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## **THETA GOLD MINES LIMITED**

**ACN 131 758 177**

## **NOTICE OF GENERAL MEETING**

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TIME: 2:00pm (AEST)

DATE: Friday, 28 June 2019

PLACE: Boardroom Pty Limited  
Level 12, 225 George Street  
SYDNEY NSW 2000

**THIS IS AN IMPORTANT DOCUMENT AND SHOULD BE READ IN ITS ENTIRETY.  
PLEASE READ IT CAREFULLY.**

If you are unable to attend the General Meeting, please complete the Proxy Form enclosed and return it in accordance with the instructions set out on that form. If you are in any doubt as to how to vote, you should consult your financial or legal adviser as soon as possible. Should you wish to discuss the matters in this Notice of Meeting, please do not hesitate to contact the Company Secretary on (+61 2) 8912 2126.

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## NOTICE OF GENERAL MEETING

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Notice is hereby given that a General Meeting of Theta Gold Mines Limited (the **Company**) will be held at:

Venue: Boardroom Pty Limited  
Level 12, 225 George Street  
SYDNEY NSW 2000

Date: 2:00pm (AEST), Friday, 28 June 2019

This Notice of Meeting should be read in conjunction with the accompanying Explanatory Statement.

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## AGENDA

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### BUSINESS

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#### **RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF SHARES TO FINEWAY CREATION LIMITED AND ZENITH (H.K.) HOLDING LIMITED**

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

“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 172,222,222 Shares (pre 10:1 Share Consolidation) and 47,201,256 Shares (post 10:1 Share Consolidation) on the terms and conditions set out in the Explanatory Statement.”

#### ***Voting Exclusion Statement***

*The Company will disregard any votes cast in favour of Resolution 1 by Fineway Creation Limited and Zenith (H.K.) Holding Limited (or their nominees) and any of their associates.*

*However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

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#### **RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF SHARES TO A SOPHISTICATED INVESTOR, AN EMPLOYEE AND A CONSULTANT**

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

“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 4,545,454 Shares (pre 10:1 Share Consolidation) and 272,075 Shares (post 10:1 Share Consolidation) on the terms and conditions set out in the Explanatory Statement.”

#### ***Voting Exclusion Statement***

*The Company will disregard any votes cast in favour of Resolution 2 by a person who participated in the issue (or their nominees) and any of their associates.*

*However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

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### RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF OPTIONS

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

“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 6,042,104 options (pre 10:1 Share Consolidation) on the terms and conditions set out in the Explanatory Statement.”

#### **Voting Exclusion Statement**

*The Company will disregard any votes cast in favour of Resolution 3 by a person who participated in the issue (or their nominees) and any of their associates.*

*However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

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### RESOLUTION 4 - ISSUE OF PERFORMANCE RIGHTS TO RELATED PARTY – MR CHARLES WILLIAM GUY

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

“That for the purposes of section 208 of the Corporations Act and ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 4,000,000 Performance Rights to Mr Charles William Guy (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

#### **Voting Exclusion Statement**

*The Company will disregard any votes cast in favour of Resolution 4 by Mr Guy (or his nominee) and any of their associates.*

*However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

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### RESOLUTION 5 - ISSUE OF PERFORMANCE RIGHTS TO RELATED PARTY – MR ROBERT THOMSON

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

“That for the purposes of section 208 of the Corporations Act and ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 5,500,000 Performance Rights to Mr Robert Thomson (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

#### **Voting Exclusion Statement**

*The Company will disregard any votes cast in favour of Resolution 5 by Mr Thomson (or his nominee) and any of their associates.*

*However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

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## **RESOLUTION 6 - ISSUE OF PERFORMANCE RIGHTS TO RELATED PARTY – MR BILL RICHIE YANG**

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

“That for the purposes of section 208 of the Corporations Act and ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 5,000,000 Performance Rights to Mr Bill Richie Yang (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

### **Voting Exclusion Statement**

*The Company will disregard any votes cast in favour of Resolution 6 by Mr Yang (or his nominee) and any of their associates.*

*However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

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## **RESOLUTION 7 - ISSUE OF PERFORMANCE RIGHTS TO RELATED PARTY – MR GUYANG (BRETT) TANG**

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

“That for the purposes of section 208 of the Corporations Act and ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 2,500,000 Performance Rights to Mr Guyang (Brett) Tang (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

### **Voting Exclusion Statement**

*The Company will disregard any votes cast in favour of Resolution 7 by Mr Tang (or his nominee) and any of their associates.*

*However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

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## **RESOLUTION 8 - ISSUE OF PERFORMANCE RIGHTS TO RELATED PARTY – MR FINN BEHNKEN**

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

“That for the purposes of section 208 of the Corporations Act and ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 1,200,000 Performance Rights to Mr Finn Behnken (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

### **Voting Exclusion Statement**

*The Company will disregard any votes cast in favour of Resolution 8 by Mr Behnken (or his nominee) and any of their associates.*

*However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

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## **RESOLUTION 9 – APPROVAL TO ISSUE SHARES TO RELATED PARTY, MR CHARLES WILLIAM GUY**

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

“That for the purposes of ASX Listing Rule 10.11, and for all other purposes, Shareholders approve the allotment and issue of up to 377,358 Shares at a price of \$0.106 per Share to a Director, Mr Charles William Guy or his nominee, on the terms and conditions set out in the Explanatory Statement.”

### **Voting Exclusion Statement**

*The Company will disregard any votes cast in favour of Resolution 9 by Mr Guy (or his nominee) and any of their associates.*

*However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

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## **RESOLUTION 10 – APPROVAL TO ISSUE SHARES TO RELATED PARTY, MR ROBERT THOMSON**

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

“That for the purposes of ASX Listing Rule 10.11, and for all other purposes, Shareholders approve the allotment and issue of up to 754,716 Shares at a price of \$0.106 per Share to a Director, Mr Robert Thomson or his nominee, on the terms and conditions set out in the Explanatory Statement.”

### **Voting Exclusion Statement**

*The Company will disregard any votes cast in favour of Resolution 10 by Mr Thomson (or his nominee) and any of their associates.*

*However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

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## **RESOLUTION 11 – APPROVAL TO ISSUE SHARES TO RELATED PARTY, MR BILL RICHIE YANG**

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

“That for the purposes of ASX Listing Rule 10.11, and for all other purposes, Shareholders approve the allotment and issue of up to 660,377 Shares at a price of \$0.106 per Share to a Director, Mr Bill Richie Yang or his nominee, on the terms and conditions set out in the Explanatory Statement.”

### **Voting Exclusion Statement**

*The Company will disregard any votes cast in favour of Resolution 11 by Mr Yang (or his nominee) and any of their associates.*

*However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

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## **RESOLUTION 12 – APPROVAL TO ISSUE SHARES TO RELATED PARTY, MR GUYANG (BRETT) TANG**

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

“That for the purposes of ASX Listing Rule 10.11, and for all other purposes, Shareholders approve the allotment and issue of up to 94,339 Shares at a price of \$0.106 per Share to a Director, Mr Guyang (Brett) Tang or his nominee, on the terms and conditions set out in the Explanatory Statement.”

