

# **Golden Deeps Limited**

ACN 054 570 777

## ***Notice of Annual General Meeting***

## ***Explanatory Statement***

*and*

## **Proxy Form**

**10:00 am (WST) on Friday 28 November 2014  
Celtic Club, 48 Ord Street, West Perth, Western Australia**

# GOLDEN DEEPS LIMITED

ACN 054 570 777

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Members of Golden Deeps Limited (**GED** or the **Company**) will be held on Friday, 28 November 2014 commencing at 10:00 am (WST) at the Celtic Club, 48 Ord Street, West Perth, Western Australia.

The Explanatory Statement that accompanies and forms part of this Notice of Annual General Meeting describes in more detail the matters to be considered. Terms used in this Notice of Annual General Meeting have the meaning given to them in the "Definitions" section contained in the Explanatory Statement.

## AGENDA

### BUSINESS OF THE MEETING

#### A. Accounts and reports

To receive and consider the Financial Statements and the Reports of the Directors and the Auditors for the year ended 30 June 2014.

#### B. Resolution 1 – Adoption of the Remuneration Report

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

*"That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report as contained in the Company's Annual Report for the financial year ended 30 June 2014 be adopted."*

**Note:** The vote on this resolution is advisory only and does not bind the Directors of the Company.

#### Voting prohibition statement

A vote on this resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- a Closely Related Party of such a member, (collectively referred to as a **Prohibited Voter**).

However, the Company need not disregard a vote if:

- it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- it is not cast on behalf of a Prohibited Voter.

Further, a Prohibited Voter who is appointed as a proxy will not vote on resolution 1 unless:

- the appointment specifies the way the proxy is to vote on resolution 1; or
- the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of resolution 1.

Shareholders may also choose to direct the Chair to vote against resolution 1 or to abstain from voting.

**C. Resolution 2 - Re-election of a Director**

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

*"That Michael Scivolo, who retires by rotation in accordance with the Company's Constitution, be re-elected a Director of the Company."*

**D. Resolution 3 - Election of Director**

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

*"That Robert Collins, who was appointed on 26 February 2014 to fill a casual vacancy, retires in accordance with the Company's Constitution, be elected a director of the Company."*

**E. Resolution 4 – Approval for Share Issue**

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

*"That, pursuant to Listing Rule 7.1 and for all other purposes, approval is given for the Company to allot and issue up to 80,000,000 ordinary fully paid Shares at a minimum issue price per Share which is at least 80% of the average market price of ordinary Shares trading on ASX over the last 5 days on which sales in the securities were recorded before the day on which the issue was made (or if there is a prospectus or offer information statement relating to the issue, over the last 5 days on which sales in the securities were recorded before the date the prospectus or offer information statement is signed), on the terms and conditions set out in the Explanatory Statement accompanying this Notice of General Meeting."*

**Voting prohibition statement**

The Company will disregard any votes cast on this Resolution 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 need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with directions on the proxy form or if 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.

The Board of Directors unanimously recommends Shareholders vote in favour of this resolution.

**F. Resolution 5 - Approval for 10% placement facility under Listing Rule 7.1A**

To consider, and if thought fit, to pass the following as a **special resolution**:

*"That, for the purpose of Listing Rule 7.1A and all other purposes, the Company approves the allotment and issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement."*

**Voting Prohibition Statement**

The Company will disregard any votes cast on this Resolution 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 associates of those persons. However, the Company need not disregard a vote if the vote 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 vote 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.

**G. Resolution 6 - Adoption of Employee Share Option Plan**

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

*" That, for the purposes of ASX Listing Rule 7.2 (Exception 9(b)) and for all other purposes, approval is given for the Company to adopt an employee incentive scheme titled Employee Share Option Plan and for the issue of securities under that Plan, on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any Director, other than any Directors who are ineligible to participate in any employee incentive scheme in relation to the Company, and any associates of those Directors. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

#### **Voting Prohibition Statement**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

#### **Voting Entitlements**

For the purposes of determining voting entitlements at the Annual General Meeting, Shares will be taken to be held by persons who are registered as holding Shares at 10.00 am (WST) on 26 November 2014. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the general meeting.

