted.

(g) Intended use of the funds raised

The Company's purpose in issuing the Shares and Options under Tranche 2 is to provide funds for additional exploration, ongoing resource development and feasibility studies in relation to the Company's Mt. Ida and Menzies Projects, as well as providing general working capital.

(h) Voting exclusion statement

A voting exclusion statement for Resolution 3 is included in the Notice of Meeting preceding this Explanatory Statement.

Board Recommendation

The Board, other than Mr Michael Fotios who has a material personal interest in Resolution 3, recommends that Shareholders approve Resolution 3.

4. RESOLUTION 4 – APPROVAL TO ISSUE SECURITIES TO JETT CAPITAL ADVISORS LLC

Background

As detailed in the Explanatory Statement relating to Resolutions 1 and 2 above, the Company is proposing to undertake the Placement to raise between \$27.5 million and up to \$30 million, by the issue of between 137,500,000 and up to 150,000,000 Shares at an issue price of \$0.20 per Share.

The Company has appointed Jett Capital Advisors LLC (**Jett**) as its exclusive placement agent in relation to the Placement.

In accordance with Jett's mandate letters addressed to the Company and dated 13 April 2017 and 10 September 2017, the Company proposes to issue to Jett options to subscribe for Shares in the Company (**Options**) in part consideration for services provided by Jett. The Company proposes to issue up to 8,500,000 Options to Jett as follows:

- (a) one Option issued for every twenty Shares issued under the Placement at an exercise price of \$0.26 per Option (**Series A Options**); and
- (b) 1,000,000 Options issued at an exercise price of \$0.465 per Option (**Series B Options**).

Regulatory Requirements

A summary of Listing Rule 7.1 is set out in the Explanatory Statement relating to Resolution 1 above.

The issue of Options pursuant to Resolution 4 will not, if Shareholders approve the issue, be included in the Company's 15% limit and therefore approval of Resolution 4 will minimise the restrictive effect of Listing Rule 7.1 on any further issues by the Company of Equity Securities in the next 12 months. In the event that approval is not obtained for Resolution 4, the Options may be issued under the Company's existing placement capacity.

The securities proposed to be issued, for which approval is sought under Resolution 4, comprise 1.1% of the Company's fully diluted issued capital (assuming the issue of the maximum number of Shares pursuant to the Placement).

Information required by Listing Rule 7.3

In compliance with the information requirements of Listing Rule 7.3, Shareholders are advised of the following information in relation to Resolution 4:

(a) Maximum number of securities to be issued

The Company intends to issue up to 8,500,000 Options under Resolution 4, of which up to 7,500,000 Options will be issued as Series A Options and 1,000,000 Options will be issued as Series B Options.

(b) Date of issue

The Options will be issued as soon as possible following the Meeting, but in any event no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

The Company expects to issue all of the Options on the same date, however the exact date of issue is unknown at this stage. In the event that Shareholder approval is not obtained in respect of Resolution 4 within 60 days of the Placement closing (or such other date as agreed between the Company and Jett in writing), the Company will pay the equivalent value of the Options to Jett in cash.

(c) Issue price

The exercise price of each Series A Option will be \$0.26 and the exercise price of each Series B Option will be \$0.465.

(d) Names of the persons to whom the Options will be issued or the basis on which those persons will be identified

The Options will be issued to Jett Capital Advisors LLC.

(e) Terms of the securities

The Shares issued on exercise of the Options 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 will rank equally in all respects with all of the existing ordinary Shares on issue.

The terms of the Options issued under Resolution 4 will be the same as the terms of the Options set out in Annexure A of this Explanatory Statement, with the exception of:

- (i) Exercise price: each Series A Option will have an exercise price of \$0.26 and each Series B Option will have an exercise price of \$0.465; and
- (ii) Expiry date: both the Series A Options and the Series B Options will expire 3 years after the date of completion of the Placement. (The Company anticipates that the Placement will close in December 2017 and the exact date will be announced to the ASX immediately thereafter.)

The Options are unlisted.

(f) The intended use of the funds raised

The Options are being issued to Jett in part satisfaction of fees owing to Jett under its mandate letter dated 10 September 2017 and in satisfaction of fees owing to Jett under its mandate letter dated 13 April 2017.