### **Voting Exclusion Statement**

*The Company will disregard any votes cast in favour of Resolution 12 by Mr Tang (or his nominee) and any of their associates.*

*However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

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## **RESOLUTION 13 – APPROVAL TO ISSUE SHARES TO RELATED PARTY, MR YANG (SIMON) LIU**

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

“That for the purposes of ASX Listing Rule 10.11, and for all other purposes, Shareholders approve the allotment and issue of up to 94,339 Shares at a price of \$0.106 per Share to a Director, Mr Yang (Simon) Liu or his nominee, on the terms and conditions set out in the Explanatory Statement.”

### **Voting Exclusion Statement**

*The Company will disregard any votes cast in favour of Resolution 13 by Mr Liu (or his nominee) and any of their associates.*

*However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

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## **Voting at the meeting**

1. Under *Corporations Regulation* 7.11.37, the Board has determined that a person's entitlement to vote at the meeting will be the entitlement of that person appearing on the register of members at 7.00pm (Sydney Time) on Wednesday 26 June 2019.
2. On a show of hands you have one vote. On a poll you have one vote per Share you hold in the Company.
3. If Shares are jointly held, only one of the joint holders is entitled to vote.
4. In order to vote, a corporation which is a Shareholder may appoint a person to act as its representative. The appointment must comply with sections 250D and 253B of the *Corporations Act*. The representative should bring to the meeting duly executed evidence of the appointment.
5. The form of proxy accompanies this Notice of Meeting. A member entitled to attend and vote at the meeting has a right to appoint a proxy (individual or body corporate). Any person appointed as a proxy need not be a member of the Company. A member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion and number of votes that each proxy is appointed to exercise. If the member appoints two proxies and the appointment does not specify the proportion or number of the member's votes that each proxy may exercise, each proxy may exercise half of the member's votes. If a member appoints two proxies, neither may vote on a show of hands.

6. To be effective, the form appointing the proxy, together with any authority under which it was executed, or a certified copy of that authority, must be received not less than 48 hours before the time of holding the meeting.

**BY MAIL:** Boardroom Pty Limited  
GPO Box 3993  
Sydney NSW 2001  
Australia

**BY FAX:** + 61 2 9290 9655

**IN PERSON:** Boardroom Pty Limited  
Level 12, 225 George Street  
Sydney NSW 2000  
Australia

**By Order of the Board**

**Chin Haw Lim**  
Company Secretary  
Dated: 13 May 2019

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at a General Meeting of the Company to be held on Friday 28 June 2019 at 2:00pm (AEST).

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 each Resolution.

This Explanatory Statement should be read in conjunction with the Notice of Meeting.

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### 1. RESOLUTIONS 1 AND 2 – RATIFICATION OF PRIOR ISSUE OF SHARES

#### 1.1 General

##### Resolution 1 - Shares Issued

On 1 May 2018, the Company entered into a subscription agreement (“May 2018 Agreement”) with Fineway Creation Limited (“Fineway”) pursuant to which Fineway agreed to subscribe for \$5,000,000 worth of Shares in two tranches. At a general meeting held on 10 August 2018, Shareholders approved the Shares issued and to be issued to Fineway pursuant to the May 2018 Agreement. Between 10 May 2018 and 3 October 2018, the Company issued \$4,900,000 worth of Shares to Fineway. The remaining Shares (\$100,000 worth) under the May 2018 Agreement were issued on 23 November 2018 (5,555,555 Shares pre 10:1 Share Consolidation) and 31 January 2019 (555,555 Shares post 10:1 Share Consolidation).

Under ASX Listing Rule 7.3.2, the Shares had to be issued to Fineway within 3 months after the date of the Shareholders meeting on 10 August 2018. As the \$100,000 worth of Shares were issued later than 3 months after the Shareholders meeting, Shareholders are now asked to ratify the issue of those Shares to Fineway.

On 12 November 2018, the Company announced that it had entered into two subscription agreements dated 9 November 2018 (“November 2018 Agreements”) with Fineway and with Zenith (H.K.) Holding Limited (“Zenith”), under which Fineway and Zenith agreed to subscribe for a combined \$6,000,000 worth of Shares. On 23 November 2018, the Company issued 166,666,667 Shares (pre 10:1 Share Consolidation) to Fineway and between 31 January 2019 and 9 May 2019, the Company issued a total of 46,645,701 Shares (post 10:1 Share Consolidation) to Fineway and Zenith pursuant to the November 2018 Agreements.

Both Fineway and Zenith are unrelated parties to the Company.

In summary, a total of 172,222,222 Shares (pre 10:1 Share Consolidation) and 47,201,256 Shares were issued to Fineway and Zenith as follows –

| Issued to | Pre 10:1 Share Consolidation |             | Post 10:1 Share Consolidation |                  | Amount             |
|-----------|------------------------------|-------------|-------------------------------|------------------|--------------------|
|           | Shares                       | Issue price | Shares                        | Issue price      |                    |
| Fineway   | 172,222,222                  | \$0.009     | 555,555                       | \$0.09           | \$1,600,000        |
| Zenith    | -                            |             | 46,645,701                    | \$0.09 - \$0.106 | \$4,500,000        |
|           | <b>172,222,222</b>           |             | <b>47,201,256</b>             |                  | <b>\$6,100,000</b> |

Shareholders are now asked to ratify the issue of the Shares above to Fineway and Zenith.

## Resolution 2 - Shares Issued

On 14 August 2018 and 9 May 2019, the Company issued 4,545,454 Shares (pre 10:1 Share Consolidation) to a sophisticated investor and a total of 272,075 Shares (post 10:1 Share Consolidation) to an employee and a consultant in lieu of salary and fees, respectively.

The Shares were issued to –

- a) 4,545,454 Shares to Zero Nominees Pty Ltd under a share placement at \$0.011 per share (pre 10:1 Share Consolidation) for general working capital;
- b) 202,075 Shares at \$0.106 per Share (post 10:1 Share Consolidation) issued to Securitag Pty Ltd, a company associated with Chin Haw Lim, the Chief Financial Officer and Company Secretary of the Company, in lieu of salary; and
- c) 70,000 Shares at \$0.106 per Share (post 10:1 Share Consolidation) issued to 3 Mines Pty Ltd, a company associated with Geoffrey Meurs, a consultant to the Company, in lieu of outstanding corporate consulting fees.

Details of the Shares issued are summarised below.

## **RESOLUTION 1 – SHARES ISSUED**

| Date of issue               | Description              | Pre 10:1 Share Consolidation |             | Post 10:1 Share Consolidation |             | Amount             |
|-----------------------------|--------------------------|------------------------------|-------------|-------------------------------|-------------|--------------------|
|                             |                          | Shares                       | Issue price | Shares                        | Issue price |                    |
|                             |                          |                              |             |                               |             |                    |
| 23 Nov 18                   | Shares issued to Fineway | 5,555,555                    | \$0.009     | -                             | -           | \$50,000           |
| 23 Nov 18                   | Shares issued to Fineway | 166,666,667                  | \$0.009     | -                             | -           | \$1,500,000        |
| 31 Jan 19                   | Shares issued to Fineway | -                            | -           | 555,555                       | \$0.09      | \$50,000           |
| 31 Jan 19                   | Shares issued to Fineway | -                            | -           | 22,222,222                    | \$0.09      | \$2,000,000        |
| 24 Apr 19                   | Shares issued to Zenith  | -                            | -           | 5,555,555                     | \$0.09      | \$500,000          |
| 9 May 19                    | Shares issued to Zenith  | -                            | -           | 18,867,924                    | \$0.106     | \$2,000,000        |
|                             |                          |                              |             |                               |             |                    |
| <b>Total – Resolution 1</b> |                          | <b>172,222,222</b>           |             | <b>47,201,256</b>             |             | <b>\$6,100,000</b> |