Proxy and Voting Entitlement Instructions are included on the Proxy Form accompanying this Notice of General Meeting.

#### **BY ORDER OF THE BOARD**

**Norman Grafton**  
**Company Secretary**

**xx October 2014**

Your annual report is available online, simply visit: [www.goldendeeps.com](http://www.goldendeeps.com)

# EXPLANATORY STATEMENT

## 1. INTRODUCTION

This Explanatory Statement has been prepared for the information of members of GOLDEN DEEPS LIMITED ACN 054 570 777 in connection with the business to be conducted at the Annual General Meeting of members to be held at the Celtic Club, 48 Ord Street, West Perth, Western Australia, on 28 November 2014 at 10:00 am (WST).

This Explanatory Statement forms part of, and should be read in conjunction with, the accompanying Notice of Annual General Meeting.

Shareholders should note that all the Directors approved the proposal to put the resolutions to shareholders as outlined in the Notice of Annual General Meeting and to prepare this Explanatory Statement.

## FINANCIAL REPORTS

The Corporations Act requires the Company to lay before the Annual General Meeting its annual financial report and reports of the Directors and Auditor for the last financial year. The annual financial report of the Company for the year ended 30 June 2014 is available on its website at [www.goldendeeps.com](http://www.goldendeeps.com).

Shareholders are not required to vote on these reports. However, shareholders will be given a reasonable opportunity at the Meeting to comment on, or to ask questions about, the management of the Company. Shareholders will also be given a reasonable opportunity to ask the Auditor questions relevant to the Auditor's report, the conduct of the audit, accounting policies adopted by the Company and the independence of the Auditor.

Written questions to the Company's Auditor about the content of the Auditor's report or the conduct of the audit may be submitted no later than 21 November 2014 to:

Golden Deeps Limited  
PO Box 1618  
West Perth WA 6872.

Facsimile: +618 9481 7835  
Email: [norman@kmm.com.au](mailto:norman@kmm.com.au)

Copies of the questions, if any, to the Company's Auditor will be available at the meeting.

## RESOLUTION 1 - ADOPTION OF REMUNERATION REPORT

Under Section 250R(2) of the Corporations Act, the Company must put to its shareholders at each annual general meeting a resolution adopting the report on remuneration of the Company's Directors, Secretary and senior managers.

The Remuneration Report of the Company for the financial year ended 30 June 2014 is included in the Directors' Report in the Company's 2014 Annual Report. It is also available on the Company's website at [www.goldendeeps.com](http://www.goldendeeps.com).

The Remuneration Report includes:

- An explanation of the Company's policy in relation to the nature and amount of remuneration paid to Directors, Secretary and senior executives of the Company;
- A discussion of the link between this policy and the Company's performance;
- Details of any element of the remuneration of Directors and executives of the Company which is dependent upon the satisfaction of a performance condition; and
- Details of the total remuneration of each Director (including a breakdown of components of that remuneration) and the senior executives of the Company who receive the highest remuneration.

The vote on this resolution is advisory only and does not bind the Company

However, if at least 25% of the votes cast are against adoption of the Remuneration Report at the 2013 AGM, and then again at the 2014 Annual General Meeting the Company will be required to put a resolution to the 2015 AGM, to approve calling an extraordinary general meeting (**spill resolution**). If more than 50% of Shareholders vote in favour of the spill resolution, the Company must convene a general meeting (**spill meeting**) within 90 days of the 2015 AGM. All of the Directors who were in office when the 2015 Directors' Report was approved, other than the Managing Director, will (if desired) need to stand for re-election at the spill meeting.

The Remuneration Report explains the Board policies in relation to the nature and level of remuneration paid to Directors, sets out remuneration details for each Director and any service agreements and sets out the details of any share based compensation.