(g) Voting exclusion statement

A voting exclusion statement for Resolution 4 is included in the Notice of Meeting preceding this Explanatory Statement.

Board Recommendation

The Board believes that the proposed issue is beneficial for the Company and recommends Shareholders vote in favour of Resolution 4. It will allow the Company to retain the flexibility to issue further Equity Securities representing up to 15% of the Company's share capital during the next 12 months.

5. RESOLUTION 5 – APPROVAL TO ISSUE SECURITIES TO MR CRAIG READHEAD (RELATED PARTY)

Background

The Company is seeking approval for the issue of up to 750,000 Shares at a deemed price of \$0.20 per Share to Mr Craig Readhead in lieu of:

- (i) outstanding Directors' fees in respect of the financial years ended 2016 and 2017 amounting to \$80,000; and
- (ii) outstanding consulting fees in respect of the provision of legal consulting services to the Company amounting to \$70,000,

outstanding as at 30 September 2017.

The issue of these Shares will be equal to approximately 0.1% of the Company's fully-diluted share capital assuming the issue of the maximum number of Shares pursuant to the Placement.

Regulatory Requirements

Listing Rule 10.11 provides that, unless a specified exception applies, a company must not issue or agree to issue securities to a Related Party without the approval of ordinary shareholders. A "Related Party", for the purposes of the Listing Rules, has the meaning given to it in the Corporations Act, and includes the directors of a company.

As such, Shareholder approval is sought under Listing Rule 10.11 as Resolution 5 proposes the issue of securities to Mr Craig Readhead, who is a Related Party of the Company by virtue of being a Director.

As Shareholder approval is being sought under Listing Rule 10.11, approval is not also required under Listing Rule 7.1.

Approval is not being sought under Chapter 2E of the Corporations Act in this Resolution 5 as the issue of Shares by the Company to Mr Craig Readhead is being made on an arm's length basis in accordance with section 210 of the Corporations Act.

Information required by Listing Rule 10.13

In compliance with the information requirements of Listing Rule 10.13, Shareholders are advised of the following information:

- (a) Name of person to receive securities
The Shares the subject of this Resolution 5 will be issued to Mr Craig Readhead (or his nominees).
- (b) Maximum number of securities to be issued
The maximum number of Shares that may be acquired by Mr Craig Readhead under Resolution 5 is 750,000.
- (c) Date of issue and allotment
The Shares to be issued pursuant to Resolution 5 will be issued on a date no later than 1 month after the date of the Meeting or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules. The Company expects to issue all of the Shares on the same date, however the exact date of issue is unknown at this stage.
- (d) Relationship with the Company
The Shares are proposed to be issued to Mr Craig Readhead. Mr Readhead is a Director of the Company and is, as such, a Related Party of the Company.
- (e) Issue price

The deemed price per Share to be acquired is \$0.20.

(f) Terms of issue

The Shares will be fully paid ordinary shares in the capital of the Company on the same terms and conditions as the Company's existing Shares and will rank equally in all respects with the existing Shares.

(g) Intended use of the funds raised

No funds will be raised as the Shares to be issued under Resolution 5 are being issued in lieu of outstanding Director's fees and consulting fees.

(h) Voting exclusion statement

A voting exclusion statement for Resolution 5 is included in the Notice of Meeting preceding this Explanatory Statement.

Board Recommendation

The Board, other than Craig Readhead who has a material personal interest in Resolution 5, recommends that Shareholders approve Resolution 5.

GLOSSARY

Associate has the meaning given to that term in the Listing Rules or the Corporations Act (as the context requires).

ASX means ASX Limited ACN 008 624 691, or the financial market operated by it as the context requires.

Board means the current board of directors of the Company.

Chair or **Chairman** means the chair of the Meeting.

Closely Related Party has the meaning given to that term in the Corporations Act.

Closing Conditions has the meaning given in Annexure B.

Company means Eastern Goldfields Limited ACN 100 038 266.

Constitution means the Company's constitution.

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

Directors mean the current directors of the Company.

Equity Securities has the meaning given to that term in the Listing Rules.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by this Notice.

Hawke's Point means Hawke's Point Holding L.P.

KMP means the key management personnel of the Company and has the meaning given to that term in the Corporations Act.