## RESOLUTION 2 – SHARES ISSUED

| Date of issue                      | Description                                                              | Pre 10:1 Share Consolidation |             | Post 10:1 Share Consolidation |             | Amount             |
|------------------------------------|--------------------------------------------------------------------------|------------------------------|-------------|-------------------------------|-------------|--------------------|
|                                    |                                                                          | Shares                       | Issue price | Shares                        | Issue price |                    |
| 14 Aug 18                          | Shares issued to sophisticated investor                                  | 4,545,454                    | \$0.011     | -                             | -           | \$50,000           |
| 9 May 19                           | Shares issued to an employee and a consultant in lieu of salary and fees | -                            | -           | 272,075                       | \$0.106     | \$28,840           |
|                                    |                                                                          |                              |             |                               |             |                    |
| <b>Total – Resolution 2</b>        |                                                                          | <b>4,545,454</b>             |             | <b>272,075</b>                |             | <b>\$78,840</b>    |
|                                    |                                                                          |                              |             |                               |             |                    |
| <b>Total – Resolutions 1 and 2</b> |                                                                          | <b>176,767,676</b>           |             | <b>47,473,331</b>             |             | <b>\$6,178,840</b> |

Resolutions 1 and 2 seek Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the above Shares, being 176,767,676 Shares (pre10:1 Share Consolidation) and 47,473,331 Shares (post 10:1 Share Consolidation).

### 1.2 ASX Listing Rule 7.1

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.

### 1.3 ASX Listing Rule 7.4

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

The above issues did not breach ASX Listing Rule 7.1.

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

### 1.4 Technical information required by ASX Listing Rule 7.5

The following information is provided pursuant to and in accordance with ASX Listing Rule 7.5:

#### **Resolution 1**

- 172,222,222 Shares (pre 10:1 Share Consolidation) were issued on 23 November 2018 and 47,201,256 Shares (post 10:1 Share Consolidation) were issued between 31 January 2019 and 9 May 2019;
- The 172,222,222 Shares were issued at a price of \$0.009 per Share (\$0.09 equivalent post 10:1 Share Consolidation) and the 47,201,256 Shares were issued at prices between \$0.09 and \$0.106 per Share (post 10:1 Share Consolidation);
- The Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

- (d) The Shares were issued to unrelated parties, Fineway Creation Limited and Zenith (H.K.) Holding Limited pursuant to subscription agreements announced in May and November 2018;
- (e) The funds raised from the share issues were used for exploration expenditure (including the Theta Hill feasibility study and drilling activities) and general working capital.

## **Resolution 2**

- (a) 4,545,454 Shares (pre 10:1 Share Consolidation) were issued on 14 August 2018 and 272,075 Shares (post 10:1 Share Consolidation) were issued on 9 May 2019;
- (b) The 4,545,454 Shares were issued at a price of \$0.011 per Share (\$0.11 equivalent post 10:1 Share Consolidation) and 272,075 Shares at a price of \$0.106 per Share (post 10:1 Share Consolidation);
- (c) The Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) The Shares were issued to unrelated parties, Zero Nominees Pty Ltd (4,545,454 Shares), Securitag Pty Ltd, a company associated with Chin Haw Lim, the Chief Financial Officer and Company Secretary of the Company (202,075 Shares) and 3 Mines Pty Ltd, a company associated with Geoffrey Meurs, a consultant to the Company (70,000 Shares).;
- (e) The funds raised from the share issue to Zero Nominees Pty Ltd were for general working capital. The shares issued to Securitag Pty Ltd and 3 Mines Pty Ltd were in lieu of salary and outstanding corporate consulting fees, respectively.

## **Directors' Recommendation**

The Directors recommend that Shareholders vote in favour of Resolutions 1 and 2.

## **2. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF OPTIONS**

### **2.1 General**

On 14 August 2018, the Company issued 6,042,104 unlisted options (representing part of the fee payable to Peak Asset Management, the lead manager for the February 2018 share placement) exercisable at \$0.019 per share (pre 10:1 Share Consolidation) and expiring on 13 August 2020.

Resolution 3 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the above options.

### **2.2 ASX Listing Rule 7.1**

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.

### **2.3 ASX Listing Rule 7.4**

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

The above issue did not breach ASX Listing Rule 7.1.

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

## 2.4 Technical information required by ASX Listing Rule 7.5

The following information is provided pursuant to and in accordance with ASX Listing Rule 7.5:

- (a) 6,042,104 options (pre 10:1 Share Consolidation) were issued on 14 August 2018;
- (b) The options were issued as part of the fee payable to the lead manager for the February 2018 share placement;
- (c) The unlisted options are exercisable at \$0.19 (post 10:1 Share Consolidation) on or before 13 August 2020.
- (d) The options were issued to nominees of Peak Asset Management, the lead manager for the February 2018 share placement;
- (e) No funds were raised from the issue of options.

### Directors' Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 3.

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## 3. RESOLUTIONS 4 TO 8 – ISSUE OF PERFORMANCE RIGHTS TO RELATED PARTIES, CHARLES WILLIAM GUY, ROBERT THOMSON, BILL RICHIE YANG, BRETT TANG AND FINN BEHNKEN

### 3.1 General

The Board has determined that the Options and Performance Rights previously issued to Directors and employees on 19 October 2016 and 20 July 2017 are no longer appropriate incentives given the new Company strategy, focussing on the Theta Hill open-cut gold project. The Options and Performance Rights previously issued primarily contained share price hurdles and performance hurdles based on the Company's previous underground mine development strategy. To ensure that the whole team is focussed on the same objective of delivering the Theta Hill open-cut gold project into production, the Board has determined that incentive securities issued to Directors and employees should have the same operational performance hurdles instead of the varied performance hurdles in the current Options and Performance Rights. The Board believes that operational performance hurdles are more appropriate incentives and align the interests of the Directors and employees with those of Shareholders.

The holders (Directors and employees) of the Options and Performance Rights issued on 19 October 2016 and 20 July 2017 have agreed to cancel the Options and Performance Rights previously issued to them ("**Old Performance Rights and Options**") and to replace them with new Performance Rights ("**New Performance Rights**"). Details of the Old Performance Rights and Options issued to Directors are set out in Annexures C and D.

The Company also proposes to issue New Performance Rights to the Chairman, Mr Charles Guy and Non-Executive Directors, Mr Brett Tang and Mr Finn Behnken, who were appointed as Directors on 7 March 2018, 3 July 2018 and 19 December 2018 respectively.

The Company has agreed, subject to obtaining Shareholder approval, to issue a total of 18,200,000 New Performance Rights to Messrs Charles Guy, Robert Thomson, Bill Richie Yang, Brett Tang and Finn Behnken (**Related Parties**) on the terms and conditions set out below and to cancel 16,700,000 Old Performance Rights and Options (refer table 3.1A below).

The New Performance Rights will have an expiry date which is 5 years from the date of issue. The performance hurdles and vesting conditions and other terms and conditions are set out in the tables below and in Annexure A.