## **Voting**

Note that a voting exclusion applies to resolution 1 in the terms set out in the Notice of Meeting. In particular, the Directors and other Restricted Voters may not vote on this resolution and may not cast a vote as proxy, unless the appointment gives a direction on how to vote or the proxy is given to the Chair and expressly authorises the Chair to exercise your proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. The Chair will use any such proxies to vote in favour of the resolution.

Shareholders are urged to carefully read the proxy form and provide a direction to the proxy on how to vote on this resolution.

## **RESOLUTION 2 - RE-ELECTION OF A DIRECTOR**

Pursuant to the Company's Constitution, Michael Scivolo, being a Director of the Company, retires by way of rotation and, being eligible, offers himself for re-election as a Director of the Company.

Mr Scivolo has extensive experience in the fields of accounting and taxation in both corporate and non-corporate entities. He is also a Director of Blaze International Limited, Metals Australia Ltd, Power Resources Limited, Prime Minerals Limited and Sabre Resources Ltd.

## **RESOLUTION 3 - ELECTION OF DIRECTOR**

Pursuant to the Company's Constitution, Robert Collins, being a Director of the Company, who was appointed to fill a casual vacancy in February 2014 and, being eligible, offers himself for election as a Director of the Company.

Mr Collins has served on a number of ASX listed industrial and mining company boards, and owned a large accounting practice serving the corporate sector. He is currently a Non-Executive Director of Blaze International Limited, Metals Australia Ltd, Prime Minerals Limited and Power Resources Limited.

## **RESOLUTION 4 - APPROVAL FOR A PROPOSED SHARE ISSUE**

Subject to shareholder approval, pursuant to Listing Rule 7.1, the Company proposes to issue up to 80,000,000 Shares.

Listing Rule 7.1 broadly provides, subject to certain exceptions, that shareholder approval is required for any issue of securities where the securities proposed to be issued represent more than 15% of the Company's shares then on issue.

For the purposes of Listing Rule 7.3, the following information is provided to shareholders:

- a) The maximum number of Shares which may be issued pursuant to this resolution is 80,000,000 .
- b) The Shares will be issued and allotted no later than 3 months after the date of this meeting or such later date as approved by ASX by waiver to the Listing Rules.
- c) The shares will be allotted and issued on one date.
- d) The Shares will be issued at a minimum issue price which is at least 80% of the average market price of Shares trading on ASX over the last 5 days on which sales in the securities were recorded before

the day on which the issue was made (or if there is a prospectus or offer information statement relating to the issue, over the last 5 days on which sales in the securities were recorded before the date the prospectus or offer information statement is signed).

- e) The proposed allottees are unknown at the date of the Notice of Meeting but will not be related parties of the Company and will be selected at the Directors discretion.
- f) The terms of the Shares will be the same as the existing ordinary fully paid Shares in the Company..
- g) The purpose of the issue is for ongoing mineral exploration and additional working capital.

The Board of Directors unanimously recommends Shareholders vote in favour of this Resolution.

## **RESOLUTION 5 - APPROVAL FOR 10% PLACEMENT FACILITY**

### **5.1 Background**

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of their issued share capital over a 12 month period after the annual general meeting at which a resolution for the purposes of Listing Rule 7.1A is passed by special resolution (**Additional 10% Placement Capacity**). The Additional 10% Placement Capacity is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An entity will be eligible to seek approval under Listing Rule 7.1A if: (a) the entity has a market capitalisation of \$300 million or less; and (b) the entity that is not included in the S&P ASX 300 Index. The Company is an eligible entity for the purposes of Listing Rule 7.1A.

The number of Equity Securities to be issued under the Additional 10% Placement Capacity will be determined in accordance with the formula set out in Listing Rule 7.1A.2.

The Company is putting this Resolution to Shareholders to seek approval to issue additional Equity Securities under the Additional 10% Placement Capacity. It is anticipated that funds raised by the issue of Equity Securities under the Additional 10% Placement Capacity would be applied towards the Company's exploration activities, the acquisition of new assets (should suitable assets be found), administration costs and general working capital.