Listing Rules means the Listing Rules of ASX as amended from time to time.

Meeting or **General Meeting** means the general meeting convened by this Notice of General Meeting.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement.

Option means an option to acquire a Share.

Ordinary Securities has the meaning set out in the Listing Rules.

Proxy Form means the proxy form accompanying the Notice.

Related Party has the meaning given to that term in the Corporations Act.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

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

Shareholder means a holder of a Share.

Subscription Agreement means the subscription agreement to be entered into by the Company and Hawke's Point Holdings LP based on the binding heads of agreement entered into by the parties on 8 November 2017.

WST means Western Standard Time as observed in Perth, Western Australia.

ANNEXURE A – TERMS OF UNLISTED OPTIONS ISSUED UNDER THE PLACEMENT

- (a) Each Option will give the holder the right, but not the obligation, to subscribe for one ordinary fully paid Share in the Company in accordance with the terms set out in this Annexure A.
- (b) The exercise price, being the amount payable on exercise of an Option is as follows:
 - (i) the exercise price of each Tranche A Option is \$0.25; and
 - (ii) the exercise price of each Tranche B Option is \$0.275.
- (c) Each Option is exercisable within the exercise period after the issue of Shares and Options under Tranche 1 and Tranche 2 of the Placement (**Closing**) and prior to the sixty month anniversary of the Closing (**Expiry Date**). Any Options not exercised before such date will automatically lapse.
- (d) Subject to clause (e), at any time following the Closing, should each of the following conditions be satisfied:
 - (i) the volume weighted average price of the Shares exceed \$0.35 in respect of the Tranche A Options and \$0.375 in respect of the Tranche B Options for, in each such case, 20 out of the 25 trading days preceding an Option Notice Date (as defined below);
 - (ii) the Company has made a final investment decision, following an appropriate feasibility study and a summary of such study having been released to the market, to proceed with constructing a milling and production facility at or in the vicinity of its Mt. Ida gold project in Western Australia (**Mt. Ida Plant**); and
 - (iii) in respect of the Tranche B Options only, the Company has secured binding debt and/or equity commitments in a form reasonably satisfactory to Hawke's Point of not less than \$25,000,000 to finance construction of the Mt. Ida Plant (to avoid doubt, excluding any funds received by the Company in connection with the Placement or the exercise of the Tranche A Options),

then the Company may, upon written notice to the option holders, accelerate the Expiry Date of the Tranche A or Tranche B Options to 30 days from date of such notice (**Option Notice Date**). Such notice must be issued within 60 days of the occurrence of the conditions in subparagraphs (i), (ii) and, in the case of the Tranche B Options only, (iii). Any such notice issued by the Company issued after such date will be invalid.

- (e) A notice issued by the Company under clause (d) will not accelerate the Expiry Date of the Tranche A or Tranche B Options to the extent that the holder of those Tranche A or Tranche B Options is unable to be issued Shares on the exercise of Tranche A or Tranche B Options as at the Option Notice Date due to a legal or regulatory requirement including, without limitation, a requirement for any approval to be obtained by the Company in order for the holder to be issued Shares on the exercise of Tranche A or Tranche B Options (including due to restrictions under Chapter 6 of the Corporations Act).
- (f) An Option may be exercised by the holder at any time and from time to time up until the Expiry Date subject to the holder giving the Company 3 Business Days' written notice of its intention to exercise a specified number of Options on a proposed exercise date, and:
 - (i) the Company must issue the Shares on the exercise date;