**Table 3.1A**

| Director         | Old Performance Rights and Options |                   | Balance Options  | New Performance Rights |
|------------------|------------------------------------|-------------------|------------------|------------------------|
|                  | Held                               | To be Cancelled   |                  | To be Issued           |
|                  |                                    |                   |                  |                        |
| Charles Guy      | -                                  | -                 | -                | 4,000,000              |
| Robert Thomson   | 10,500,000                         | 10,500,000        | -                | 5,500,000              |
| Bill Richie Yang | 8,700,000                          | 6,200,000         | 2,500,000        | 5,000,000              |
| Brett Tang       | -                                  | -                 | -                | 2,500,000              |
| Finn Behnken     | -                                  | -                 | -                | 1,200,000              |
| <b>Total</b>     | <b>19,200,000</b>                  | <b>16,700,000</b> | <b>2,500,000</b> | <b>18,200,000</b>      |

**Performance hurdles/ Vesting conditions**

The New Performance Rights will be subject to operational performance hurdles. The table below shows the number of New Performance Rights to be issued to Directors and the relevant performance hurdles.

**Table 3.1B**

| Performance Hurdle/Vesting Condition                                                                                                                                                                                                                                 | Charles Guy | Robert Thomson | Bill Richie Yang | Brett Tang | Finn Behnken | Total            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|----------------|------------------|------------|--------------|------------------|
| Delineating a total of 300,000 ounces of gold ore reserves (in accordance with the JORC Code 2012 <sup>1</sup> ) at grade of at least 2.5g/t Au, amenable to open-cut mining on Mining Right 83, Mining Right 341 and Mining Right 10167 (under application).        | 800,000     | 1,100,000      | 1,000,000        | 500,000    | 200,000      | <b>3,600,000</b> |
| Decision to Mine (Board approval to commence development of a gold mining operation) with all regulatory approvals secured.<br><br>This performance hurdle must be achieved on or before the date that is 18 months from the date of issue of the performance right. | 800,000     | 1,100,000      | 1,000,000        | 500,000    | 200,000      | <b>3,600,000</b> |
| Achieving annualised production of 50,000 ounces of gold per annum over a consecutive period of 3 months.<br><br>This performance hurdle must be achieved on or                                                                                                      | 1,050,000   | 1,850,000      | 1,500,000        | 750,000    | 400,000      | <b>5,550,000</b> |

|                                                                                                                                                                                                                                                     |                  |                  |                  |                  |                  |                   |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| before the date that is 30 months from the date of issue of the performance right.                                                                                                                                                                  |                  |                  |                  |                  |                  |                   |
| Achieving annualised production of 100,000 ounces of gold per annum over a consecutive period of 3 months.<br><br>This performance hurdle must be achieved on or before the date that is 48 months from the date of issue of the performance right. | 1,350,000        | 1,450,000        | 1,500,000        | 750,000          | 400,000          | <b>5,450,000</b>  |
| <b>Total</b>                                                                                                                                                                                                                                        | <b>4,000,000</b> | <b>5,500,000</b> | <b>5,000,000</b> | <b>2,500,000</b> | <b>1,200,000</b> | <b>18,200,000</b> |

<sup>1</sup>*Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 Edition*

Pursuant to Resolutions 4 to 8, the Company seeks Shareholder approval for the issue of 18,200,000 New Performance Rights to the Related Parties pursuant to Chapter 2E of the Corporations Act and ASX Listing Rule 10.11.

### 3.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act. None of the exceptions are relevant in this case.

The grant of the New Performance Rights constitutes giving a financial benefit to Messrs Guy, Thomson, Yang, Tang and Behnken who are related parties of the Company by virtue of being Directors.

### 3.3 ASX Listing Rule 10.11

In addition, ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies. None of the exceptions are relevant in this case.

### 3.4 Shareholder Approval (Chapter 2E of the Corporations Act and Listing Rule 10.11)

Pursuant to and in accordance with the requirements of section 219 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to the proposed grant of the New Performance Rights:

- (a) the Related Parties are Messrs Charles Guy, Robert Thomson, Bill Richie Yang, Brett Tang and Finn Behnken and they are related parties by virtue of being Directors;

- (b) the maximum number of New Performance Rights (being the nature of the financial benefit being provided) to be granted to the Related Parties is:

| Related Party    | Number of New Performance Rights |
|------------------|----------------------------------|
| Charles Guy      | 4,000,000                        |
| Robert Thomson   | 5,500,000                        |
| Bill Richie Yang | 5,000,000                        |
| Brett Tang       | 2,500,000                        |
| Finn Behnken     | 1,200,000                        |
| <b>Total</b>     | <b>18,200,000</b>                |

- (c) the New Performance Rights will be granted to the Related Parties (or their nominees) no later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules);
- (d) the New Performance Rights will be granted for nil cash consideration, accordingly no funds will be raised;
- (e) the performance hurdles and number of New Performance Rights to be issued to each of the Related Parties are set out in Table 3.1B, above.
- (f) The other terms and conditions of the New Performance Rights are set out in Annexure A.
- (g) the value of the New Performance Rights and pricing methodology is set out in Annexure B. The New Performance Rights have been independently valued and are based on the parameters set out in Annexure B;
- (h) the relevant interests of the Related Parties in securities of the Company as at the date of this Notice are set out below:

| Related Party    | Shares     | Listed Options | Old Performance Rights and Options |                        |
|------------------|------------|----------------|------------------------------------|------------------------|
|                  |            |                | Unlisted Options                   | Performance Rights     |
| Charles Guy      | 418,232    | 418,232        | -                                  | -                      |
| Robert Thomson   | 513,159    | 263,159        | 9,500,000 <sup>1</sup>             | 1,000,000 <sup>1</sup> |
| Bill Richie Yang | 855,791    | 528,948        | 7,750,000 <sup>2</sup>             | 950,000 <sup>2</sup>   |
| Brett Tang       | 32,730,995 | -              | 800,000 <sup>3</sup>               | -                      |
| Finn Behnken     | -          | -              | -                                  | -                      |

<sup>1</sup>Details in Annexure C. Subject to the passing of Resolution 5, the options and performance rights will be cancelled.

<sup>2</sup>Details in Annexure D. Subject to the passing of Resolution 6, the options (except for 2,500,000 option) and performance rights will be cancelled.

<sup>3</sup>Details in Annexure E

- (i) the remuneration and emoluments from the Company to the Related Parties for the previous financial year, the proposed remuneration and emoluments for the current financial year and the New Performance Rights to be issued to the Related Parties pursuant to this Notice of Meeting (subject to Shareholder approval) are set out below:

| Related Party    | Current Financial Year (1 Jul 2018 – 30 Jun 2019) | Previous Financial Year (1 Jul 2017 – 30 Jun 2018) | New Performance Rights to be issued pursuant to this Notice | Total value of New Performance Rights to be issued pursuant to this Notice |
|------------------|---------------------------------------------------|----------------------------------------------------|-------------------------------------------------------------|----------------------------------------------------------------------------|
|                  | A\$                                               | A\$                                                | No.                                                         | A\$                                                                        |
| Charles Guy      | \$183,000 <sup>3</sup>                            | \$67,464                                           | 4,000,000                                                   | \$420,000 <sup>5</sup>                                                     |
| Robert Thomson   | \$270,531                                         | \$270,049                                          | 5,500,000                                                   | \$577,500 <sup>5</sup>                                                     |
| Bill Richie Yang | \$170,000 <sup>4</sup>                            | \$170,000                                          | 5,000,000                                                   | \$525,000 <sup>5</sup>                                                     |
| Brett Tang       | \$50,000                                          | -                                                  | 2,500,000                                                   | \$262,500 <sup>5</sup>                                                     |
| Finn Behnken     | \$26,747                                          | -                                                  | 1,200,000                                                   | \$126,000 <sup>5</sup>                                                     |
| Total            | \$694,278                                         | \$507,513                                          | 18,200,000                                                  | \$1,911,000                                                                |

**Notes:**

- 1) Figures are inclusive of superannuation.
  - 2) Directors remuneration exclude value of share-based payments, being the value of Old Performance Rights and Options expense for the year.
  - 3) Mr Guy receives a director fee of \$75,000 per annum. In addition, Mineral Rock Pty Ltd, an entity related to Mr Guy receives consulting fees from the Company at the rate of \$1,200 per day for days in which consulting work is performed. The estimated consulting fees for the year ending 30 June 2019 is \$108,000.
  - 4) Mr Yang receives a director fee of \$50,000 per annum. In addition, VS Capital Investments Pty Ltd, an entity related to Mr Yang receives consulting fees of \$120,000 per annum from the Company.
  - 5) Based on a value of \$0.105 per New Performance Right (refer Annexure B).
- (j) If the New Performance Rights granted to the Related Parties vest, a total of 18,200,000 Shares would be allotted and issued. This will increase the number of Shares on issue from 381,392,122 to 399,592,122 (assuming that no other Shares are issued or Options exercised) with the effect that the shareholding of existing Shareholders would be diluted by 4.55% (being an individual dilution rate of 1.00% for Mr Charles Guy, 1.38% for Mr Robert Thomson, 1.25% for Mr Bill Richie Yang, 0.63% for Mr Brett Tang and 0.30% for Mr Finn Behnken).
- (k) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

|         | Price   | Date                       |
|---------|---------|----------------------------|
| Highest | \$0.115 | 15 Mar 2019<br>25 Mar 2019 |
| Lowest  | \$0.068 | 20 Dec 2018                |
| Last    | \$0.105 | 7 May 2019                 |

- (l) the Board acknowledges that the grant of the New Performance Rights to Messrs Guy, Thomson, Yang, Tang and Behnken is contrary to Recommendation 8.3 of the ASX Corporate Governance Principles and Recommendations. However, in the context of the Company's current state of development and objectives, the Board considers the grant of the New Performance Rights to Messrs Guy, Thomson, Yang, Tang and Behnken is reasonable in the circumstances for the reasons set out below;

- (m) the primary purpose of the grant of the New Performance Rights to the Related Parties is to:
  - i) provide a performance-linked incentive component in the remuneration package for the Related Parties to motivate and reward the performance of the Related Parties in their respective roles as Directors;
  - ii) in respect of the New Performance Rights to be granted to Messrs Thomson and Yang, to replace the Old Performance Rights and Options previously issued on 20 July 2017, which will be cancelled.
- (n) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 4 to 8.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the New Performance Rights to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of the New Performance Rights to the Related Parties will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

### **Directors' Recommendation**

The Directors decline to make a recommendation to Shareholders in relation to Resolutions 4 to 8 due to their material personal interests in the outcome of the Resolutions and because of the perceived conflict of interest resulting from the Directors making a recommendation for resolutions about each other's remuneration. However, the Directors note that they consider the grant of the New Performance Rights to be reasonable for the following reasons:

- (i) the grant of New Performance Rights to the Related Parties, in particular the new vesting conditions, will align the interests of the Related Parties with those of Shareholders. Should the performance hurdles/ vesting conditions not be reached, the value of the New Performance Rights will be nil;
- (ii) the grant of the New Performance Rights is a reasonable and appropriate method to provide cost effective remuneration, as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on advancing its gold projects than it would if alternative cash forms of remuneration were given to the Related Parties;
- (iii) the New Performance Rights are partly being granted in replacement of Old Performance Rights and Options issued on 20 July 2017, as detailed above; and
- (iv) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the New Performance Rights on the terms proposed.

### **3.5 Issue of New Performance Rights to Employees**

The issue of New Performance Rights to non-Related Party employees under the Company's Performance Rights and Option Plan does not require Shareholder approval. However the information below is provided for completeness.

The Company has also issued Old Performance Rights and Options to two employees, Chin Haw Lim, Chief Financial Officer and George Jenkins, Chief Executive Officer (South Africa), under the Company's Performance Rights and Option Plan.

Consistent with the Board's decision to replace the Old Performance Rights and Options as discussed in section 3.1 above, the Company and the employees have agreed to cancel the Old Performance Rights and Options issued on 19 October 2016 and 20 July 2017 and to replace them with New Performance Rights under the Company's Performance Rights and Option Plan. The performance hurdles for the New Performance Rights are the same as those to be issued to Directors, in line with the Board's decision to align the performance hurdles for all employee incentive securities, to ensure that the whole team is focussed on the same objective of delivering the Theta Hill open-cut gold project into production.

The Company also proposes to issue New Performance Rights to two other group employees, Mr Johan Fourie, Environmental & Strategic Planning Manager, and Mrs Hanlie Grobler, Financial Manager, both employees of the Company's South African subsidiary.

The New Performance Rights will have an expiry date which is 5 years from the date of issue. The performance hurdles and vesting conditions and other terms and conditions are set out in the tables below and in Annexure A.

| Employee       | Old Performance Rights and Options |                  | Balance Options | New Performance Rights |
|----------------|------------------------------------|------------------|-----------------|------------------------|
|                | Held                               | To be Cancelled  |                 | To be Issued           |
|                |                                    |                  |                 |                        |
| Chin Haw Lim   | 1,000,000                          | 1,000,000        | -               | 1,200,000              |
| George Jenkins | 2,400,000                          | 2,150,000        | 250,000         | 3,000,000              |
| Johan Fourie   | -                                  | -                | -               | 1,800,000              |
| Hanlie Grobler | -                                  | -                | -               | 500,000                |
| <b>Total</b>   | <b>3,400,000</b>                   | <b>3,150,000</b> | <b>250,000</b>  | <b>6,500,000</b>       |

#### Performance hurdles/ Vesting conditions

The New Performance Rights will be subject to operational performance hurdles and the Shares issued on exercise of the New Performance Rights will also be subject to a six (6) months Sale Restriction. The table below shows the number of New Performance Rights to be issued to employees and the relevant performance hurdles.

| Performance Hurdle/Vesting Condition                                                                                                                                                                                                                                                                                                                                                                                                              | Chin Haw Lim | George Jenkins | Johan Fourie | Hanlie Grobler | Total            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|----------------|--------------|----------------|------------------|
| <p>Delineating a total of 300,000 ounces of gold ore reserves (in accordance with the JORC Code 2012<sup>1</sup>) at grade of at least 2.5g/t Au, amenable to open-cut mining on Mining Right 83, Mining Right 341 and Mining Right 10167 (under application).</p> <p>Shares issued on exercise of New Performance Rights may not be sold for a period of six (6) months following the issue of the Shares (<b>Sale Restriction</b>)</p>          | -            | 600,000        | 350,000      | 120,000        | <b>1,070,000</b> |
| <p>Decision to Mine (Board approval to commence development of a gold mining operation) with all regulatory approvals secured.</p> <p>This performance hurdle must be achieved on or before the date that is 18 months from the date of issue of the performance right.</p> <p>Shares issued on exercise of New Performance Rights may not be sold for a period of six (6) months following the issue of the Shares (<b>Sale Restriction</b>)</p> | 400,000      | 600,000        | 350,000      | 120,000        | <b>1,470,000</b> |
| Achieving annualised production of 50,000 ounces of gold per annum over a consecutive                                                                                                                                                                                                                                                                                                                                                             | 400,000      | 900,000        | 550,000      | 130,000        | <b>1,980,000</b> |

|                                                                                                                                                                                                                                                                                                                                                                                                                                  |                  |                  |                  |                |                  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|------------------|----------------|------------------|
| <p>period of 3 months.</p> <p>This performance hurdle must be achieved on or before the date that is 30 months from the date of issue of the performance right.</p> <p>Shares issued on exercise of New Performance Rights may not be sold for a period of six (6) months following the issue of the Shares (<b>Sale Restriction</b>)</p>                                                                                        |                  |                  |                  |                |                  |
| <p>Achieving annualised production of 100,000 ounces of gold per annum over a consecutive period of 3 months.</p> <p>This performance hurdle must be achieved on or before the date that is 48 months from the date of issue of the performance right.</p> <p>Shares issued on exercise of New Performance Rights may not be sold for a period of six (6) months following the issue of the Shares (<b>Sale Restriction</b>)</p> | 400,000          | 900,000          | 550,000          | 130,000        | <b>1,980,000</b> |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>1,200,000</b> | <b>3,000,000</b> | <b>1,800,000</b> | <b>500,000</b> | <b>6,500,000</b> |

#### 4. RESOLUTIONS 9 TO 13 – APPROVAL TO ISSUE SHARES TO RELATED PARTIES, CHARLES WILLIAM GUY, ROBERT THOMSON, BILL RICHIE YANG, GUYANG (BRETT) TANG AND YANG (SIMON) LIU

##### 4.1 General

Messrs Charles William Guy, Bill Richie Yang, Guyang (Brett) Tang and Yang (Simon) Liu are Non-Executive Directors of the Company. Mr Robert Thomson is the Managing Director of the Company.

The Directors propose to subscribe for up to 1,981,129 Shares at an issue price of \$0.106 per Share. The issue price of \$0.106 per Share is based on the most recent equity raising, being the share placement to Zenith at an issue price of \$0.106 per Share on 9 May 2019 referred to in Resolution 1, which was based on the 20 day VWAP of Shares traded up to the issue date .

The amounts and the maximum number of Shares proposed to be issued to the Directors are:

| Director         | Subscription Amount<br>(maximum) | Number of Shares to be<br>issued at \$0.106 per Share<br>(maximum) |
|------------------|----------------------------------|--------------------------------------------------------------------|
| Charles Guy      | \$40,000                         | 377,358                                                            |
| Robert Thomson   | \$80,000                         | 754,716                                                            |
| Bill Richie Yang | \$70,000                         | 660,377                                                            |
| Brett Tang       | \$10,000                         | 94,339                                                             |
| Simon Liu        | \$10,000                         | 94,339                                                             |
| <b>Total</b>     | <b>\$210,000</b>                 | <b>1,981,129</b>                                                   |

Resolutions 9 to 13 seek Shareholder approval pursuant to ASX Listing Rule 10.11 for the issue of up to 1,981,129 Shares to the Directors as set out in the table above.

## 4.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of Shares constitutes giving a financial benefit and Messrs Guy, Thomson, Yang, Tang and Liu are related parties of the Company by virtue of being Directors.

## 4.3 Arm's length terms

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Shares because the proposal to issue the Shares is considered by the Directors to be on arm's length terms under section 210 of the Corporations Act, given that the issue price of the Shares (\$0.106) approximates the current trading price of the Shares (\$0.105) at the date of drafting this Notice. For this reason, the Company is not seeking Shareholder approval of Resolutions 9 to 13 for the purposes of Chapter 2E of the Corporations Act.

## 4.4 ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires shareholder approval for the issue of securities to a related party unless an exception in ASX Listing Rule 10.12 applies. None of the exceptions are relevant to Resolutions 9 to 13.

Separate approval pursuant to ASX Listing Rule 7.1 is not required to issue the Shares to the Directors, as approval is being obtained under ASX Listing Rule 10.11. Shareholders should note that, subject to Shareholder approval, the issue of Shares to the Directors will not reduce the Company's 15% placement capacity under ASX Listing Rule 7.1.

## 3.5 Technical information required by ASX Listing Rule 10.13

ASX Listing Rule 10.13 sets out a number of matters which must be included in a notice of meeting proposing an approval under ASX Listing Rule 10.11. For the purposes of ASX Listing Rule 10.13, the following information is provided in relation to Resolutions 9 to 13:

- (a) the Shares will be issued to Messrs Charles Guy, Robert Thomson, Bill Richie Yang, Brett Tang and Simon Liu, related parties of the Company by virtue of being Directors, or their nominees;
- (b) the maximum number of securities to be issued is 1,981,129 Shares, issued among the Directors as shown in the table above;
- (c) the Shares will be issued no later than 1 month after the date of the Meeting;
- (d) each of the recipient is a Director of the Company;
- (e) the Shares will be issued at \$0.106 per Share;
- (f) the funds raised will be used for general working capital;
- (g) the Shares will be fully paid ordinary shares in the capital of the Company and will be issued on the same terms and conditions as the Company's existing Shares. The Shares will, upon issue, rank equally with all other Shares on issue and otherwise will be subject to the provisions of the Constitution. The Company will seek quotation of the Shares on ASX.

## Directors' Recommendation

The Directors decline to make a recommendation to Shareholders in relation to Resolutions 9 to 13 due to their material personal interest in the outcome of the Resolutions.

## **GLOSSARY**

**\$** means Australian dollars.

**Meeting** means the meeting convened by the Notice.

**ASIC** means the Australian Securities & Investments Commission.

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

**ASX Listing Rules** means the Listing Rules of ASX.

**Board** means the current board of directors of the Company.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

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

**Company** means Theta Gold Mines Limited (ACN 131 758 177).

**Constitution** means the constitution of the Company.

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

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

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**Group** means Theta Gold Mines Limited and its subsidiaries.

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

**Option** means a quoted or unquoted option to acquire an unissued Share.

**Performance Right** means a right to acquire an unissued Share.

**Proxy Form** means the proxy form accompanying the Notice.

**Related Parties** means the Directors, Messrs Charles Guy, Robert Thomson, Bill Richie Yang, Brett Tang, Simon Liu and Finn Behnken.

**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.

**Share Consolidation** means the consolidation of the issued capital of the Company on the following basis, as approved by Shareholders at the annual general meeting held on 30 November 2018:

- (a) every ten (10) Shares be consolidated into one (1) Share;
- (b) every ten (10) Options be consolidated into one (1) Option, with the exercise price amended in the inverse proportion to that ratio; and
- (c) every ten (10) Performance Rights be consolidated into one (1) Performance Right.