### **5.2 Listing Rule 7.1A**

The effect of this Resolution will be to permit the Company to issue the Equity Securities under Listing Rule 7.1A during the Additional Placement Period (as defined below) without using the Company's 15% placement capacity under Listing Rule 7.1.

Equity Securities issued under the Additional 10% Placement Capacity must be in the same class as an existing quoted class of Equity Securities of the Company. As at the date of this Notice the Company has Shares and unlisted Options on issue.

Based on the number of Shares on issue at the date of this Notice, the Company will have 103,514,122 Shares on issue and therefore, subject to Shareholder approval being sought under this Resolution, 10,351,412 Equity Securities will be permitted to be issued in accordance with Listing Rule 7.1A. Shareholders should note that the calculation of the number of Equity Securities permitted to be issued under the Additional 10% Placement Capacity is a moving calculation and will be based the formula set out in Listing Rule 7.1A.2 at the time of issue of the Equity Securities. The table below demonstrates various examples as to the number of Equity Securities that may be issued under the Additional 10% Placement Capacity.

This is a Special Resolution, requiring approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative) in order to be passed.

### **5.3 Specific information required by Listing Rule 7.1A.3**

The following information in relation to the Shares to be issued is provided to Shareholders for the purposes of Listing Rule 7.1A.3:

- (a) the Equity Securities will be issued at an issue price of not less than 75% of the volume weighted average price for the Company's Equity Securities over the 15 Trading Days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If this Resolution is approved by Shareholders and the Company issues Equity Securities under the Additional 10% Placement Capacity, the existing Shareholders' economic and voting interests in the Company will be diluted. There is also a risk that:
- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
- (ii) the Equity Securities may be issued: (1) at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities; or (2) as consideration (or part thereof) for the acquisition of a new asset, both of which may have an effect on the amount of funds raised by the issue of Equity Securities under the Additional 10% Placement Capacity.

The table below shows the dilution of existing Shareholders of the issue of the **maximum** number of Equity Securities under the Additional 10% Placement Capacity using different variables for the number of ordinary securities for variable "A" (as defined in Listing Rule 7.1A) and the market price of Shares. It is noted that variable "A" is based on the number of ordinary securities the Company has on issue at the time of the proposed issue of Equity Securities.

The table shows:

- (i) examples of where variable "A" is at its current level, and where variable "A" has increased by 50% and by 100%;
- (ii) examples of where the issue price of ordinary securities is the current market price as at close of trade on 17 October 2014, being \$0.01, (**current market price**), where the issue price is halved, and where it is doubled; and
- (iii) the dilutionary effect will always be 10% if the maximum number of Equity Securities that may be issued under the Additional 10% Placement Capacity are issued.

Variable 'A'	Number of Shares issued and funds raised under the Additional 10% Placement Capacity and dilution effect	Dilution		
		\$0.005 Issue Price at half the current market price	\$0.01 Issue Price at current market price	\$0.02 Issue Price at double the current market price
<b>Current Variable A</b> 103,514,122 Shares	Shares issued	10,351,412	10,351,412	10,351,412
	Funds raised	\$51,757	\$103,514	\$207,028
	Dilution	10%	10%	10%
<b>50% increase in current Variable A</b> 155,271,183 Shares	Shares issued	15,527,118	15,527,118	15,527,118
	Funds raised	\$77,636	\$155,271	\$310,542
	Dilution	10%	10%	10%
<b>100% increase in current variable A</b> 207,028,244 Shares	Shares issued	20,702,824	20,702,824	20,702,824
	Funds raised	\$103,514	\$207,028	\$414,056
	Dilution	10%	10%	10%

**Note:** this table assumes:

- No Options are exercised before the date of the issue of the Equity Securities;
- The issue of Equity Securities under the Additional 10% Placement Capacity consists only of Shares. If the issue of Equity Securities includes quoted Options, for the purposes of the above table, it is assumed that those quoted Options are exercised into Shares for the purposes of calculating the voting dilution effect on existing Shareholders;
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the Additional 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting; and
- The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