- (ii) all Shares issued will be issued as fully paid and free from any securities, liens, charges, encumbrances, pre-emption and ranking in full for all voting rights, dividends and other distributions;
 - (iii) the Company must apply to the ASX for official quotation of the Shares at its own cost and as soon as practicable after the exercise of an Option; and
 - (iv) upon the quotation of the Shares issued pursuant to the exercise of the Options, the Company must give at the election of the holder, a CHES holding statement or issuer-sponsored holding statement in respect of the Shares.
- (g) There will be no participating entitlements inherent in the Options to participate in new issues of capital that may be offered to Shareholders during the currency of the Options (but which to avoid doubt, does not limit in any way whatsoever the participation rights held by Hawke's Point referred to in Section B of Annexure B of this Notice of Meeting) unless the holder exercises the option before the record date for the issue. Prior to any new pro-rata issue of securities to shareholders, holders of Options will be notified by the Company in accordance with the requirements of the Listing Rules.
- (h) If the Company proceeds with a bonus issue of securities, the number of Shares over which the Options are exercisable shall be increased by the number of Shares that the option holders would have received if the Options had been exercised before the record date for the bonus issue.
- (i) In the event of a reconstruction, including the consolidation, subdivision, reduction or return of issued capital of the Company prior to the Expiry Date, all rights of a holder are to be changed in a manner consistent with the Listing Rules.
- (j) If there is a pro rata issue (other than a bonus issue), the exercise price of the Options shall be adjusted in the manner provided for in the ASX Listing Rules (including Listing Rule 6.22 as at the date of these option terms).
- (k) Other than as required or permitted under the Listing Rules, there is no right to a change in the exercise price of the Options or to the number of Shares over which the Options are exercisable in the event of a new issue of capital (other than a bonus issue) during the currency of the Options.
- (l) Shares allotted pursuant to an exercise of Options will rank, from the date of allotment, in all respects equally with existing Shares.
- (m) An option does not confer any rights to dividends.
- (n) In accordance with the Listing Rules, the Company will apply for, and take all action necessary to procure, official quotation of all Shares issued and allotted pursuant to an exercise of Options immediately after the Company receives notice of the exercise of Options.
- (o) The Company must take all action necessary (including, without limitation, the issuance of a Cleansing Statement, the issuance of a prospectus under Chapter 6D of the Corporations Act or obtaining exemptions from or modifications to the Corporations Act from ASIC) to ensure that an offer of the Shares issued on exercise of an Option for sale will not require disclosure under section 707(3) of the Corporations Act.
- (p) The Options shall be freely assignable and transferable without the Company's consent, subject to the provisions of Chapter 6D of the Corporations Act.
- (q) The terms and conditions of the Options are governed by the laws of Western Australia.

ANNEXURE B – PRINCIPAL TERMS OF HEADS OF AGREEMENT AND SUBSCRIPTION AGREEMENT

The following are the principal terms of the Heads of Agreement between the Company and Hawke's Point dated 8 November 2017, which will be reflected in the Subscription Agreement to be entered into between the Company and Hawke's Point. For the avoidance of doubt, at the Meeting Shareholders are not being asked to approve the entry into the Heads of Agreement (which has already occurred) or the execution of the Subscription Agreement.

(a) Subscription

Pursuant to the Heads of Agreement and the Subscription Agreement, if Shareholders approve Resolution 2 and subject to the satisfaction or waiver of the outstanding Closing Conditions, Hawke's Point's will subscribe for 87,500,000 Shares in the Company at a price of \$0.20 per Share for an aggregate subscription amount of \$17.5 million. Hawke's Point will also be issued 87,500,000 Options, of which 43,750,000 will be Tranche A Options and 43,750,000 will be Tranche B Options. On the issue of the Tranche 1 and Tranche 2 Shares (assuming the Placement is fully subscribed), Hawke's Point will hold approximately 12.2% of the Shares on issue in the Company.

(b) Participation rights

The Company will grant to Hawke's Point the right to participate in future issues of securities by the Company on a pro rata basis in proportion to its fully-diluted shareholding in the Company (i.e. inclusive of shares still underlying any options it holds, if any), provided that Hawke's Point and its Associates hold (in aggregate) at least 10% of the Shares then on issue in the Company (**10% Shareholding**). The terms and conditions of Hawke's Point's participation right described above will be subject to any conditions imposed by ASX pursuant to the waiver of Listing Rule 6.18. The Company has also granted Hawke's Point the right (for as long as it holds a 10% Shareholding) to participate to the extent of 50% in any future debt issue, royalty or streaming arrangement proposed by the Company (on the same terms as other providers) and subject to any legally required shareholder approvals at the relevant time, excluding any debt facility entered into on customary commercial terms in respect of the construction of the Mt. Ida Plant.

(c) Technical Steering Committee

The Company will establish a technical steering committee to meet at regular intervals to review, assess and provide guidance on the technical aspects of the Company's Western Australian projects. Hawke's Point will be entitled to appoint and maintain one representative on the technical steering committee. The formation of the technical steering committee will form a basis of the strategic relationship between the Company and Hawke's Point.