**Shareholder** means a registered holder of a Share.

**VWAP** means the volume weighted average market price of the Shares traded on the ASX.

## THETA GOLD MINES LIMITED

## TERMS AND CONDITIONS OF NEW PERFORMANCE RIGHTS

The terms and conditions of the New Performance Rights are as follows:

- (a) **Right to acquire Share:** Each New Performance Right will confer on the holder the right to acquire, upon exercise of the New Performance Right, one (1) Share in the Company.
- (b) **Vesting and Expiry Dates:** The New Performance Rights will vest immediately upon the applicable performance hurdle and service hurdle (if any) (**Vesting Conditions**) being satisfied (**Vesting Date**) and (subject to paragraphs (c) and (e) below) expire on the date that is five (5) years from the date of issue of the New Performance Rights to the holder (**Expiry Date**). Immediately after the Expiry Date, the New Performance Rights and all rights attaching to them will automatically terminate.
- (c) **Vesting:** The Board may in its absolute discretion (except in respect of a Change of Control occurring where Vesting Conditions are deemed to be automatically waived) by written notice to a New Performance Rights-holder, resolve to waive any of the Vesting Conditions applying to the New Performance Rights due to:
  - (i) special circumstances arising in relation to a New Performance Rights-holder, being:
    - (A) a New Performance Rights-holder ceasing to be a director or employee due to:
      - (I) death or total or permanent disability; or
      - (II) retirement or redundancy;
    - (B) a New Performance Rights-holder suffering severe financial hardship;
 

Severe financial hardship means that the New Performance Rights-holder is unable to provide themselves, their family or other dependents with basic necessities such as food, accommodation and clothing, including as a result of family tragedy, financial misfortune, serious illness, impacts of natural disaster and other serious or difficult circumstances.
    - (C) any other circumstance stated to constitute “special circumstances” in the terms of the New Performance Rights made to and accepted by the New Performance Rights-holder; or
  - (ii) a Change of Control occurring; or
  - (iii) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.
- (d) **Exercising rights:** Each New Performance Right may only be exercised on or after the Vesting Date and on or before the Expiry Date, and only by completing a New Performance Rights exercise form for the number of Shares in respect of which the New Performance Rights are exercised.
- (e) **Lapse of New Performance Rights:** The New Performance Rights will lapse upon the earlier to occur of:
  - (i) an unauthorised dealing (where the New Performance Rights-holder purports to transfer, assign, mortgage, charge or otherwise dispose or encumber a New Performance Right) or hedging of, the New Performance Rights occurring;
  - (ii) a Vesting Condition in relation to the New Performance Rights is not satisfied by its due date, or becomes incapable of satisfaction, as determined by the Board in its absolute

discretion, unless the Board exercises its discretion to waive the Vesting Condition and vest the New Performance Rights;

- (iii) in respect of unvested New Performance Rights only, a relevant person ceases to be a director or employee of the Group, unless the Board exercises its discretion to vest the New Performance Rights in the circumstances set out in paragraph (c) or the Board resolves, in its absolute discretion, to allow the unvested New Performance Rights to remain unvested after the relevant person ceases to be a director or employee of the Group;
  - (iv) in respect of vested New Performance Rights only, a relevant person ceases to be a director or employee of the Group and the New Performance Rights granted in respect of that person is not exercised within ninety (90) days (or such later date as the Board determines) of the date that person ceases to be a director or employee of the Group;
  - (v) the Board deems that the New Performance Rights lapse due to fraud, dishonesty or other improper behaviour of the director or employee;
  - (vi) the Company undergoes a Change of Control or a winding up resolution or order is made and the Board does not exercise its discretion to vest the New Performance Rights;
  - (vii) the expiry date of the New Performance Rights..
- (f) **Not transferable:** The New Performance Rights are not transferable.
- (g) **Shares:** Shares issued upon exercise of New Performance Rights shall, subject to any Sale Restrictions (refer paragraph (h)), rank pari passu in all respects with all other Shares on issue.
- (h) **Sale Restrictions:** Shares issued to employees (or their eligible nominee) of the Group (other than directors) on exercise of New Performance Rights may not be sold for a period of six (6) months following the issue of the Shares (**Restriction Period**). The Board may, in its sole discretion, having regard to the circumstances at the time, waive the Restriction Period.
- (i) **No Participation Rights:** There are no participating rights and entitlements inherent in the New Performance Rights and New Performance Rights-holders will not be entitled to participate in new issues of capital offered to shareholders of the Company during the currency of the New Performance Rights without exercising their New Performance Rights. However, the Company will ensure that New Performance Rights-holders will be allowed twenty business days' notice to convert any vested and unexpired New Performance Rights to Shares in order to participate in an entitlement issue on the same basis as shareholders of the Company.
- (j) **Change of Control:** All Vesting Conditions are deemed to be automatically waived upon a Change of Control occurring.

**Change of Control** means:

- (i) a bona fide Takeover Bid is declared unconditional and the bidder has acquired a Relevant Interest in at least 50.1% of the Company's issued Shares;
- (ii) a court approves, under Section 411(4)(b) of the Corporations Act, a proposed compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
- (iii) in any other case, a person obtains Voting Power in the Company that the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board;
- (iv) but does not include a corporate transaction with an entity listed on an overseas stock exchange (**Overseas Entity**) where the sole purpose of the transaction is to facilitate the listing of the Company's shares on that stock exchange and where the Overseas Entity offers to grant New Performance Rights in the capital of the Overseas Entity to the New Performance Rights-holder in consideration for the cancellation or acquisition of the New Performance Rights.

- (k) **Takeovers:** If any takeover bid (including by way of scheme of arrangement or otherwise) is publicly announced in respect of the Company, then the following provisions apply in relation to the takeover bid:
- (i) the Company must promptly give written notice of the takeover bid (**Notice**) to the New Performance Rights-holder, whereupon all New Performance Rights (unvested or which have vested and not lapsed or expired) may be exercised at or before the end of the Takeover Exercise Period or, if applicable, the end of the further seven day period referred to in paragraph (j)(iii) below.  
  
For the purposes of this paragraph (j), the **Takeover Exercise Period** is the period ending on the later of:
    - A. 60 days after receiving the Notice; and
    - B. the date that a takeover bid (which is recommended for acceptance by the Board) becomes unconditional.
  - (ii) If, during the Takeover Exercise Period, the person making the takeover bid (**Bidder**) offers to grant Performance Rights in the capital of the Bidder (**Replacement Performance Rights**) to the New Performance Rights-holder (and, for the avoidance of doubt, this does not obligate the Company in any way to procure such an offer from the Bidder) in consideration for the cancellation or acquisition of the New Performance Rights, the New Performance Rights-holder may, in their discretion, accept such Replacement Performance Rights instead of exercising their New Performance Rights.
  - (iii) If no offer of Replacement Performance Rights is made during the Takeover Exercise Period and accepted, the New Performance Rights-holder has (other than in the case of a scheme of arrangement) a further seven days' grace after the end of the Takeover Exercise Period within which to exercise their New Performance Rights (**Grace Period**).
  - (iv) Any New Performance Rights which have not been exercised on or before the end of the Takeover Exercise Period or the Grace Period (whichever applies) will automatically lapse.
  - (v) For the avoidance of doubt, where the Expiry Date occurs before the end of the Takeover Exercise Period or the Grace Period (whichever applies), the New Performance Rights will automatically lapse if they are not exercised on or before the Expiry Date.
  - (vi) If the takeover bid lapses or is withdrawn or closes without being recommended for acceptance by the Board, whether the bid is conditional or unconditional, then the provisions of all the paragraphs hereof will revive in respect of any unexercised New Performance Rights which New Performance Rights will remain on foot.
- (l) **Reorganisation:** In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the Expiry Date of the New Performance Rights, the number of New Performance Rights shall be reconstructed in accordance with the Listing Rules.
- (m) **Adjustment for bonus issues:** If the Company makes a bonus issue of Shares or other securities to existing shareholders of the Company (other than an issue in lieu of, or in satisfaction of, dividends or by way of dividend reinvestment):
- (i) the number of Shares which must be issued on the exercise of the New Performance Rights will be increased by the number of Shares which the New Performance Rights-holder would have received if the New Performance Rights-holder had exercised the New Performance Rights before the record date for the bonus issue; and
  - (ii) no change will be made to the other terms and conditions of the New Performance Rights.