- (c) Approval of the Additional 10% Placement Capacity will be valid from the date of the Annual General Meeting and will expire on the earlier of:

- (i) the date that is 12 months after the date of the Annual General Meeting; and
- (ii) the date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

**(Additional Placement Period).**

(d) The Company may seek to issue the Equity Securities for the following purposes:

- (i) cash consideration: if Equity Securities are issued for cash consideration, the Company intends to use the funds for the Company's exploration activities at the Company's projects in Namibia and Australia administration costs and general working capital; or
- (ii) non-cash consideration: for the acquisition of the acquisition of new assets (should suitable assets be found). If Equity Securities are issued for non-cash consideration, the Company will comply with the minimum issue price limitation under Listing Rule 7.1A.3 in relation to such issue and will release the valuation of the non-cash consideration to the market.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.3 and 3.10.5A upon issue of any Equity Securities.

(e) The identity of the allottees will be determined on a case by case basis having regard to market conditions at the time of the proposed issue of Equity Securities, including consideration of matters including, but not limited to:

- (i) the ability of the Company to raise funds at the time of the proposed issue of Equity Securities and whether the raising of any funds under such placement could be carried out by means of an entitlements offer, or a placement and an entitlements offer;
- (ii) the dilutionary effect of the proposed issue of the Equity Securities on existing Shareholders at the time of proposed issued of Equity Securities;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from its professional advisers, including corporate, financial and broking advisers (if applicable).

The allottees under the Additional 10% Placement Capacity have not been determined as at the date of this Notice but will not include related parties (or their associates) of the Company.

(f) The Company has previously obtained Shareholder approval under Listing Rule 7.1A. However, in the past 12 months the Company has not made any issues.

(g) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not determined its allocation policy for the issue of Equity Securities under the Additional 10% Placement Capacity. The Company has not approached, and has not yet determined to approach, any particular existing security holders or an identifiable class of existing security holders to participate in an offer under the Additional 10% Placement Capacity therefore no existing security holders votes would be excluded under the voting exclusion statement included in this Notice.

#### **5.4 Directors' Recommendation**

The Board recommends Shareholders vote in favour of this resolution.

## SCHEDULE 1 – SUMMARY OF EMPLOYEE SHARE OPTION PLAN

Terms used and not defined in this summary shall have the meanings ascribed to them in the Plan. The key terms of the Employee Share Option Plan are as follows:

- (a) **Eligibility:** Participants in the Plan may be executive Directors, full-time and part-time employees of the Company or any of its Associated Bodies Corporate (as defined in the Plan) (**Participants**).
- (b) **Administration of Plan:** The Board is responsible for the operation of the Plan and has a broad discretion to determine which Participants will be offered Shares under the Plan.
- (c) **Offer:** The Board, acting in its absolute discretion, may offer Options to any Participant from time to time as determined by the Board and in exercising that discretion, may have regard to some or all of the following:
  - (i) the Participant's length of service with the Group (as defined in the Plan);
  - (ii) the contribution made by the Participant to the Group;
  - (iii) the potential contribution of the Participant to the Group; or
  - (iv) any other matter the Board considers relevant.
- (d) **Issue price:** Options issued under the Plan will be issued for nil cash consideration.
- (e) **Option Exercise Conditions:** An Option may be granted subject to exercise conditions as determined by the Board in its discretion and as specified in the document making the offer of Options under the Plan.
- (f) **Incentive Period:** An Option may be granted subject to an incentive period as determined by the Board in its discretion and as specified in the document making the offer of Options under the Plan.
- (g) **Share Restriction Period:** A Share issued on exercise of an Option may be issued subject to a restriction period as determined by the Board in accordance with the Plan and as specified in the document making the offer of Options under the Plan.
- (h) **Disposal of Options:** Options will not be transferable and will not be quoted on the ASX, unless the document making the offer of Options under the Plan provides otherwise or the Board, in its absolute discretion, approves.
- (i) **Exercise:** Subject to the Plan, a Participant will be entitled to exercise an Option granted as a result of an offer made under the Plan:
  - (i) where the Option is not subject to any exercise conditions, at any time after grant; and
  - (ii) where the Option is subject to any exercise conditions, when all exercise conditions have been satisfied (or waived by the Board) and which are otherwise capable of exercise in accordance with the terms of the relevant offer made under the Plan and the rules of the Plan.
- (j) **Lapsing of Options:** Participant's unexercised Option will lapse immediately and all rights in respect of that Option will be lost in certain circumstances, including where:
  - (i) the expiry date has passed;
  - (ii) any exercise conditions applying to the Option are unable to be met;
  - (iii) the Relevant Person (as defined in the Plan) ceases to be an employee or Director of a member of the Group in certain circumstances set out in detail in the Plan.
- (k) **Power of Attorney:** The Participant irrevocably appoints each of the Company and any person nominated from time to time by the Company severally as his or her attorney to do all things necessary to give effect to the sale of the Participant's Shares in accordance with the Plan.