(d) Board nominee and composition

For so long as Hawke's Point and its Associates hold (in aggregate) at least a 10% Shareholding, Hawke's Point has the right to nominate for appointment, maintain, and replace at any time, a Director to the Board.

The Company will ensure that the number of directors is at least 4 within 3 months of Tranche 2 closing and at least 5 within 9 months of Tranche 2 closing. Hawke's Point's consent will be required to increase the total number of EGS directors above 5.

(e) Consent rights

For so long as Hawke's Point and its Associates hold (in aggregate) at least a 10% Shareholding, the Company is required to obtain the consent of Hawke's Point (not to be unreasonably withheld or delayed) for:

- the Company's annual operating budget (unless approved unanimously by the Directors of the Company other than the Hawke's Point nominee);
- the incurrence of any indebtedness by the Company (including the refinancing or amendment of existing indebtedness) in excess of \$2 million prior to the completion of a bankable feasibility study underpinning the Mt. Ida Plant and, thereafter, prior to the construction and commissioning of the Mt. Ida Plant (other than in respect of the financing of the Mt. Ida Plant);
- the entry into any royalty or streaming or similar material agreement by the Company;

- the hiring or termination of certain key management personnel;
- a transaction between the Company and any of its related parties;
- a liquidation, sale, merger or amalgamation of the Company (unless approved unanimously by the independent Directors of the Company); and
- payment of a dividend or distribution by the Company (unless approved unanimously by the Directors of the Company other than the Hawke's Point nominee).

(f) **Closing Conditions**

As noted in the Explanatory Statement relating to Resolution 1, the issue of Shares and Options to Hawke's Point pursuant to Tranche 2 is expected to take place as soon as reasonably practicable after the Company obtains shareholder approval pursuant to Resolution 2 subject to the satisfaction or waiver of certain conditions precedent in the Heads of Agreement and the Subscription Agreement (**Closing Conditions**) on or prior to that date. The Closing Conditions include:

- completion of due diligence satisfactory to Hawke's Point on or before the date falling either six weeks from the date of signing the Heads of Agreement, or four weeks from completion of Tranche 1 of the Placement, whichever is the later (subject to an extension of time depending on when due diligence information is provided to Hawke's Point);
- completion of Tranche 1 of the Placement;
- absence of material adverse change;
- Shareholder approval being obtained in connection with the issue of Shares and Options under Resolution 2 of this Notice;
- the ASX re-instating quotation of Shares in the Company;
- the Company obtaining any regulatory consents and approvals, and any waivers from ASX, as are required in connection with the issue of Shares and Options under Resolution 2; and
- a number of additional terms that are considered customary and usual for subscriptions of this nature, such as the accuracy of any representations or warranties made by the Company and the Subscription Agreement being in a form satisfactory to Hawke's Point and consistent with the Heads of Agreement.

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

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

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

XX

 **For your vote to be effective it must be received by 10.00am (WST) Tuesday, 2 January 2018**

How to Vote on Items of Business

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

Appointment of Proxy

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

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

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

A proxy need not be a securityholder of the Company.

Signing Instructions

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

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

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

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

Attending the Meeting

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

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

Turn over to complete the form →



View your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com

- Review your securityholding
- Update your securityholding

Your secure access information is:

SRN/HIN:



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

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

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Eastern Goldfields Limited hereby appoint

the Chairman of the Meeting OR

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Eastern Goldfields Limited to be held at Level 1, 24 Mumford Place, Balcatta, Western Australia on Thursday, 4 January 2018 at 10.00am (WST) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 5 (except where I/we have indicated a different voting intention below) even though Resolution 5 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 5 by marking the appropriate box in step 2 below.

STEP 2 Items of Business

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

		For	Against	Abstain
Resolution 1	Ratification of Agreement to Issue Securities (Tranche 1 of Placement)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Approval of Securities Issue (Tranche 2 of Placement other than Issue to Michael Fotios)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Participation in Tranche 2 of Placement – Approval to Issue Securities to Michael Fotios and/or Investmet Limited (Related Party)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval to Issue Securities to Jett Capital Advisors LLC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval to Issue Securities to Mr Craig Readhead (Related Party) in lieu of fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /