
PANTERRA GOLD LIMITED
ACN 008 031 034

NOTICE OF GENERAL MEETING

**General Meeting of Shareholders
to be held on 30 January 2015
Mezzanine Level, 3 Spring Street,
Sydney NSW
at 10.30 am (AEDT)**

If you are unable to attend the meeting, please complete the form of proxy enclosed and return it in accordance with the instructions set out on that form.

PANTERRA GOLD LIMITED
ACN 008 031 034

NOTICE OF GENERAL MEETING

Notice is given that a General Meeting of the Shareholders of PanTerra Gold Limited ("PanTerra Gold" or "the Company") will be held at 10.30am on 30 January 2015 (AEDT) Mezzanine Level, 3 Spring Street, Sydney, NSW.

AGENDA

ORDINARY BUSINESS

1. RESOLUTION 1 - Ratification of Previous Issue of Shares

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior allotment and issue of 23,974,443 Ordinary Shares in the Company to Central American Mezzanine Infrastructure Fund LP on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting."

Voting Exclusion Statement: The Company will disregard any votes cast on Resolution 1 by or on behalf of Central American Mezzanine Infrastructure Fund LP and its associates.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) 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.

2. RESOLUTION 2 – Consolidation of Shares

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

"That, for the purposes of Section 254H(1) of the Corporations Act and for all other purposes, the share capital of the Company be consolidated through the conversion of every ten(10) Ordinary Shares in the Company into one (1) Ordinary Share in the Company and that any resulting fractions of a Share be rounded up to the next whole number of Shares, to take effect in accordance with the timetable set out in the Explanatory Statement accompanying this Notice of Meeting."

3. RESOLUTION 3 – Approval of Issue of New Shares

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

"That for the purpose of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of Ordinary Shares to sophisticated investors, the number of which will be calculated in accordance with the formula and on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting."

Voting Exclusion Statement: The Company will disregard any votes cast on Resolution 3 by persons who may participate in the proposed issue or any person who might obtain a benefit, other than in that person's capacity as a Shareholder, and any associate of any of those persons.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

By Order of the Board

A handwritten signature in cursive script, appearing to read 'P Bardsley', written in black ink.

**Pamela Bardsley
Company Secretary**

16 December 2014

GENERAL NOTES

Attendance and Voting

The Company has determined, that pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth), for the purposes of determining voting entitlements at this General Meeting ("GM"), that all the Shares of the Company recorded in the Company's register at 5.00pm (AEDT), 28 January 2015, shall, be taken to be held by the persons registered as holding the Shares at that time.

Shareholders may vote by attending the GM in person or by proxy (see below).

Ordinary resolutions require the support of more than 50% of those Shareholders voting in person, by proxy, by representative or by attorney. Special resolutions require the support of more than 75% of those Shareholders voting in person, by proxy, by representative or by attorney.

Every question arising at this GM will be decided in the first instance by a show of hands. A poll may be demanded in accordance with the Company's Constitution. On a show of hands, every Shareholder who is present in person or by proxy, representative or attorney, will have one vote. Upon a poll, every person who is present in person or by proxy, representative or attorney, will have one vote for each Share held by that person.

Proxies

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

- each Shareholder has the right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

To vote by proxy, please complete and sign the Proxy Form enclosed with this Notice of General Meeting as soon as possible and either:

- send the Proxy Form by facsimile to Computershare Investor Services Pty Ltd on fax number (within Australia) 1800 783 447 (outside Australia) 61 3 9473 2555; or
- post the Proxy Form to Computershare Investor Services Pty Limited, GPO Box 242, Melbourne VIC 3001.

Proxy Forms must be received not later than 48 hours before the time specified for the commencement of the GM.

Corporate Representatives

A corporate Shareholder wishing to appoint a person to act as its representative at the meeting may do so by providing that person with:

1. a letter executed in accordance with the Shareholder's constitution and the Corporations Act authorizing that person as the corporate Shareholder's representative at the meeting; or
2. a copy of the resolution appointing the person as the corporate Shareholder's representative at the meeting, certified by the company secretary or Director of the corporate Shareholder.

Please bring this evidence of your appointment as corporate representative to the meeting.

PANTERRA GOLD LIMITED
ACN 008 031 034

EXPLANATORY STATEMENT TO SHAREHOLDERS

This Statement sets out information about the items of business to be considered by the Shareholders at the General Meeting. The Statement is set out in the order of the items in the Notice of Meeting and should be read with the Notice.

1. RESOLUTION 1 – Ratification of Previous Issue of Shares

The Company entered into an Agreement to Issue Redeemable Preference Shares (“RPS Agreement”) with Central American Mezzanine Infrastructure Fund LP (“CAMIF”) on 16 August 2013. Under the terms of the RPS Agreement, the Company may issue shares in lieu of cash dividend payments. 23,974,443 Ordinary Shares were issued to CAMIF on 10 November 2014 at a deemed issue price of \$0.027 per share in lieu of a cash payment for the dividend. The Shares were issued in lieu of cash because the Company is currently constrained from paying the dividend from cash reserves by a Subordination Deed between CAMIF and the primary lender to the Las Lagunas project.

Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of Shares the subject of the placement.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1), those securities will be deemed to have been made with Shareholder approval for the purposes of Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

Regulatory Requirements - ASX Listing Rule 7.4

Listing Rule 7.5 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to Listing Rule 7.4:

- a) The total number of Shares issued was 23,974,443.
- b) The Shares were issued at a deemed issue price of \$0.027 per Share.
- c) The Shares allotted and issued rank equally in all respects with all the existing Shares on issue.
- d) The Shares were issued to Central American Mezzanine Infrastructure Fund LP, which is not a related party or associate of the Company.
- e) The Shares were in lieu of cash payment of a dividend.
- f) An appropriate voting exclusion statement is included in the Notice of Meeting.

2. RESOLUTION 2 – Consolidation of Shares

On 16 December 2014, the Company announced a proposed consolidation of share capital through the conversion of every ten (10) fully paid ordinary shares into one (1) fully paid ordinary share (“Share Consolidation”). Under Section 254H(1) of the Corporations Act, a company may consolidate its shares if the consolidation is approved by an ordinary resolution of shareholders at a general meeting.

If the Share Consolidation is approved, it is anticipated that trading in consolidated Shares on a deferred settlement basis will commence on 3 February 2015, with consolidation taking effect from 6 February 2015 (or such other subsequent date as notified by the Company to the ASX).

Reasons for the consolidation

The Company has a very large number of Shares on issue (846,215,609 as at the date of this Notice) due to historical equity-based capital raisings and corporate transactions. This large number of Shares imposes a number of disadvantages upon the Company, including:

1. The Company has a greater number of Shares on issue than comparable companies;
2. Negative perceptions associated with a low Share price; and
3. The Share Consolidation will result in a more appropriate and effective capital structure for the Company and a share price more appealing to a wider range of investors within Australia and globally, particularly institutional investors.

Effect of the consolidation

If the proposed Share Consolidation is approved by Shareholders, the number of Shares on issue will be reduced from approximately 846 million to approximately 84 million.

As the Share Consolidation applies equally to all the Company's Shareholders, individual shareholdings will be reduced in the same ratio as the total number of the Company's Shares (subject only to the rounding of fractional entitlements). It follows that the Share Consolidation will have no material effect on the percentage interest of individual Shareholders in the Company.

Similarly, the aggregate value of each Shareholder's holding (and the Company's market capitalisation) should not materially change as a result of the Share Consolidation alone. However, the price per Share can be expected to increase to reflect the reduced number of Shares on issue.

The Share Consolidation will not result in any change to the substantive rights and obligations of existing Shareholders.

Treatment of Options and Performance Rights

As at the date of the Meeting, the Company will have unlisted Options on issue. If the Share Consolidation is approved, the Options will also be reorganized in accordance with the terms and conditions of the Options and ASX Listing Rule 7.22.1 (as applicable) on the basis that the number of Options will be consolidated in the same ratio as the ordinary capital and the exercise price be amended in inverse proportion to that ratio.

The terms of the Company's existing Performance Rights provide that in the event of a Share consolidation, the number of Performance Rights to which each participant is entitled will be consolidated in the same ratio as the ordinary capital.

Fractional entitlements and taxation implications for Shareholders

Not all Shareholders and Option holders will hold that number of Shares or Options which can be evenly divided by 10. Where a fractional entitlement occurs, the Company will round that fraction up to the nearest whole Share or Option (as the case may be).

It is not expected that any taxation consequences will arise for Shareholders or Option holders from the Share Consolidation. However, Shareholders and Option holders should seek their own taxation advice on the effect of the Share Consolidation and neither the Company nor its Directors or advisers accept any liability or responsibility for the individual taxation consequences arising from any consolidation.

Indicative timetable

If approved by Shareholders, the proposed Share Consolidation will take effect on 6 February 2015 (or such other subsequent date that is notified to the ASX by the Company). The following is an indicative timetable (subject to change) of the key events:

KEY EVENT	INDICATIVE DATE
General Meeting of Shareholders	30 January 2015
Notification to ASX that Share Consolidation is approved	30 January 2015
Last day for trading in pre-consolidated securities	2 February 2015
Trading in the consolidated securities on a deferred settlement basis commences	3 February 2015
Last day to register transfers on a pre-consolidation basis	5 February 2015
Share consolidation effective	
Registration of securities on a post-consolidation basis	6 February 2015
Despatch of new holding statements	
Deferred settlement trading ends	12 February 2015
Normal trading starts	13 February 2015

Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 2.
The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 2.

3. RESOLUTION 3 –New Issue of Shares

Background

At the general meeting held on 24 October 2014, Shareholders approved the issue of up to 150,000,000 Shares to either a strategic cornerstone investor or sophisticated investors. The Shares were to be issued by no later than 23 January 2015 in accordance with Listing Rule 7.3.2. As at the date of this Notice, due to prevailing market conditions, the Company has not issued any of the Shares and does not expect to do so before the required date.

The Company is required by the lender to the Las Lagunas project, Macquarie Bank Limited, to increase its working capital and repay an additional US\$5 million from the loan debt by 31 March 2015, as a prerequisite to establishing a more realistic repayment schedule. The balance will be applied to working capital and in part to pre-development costs associated with a potential source of additional refractory concentrate for the Las Lagunas project. To achieve these goals, the Company intends to place approximately \$10 million of its Shares with either a strategic investor, or sophisticated investors.

However, in order to progress the above mentioned activities and to ensure the Company has the capacity to issue the required number of shares, Resolution 3 is seeking approval to issue new Shares, the maximum number of which will be calculated using the following formula, within three months of the date of this Meeting (**Placement Shares**):

$$(\text{No. of Shares}) = \frac{\$10,000,000}{\text{VWAP} \times 0.85}$$

* VWAP means the volume weighted average market price for Shares expressed in dollars, calculated over the last five (5) trading days on which sales in the Shares were recorded before the day on which the issue of the Shares is made

It is noted that if approval is granted by Shareholders, it does not necessarily mean the Company will issue all of the Placement Shares, however it provides the Company with the flexibility to do so as outlined above.

Shareholder approval

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions (which do not apply in the present circumstances), issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period. However, issues made with the prior approval of the shareholders in a general meeting are not subject to this restriction and will not be counted as part of the 15% limit.

Accordingly, if Shareholders approve the proposed issue of the Placement Shares:

- (a) The Company will be permitted to issue the Placement Shares; and
- (b) The Placement Shares will not be counted towards the Company's 15% limit in respect of issues of equity securities in the following 12 month period

Under ASX Listing Rules 7.3.2, shares approved for issue pursuant to ASX Listing Rule 7.1 must be issued within three months of the date of approval.

The information required by ASX Listing Rule 7.3 in relation to the issue of the Placement Shares is set out below.

ASX Listing Rule 7.3

ASX Listing Rule 7.3 requires the following information be provided to Shareholders when seeking approval for the purposes of ASX Listing Rule 7.1:

- (a) The maximum number of Shares that will be issued under Resolution 3 is in accordance with the following formula:
$$= \frac{\$10,000,000}{\text{VWAP} \times 0.85}$$
- (b) The issue will occur progressively but by no later than three months after the date of this meeting.
- (c) The Company intends to issue the Placement Shares at a price that is not less than eighty five per cent (85%) of the volume weighted average market price for Shares calculated over the last five (5) trading days on which sales in the Shares were recorded before the day on which the issue of the Shares is made.
- (d) It is intended that the Placement Shares will be issued to investors who are not related parties to the Company. The identity of the investors has not yet been determined but all are expected to be professional and/or sophisticated investors. The identity of the investors will be at the discretion of the Company or in consultation with any broker or Investment Bank the Company may engage to assist in the placing of the Shares or both and who are not related parties.
- (e) The Placement Shares will rank equally with, and on the same terms as, the Company's then issued Shares; and
- (f) The funds raised for the issue of the Placement Shares will be utilized to repay US\$5 million to Macquarie Bank Limited. The balance will be applied to working capital and in part to pre-development costs associated with a potential source of additional refractory concentrate for the Las Lagunas project.

PanTerra Gold Limited

ABN 48 008 031 034

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

000001 000 PGI
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form

For your vote to be effective it must be received by 10.30am (AEDT) on Wednesday 28 January 2015

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 as they choose. 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: I9999999999



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

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐

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.



I 9999999999

I ND

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 PanTerra Gold 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 PanTerra Gold Limited to be held at Mezzanine Level, 3 Spring Street, Sydney NSW 2000 on Friday, 30 January 2015 at 10.30am (AEDT) and at any adjournment or postponement of that Meeting.

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
1 Ratification of Previous Issue of Shares	☐	☐	☐
2 Consolidation of Shares	☐	☐	☐
3 Approval of Issue of New Shares	☐	☐	☐

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 / /