- (l) **Plan limit:** The Company must take reasonable steps to ensure that the number of Shares to be received on exercise of Options offered under an offer made under the Plan when aggregated with:
- (i) the number of Shares issued during the previous 5 years from the exercise of Options issued under the Plan (or any other employee share plan extended only to Eligible Participants); and
  - (ii) the number of Shares that would be issued if each outstanding offer for Shares (including options to acquire unissued Shares) under any employee incentive scheme of the Company were to be exercised or accepted,
- does not exceed 5% of the total number of Shares on issue at the time of an offer (but disregarding any offer of Shares or option to acquire Shares that can be disregarded in accordance with relevant ASIC Class Order(s)).
- (m) **Participation:** There are no participating rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- (n) The terms of the Options will not be varied in the event that the Company makes a pro rata or bonus issue of securities.
- (o) **Reorganisation:** If at any time the capital of the Company is reorganised, the terms of the Options will be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
- (p) **Quotation on ASX:** Application will be made to ASX for official quotation of the Shares allotted pursuant to the exercise of Options if the Company's Shares are listed on ASX at that time in accordance with the Listing Rules.
- (q) **Rights attaching to Shares:** A Share acquired on exercise of an Option will rank equally in all respects with Shares already on issue on the date of exercise of the Option, except for entitlements which had a record date before the date of issue of that Share.
- (r) **Restriction Period:** Where the Board makes an offer of Options to a Participant, the Board may, in its discretion, determine that a restriction period will apply to some or all of the Shares issued to a Participant, following exercise of their Options, up to a maximum of three (3) years from the date of grant of the Options.

## DEFINITIONS

<b>Accounting Standards</b>	has the meaning given to that term in the Corporations Act.
<b>Additional 10% Placement Capacity</b>	has the meaning set out on page 7.
<b>Additional Placement Period</b>	has the meaning set out on page 9.
<b>ASX</b>	means ASX Limited and where the context permits, the Australian Securities Exchange operated by ASX Limited.
<b>Board</b>	means the Board of Directors.
<b>Closely Related Party</b>	has the meaning given to that term in the Corporations Act.
<b>Company</b>	means Golden Deeps Limited ACN 054 570 777.
<b>Corporations Act</b>	means Corporations Act 2001 (Cth).
<b>Director</b>	means a director of the Company.
<b>Equity Securities</b>	has the meaning given to that term in the Listing Rules.
<b>Explanatory Statement</b>	means the explanatory statement accompanying the Notice.
<b>Key Management Personnel</b>	has the meaning given to that term in the Accounting Standards.
<b>Listing Rules</b>	means the official listing rules of ASX.
<b>Notice</b>	means the Notice of Annual General Meeting accompanying this Explanatory Statement.
<b>Option</b>	means an Option to acquire a Share.
<b>Scheme</b>	means the Employee Share Option Plan the subject of Resolution 6 and as summarised in Schedule 1.
<b>Share</b>	means a fully paid ordinary share in the issued capital of the Company.
<b>Shareholder</b>	means a holder of Shares.
<b>Trading Day</b>	means a day determined by ASX to be a trading day in accordance with the Listing Rules.
<b>WST</b>	means Australian Western Standard Time.

**GOLDEN DEEPS LIMITED  
ACN 054 570 777  
FORM OF PROXY**

**The Secretary  
Golden Deeps Limited  
1st Floor, 8 Parliament Place  
West Perth, WA, 6005**

**Facsimile: (08) 9481 7835**

I/We.....  
of.....

being a shareholder of Golden Deeps Limited hereby appoint as my/our proxy

**the Chairman  
Of the Meeting**      OR     

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, as the proxy sees fit) at the Annual General Meeting of the Company to be held on Friday, 28 November 2014 at 10:00 am (WST) and at any adjournment thereof.

**AUTHORITY FOR CHAIRMAN TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS**

Where I/we have appointed the Chairman as my/our proxy (or where the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1 and 4 (except where I/we have indicated a different voting intention below) even though Resolutions 1 and 4 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chairman.

**CHAIRMAN'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES**

The Chairman intends to vote undirected proxies in favour of all Resolutions in which the Chairman is entitled to vote.

OR

*Should you desire to direct the proxy how to vote, then please tick the appropriate box below:*

**RESOLUTIONS**

	<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAIN</b>
1. Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-election of Michael Norburn as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Election of Robert Collins as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Proposed Share and Option Placement - Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Additional 10% placement facility - Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Approval for an Employee Share Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no directions are given, the proxy may vote as he thinks fit or may abstain

***If the member is an individual or joint holder:***

.....  
Usual Signature

.....  
Usual Signature

Dated this ..... day of ..... 2014.

***If the member is a Company:***

Signed in accordance with the  
Constitution of the company in  
the presence of:

.....  
Director/Sole Director/Secretary

.....  
Director/Secretary

Dated this ..... day of ..... 2014.

**GOLDEN DEEPS LIMITED**  
**ACN 054 570 777**

**NOTES**

1. A member entitled to attend and vote is entitled to appoint a proxy. A member that is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise.
2. Where more than one proxy is appointed and that appointment does not specify the proportion or number of the member's votes, each proxy may exercise half of the votes.
3. A proxy need not be a member of the Company.
4. A proxy is not entitled to vote unless the instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed is either deposited at the registered office of the Company (1<sup>st</sup> Floor, 8 Parliament Place, West Perth, Western Australia, 6005) or sent by facsimile to that office on Fax: 08 94817835 to be received not less than 48 hours prior to the time of the meeting.
5. The proxy form must be signed personally by the member or his attorney duly authorised in writing. If the member is a company it must execute under its Common Seal or otherwise in accordance with its Constitution and s.127 of the Corporations Act, or its duly authorised attorney. In the case of joint members, the proxy must be signed by at least one of the joint members, personally or by a duly authorised attorney.
6. The Chairman intends to vote all undirected proxies in favour of the resolutions.
7. If the proxy form specifies a way in which the proxy is to vote on any of the resolutions stated above, then the following applies:
  - (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way; and
  - (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolutions, the proxy must not vote on a show of hands; and
  - (c) if the proxy is Chairperson, the proxy must vote on a poll and must vote that way, and
  - (d) if the proxy is not the Chairperson, the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.

If a proxy is also a shareholder, the proxy can cast any votes the proxy holds as a shareholder in any way that the proxy sees fit.

**Attendance and Voting Eligibility**

For the purposes of the meeting, securities will be taken to be held by the persons who are registered holders at 10:00 am on 26 November 2014. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

**Proxies**

A member of the Company entitled to attend and vote at the meeting shall be entitled to appoint not more than two other persons (whether members of the company or not) as the member's proxy or proxies, to attend and vote on the member's behalf. Where two proxies are appointed the appointments shall be of no effect unless each proxy is appointed to represent a specified proportion of the member's voting rights. Forms of proxy must be deposited at the registered office of the company in West Perth not less than forty-eight (48) hours before the time appointed for the holding of the meeting.