## THETA GOLD MINES LIMITED

## NEW PERFORMANCE RIGHTS VALUATION ASSUMPTIONS

The New Performance Rights to be issued pursuant to Resolutions 4 to 8 have been independently valued by Stantons International Securities Pty Ltd (trading as Stantons International Securities) ABN 42 128 908 289 AFS Licence No. 448697 (**Stantons**).

The valuation noted below is not necessarily the market price that the New Performance Rights could be traded at and is not automatically the market price for taxation purposes.

The New Performance Rights to be issued were ascribed the following value:

|                                            |                                       |
|--------------------------------------------|---------------------------------------|
| <b>Assumptions:</b>                        |                                       |
| Valuation date                             | <i>17 April 2019</i>                  |
| Market price of Shares                     | <i>\$0.105</i>                        |
| Exercise price                             | <i>Nil</i>                            |
| Expiry date (length of time from issue)    | <i>5 years from the date of issue</i> |
|                                            |                                       |
| Indicative value per New Performance Right | <i>\$0.105</i>                        |
| Number of New Performance Rights           | <i>18,200,000</i>                     |
| Total Value of New Performance Rights      | <i>\$1,911,000</i>                    |

The initial undiscounted value of the non-market based New Performance Rights is the value of an underlying Share in the Company at the date of issue of the New Performance Rights. For the purposes of this valuation, Stantons have used the \$0.105 share price as at 16 April 2019.

## THETA GOLD MINES LIMITED

**ROBERT THOMSON**  
**RELEVANT INTEREST IN OLD PERFORMANCE RIGHTS AND OPTIONS**

Options

| Performance Hurdle                                                                                                                                                                                                            | Exercise Price | Expiry Date | Number Held      | Number to be Cancelled |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-------------|------------------|------------------------|
|                                                                                                                                                                                                                               |                |             |                  |                        |
|                                                                                                                                                                                                                               | \$0.20         | 30 Apr 2020 | 2,000,000        | 2,000,000              |
| 20 day VWAP above \$0.25. This performance hurdle must be achieved on or before the date that is three years from the date of issue of the Options.                                                                           | \$0.30         | 19 Jul 2022 | 1,000,000        | 1,000,000              |
| 20 day VWAP above \$0.30. This performance hurdle must be achieved on or before the date that is three years from the date of issue of the Options.                                                                           | \$0.35         | 19 Jul 2022 | 1,000,000        | 1,000,000              |
| 20 day VWAP above \$0.35. This performance hurdle must be achieved on or before the date that is three years from the date of issue of the Options.                                                                           | \$0.40         | 19 Jul 2022 | 1,000,000        | 1,000,000              |
| Achievement of Milestone 1. This performance hurdle must be achieved on or before the date that is three years from the date of issue of the Options.                                                                         | \$0.25         | 19 Jul 2022 | 1,500,000        | 1,500,000              |
| Achievement of Milestone 2. This performance hurdle must be achieved on or before the date that is three years from the date of issue of the Options.                                                                         | \$0.25         | 19 Jul 2022 | 1,000,000        | 1,000,000              |
| Achievement of Milestone 2. This performance hurdle must be achieved on or before the date that is three years from the date of issue of the Options.                                                                         | \$0.30         | 19 Jul 2022 | 1,000,000        | 1,000,000              |
| Achievement of Milestone 3 and Pre-Feasibility Study IRR (pre-tax) is greater than or equal to 40%. This performance hurdle must be achieved on or before the date that is three years from the date of issue of the Options. | \$0.30         | 19 Jul 2022 | 1,000,000        | 1,000,000              |
|                                                                                                                                                                                                                               |                |             |                  |                        |
| <b>Total Options</b>                                                                                                                                                                                                          |                |             | <b>9,500,000</b> | <b>9,500,000</b>       |

Performance Rights

| Performance Hurdle                                                                                 | Expiry Date  | Number Held       | Number to be Cancelled |
|----------------------------------------------------------------------------------------------------|--------------|-------------------|------------------------|
| 20 day VWAP above \$0.25                                                                           | 19 July 2022 | 200,000           | 200,000                |
| 20 day VWAP above \$0.30                                                                           | 19 July 2022 | 200,000           | 200,000                |
| 20 day VWAP above \$0.35                                                                           | 19 July 2022 | 200,000           | 200,000                |
| Achievement of Milestone 3 and pre-feasibility study IRR (pre-tax) is greater than or equal to 40% | 19 July 2022 | 300,000           | 300,000                |
| Achievement of Milestone 3 and pre-feasibility study IRR (pre-tax) is greater than or equal to 50% | 19 July 2022 | 1,000,000         | 1,000,000              |
| <b>Total Performance Rights</b>                                                                    |              | <b>1,000,000</b>  | <b>1,000,000</b>       |
| <b>Total Options and Performance Rights</b>                                                        |              | <b>10,500,000</b> | <b>10,500,000</b>      |

**20 Day VWAP** means the average of the daily volume weighted average price of all sales of Shares recorded on ASX over a 20-day period, not including:

- (a) any transaction classified under the ASX's Market Rules as a "Special Crossing";

- (b) crossings prior to the commencement of normal trading or during the closing phase and after hours adjust phase;
- (c) any overseas trades or trades pursuant to the exercise of options over Shares; or
- (d) any overnight crossings.

**Milestone 1** means obtaining sufficient capital expenditure financing (debt and/or equity) to enable the Group's mines and facilities to be upgraded to the point where they can profitably produce no less than 55,000 ounces of gold or gold equivalent on an annualised basis. Where the relevant capital expenditure financing is obtained through debt financing, Milestone 1 will be deemed to have been achieved upon the first, actual drawdown of the relevant loan.

**Milestone 2** means the achievement of Stage 1 production on budget. Milestone 2 will be deemed to have been achieved at the end of 90 days into Stage 1 production, provided that at that point the production is on budget.

**Milestone 3** means completion to pre-feasibility standards, of a second study to demonstrate profitable production of not less than 70,000 ounces of gold or gold equivalent on an annualised basis.

## THETA GOLD MINES LIMITED

**BILL RICHIE YANG**  
**RELEVANT INTEREST IN OLD PERFORMANCE RIGHTS AND OPTIONS**

Options

| Performance Hurdle                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Exercise Price | Expiry Date | Number Held      | Number to be Cancelled |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-------------|------------------|------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                |             |                  |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | \$0.20         | 12 Oct 2019 | 1,000,000        | -                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | \$0.40         | 12 Oct 2019 | 500,000          | -                      |
| Market capitalisation above \$25,000,000 for a period of 10 consecutive trading days                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | \$0.20         | 12 Oct 2019 | 1,000,000        | -                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | \$0.20         | 30 Apr 2020 | 1,500,000        | 1,500,000              |
| 20 day VWAP above \$0.25. This performance hurdle must be achieved on or before the date that is three years from the date of issue of the Options.                                                                                                                                                                                                                                                                                                                                                                                                                                     | \$0.30         | 19 Jul 2022 | 750,000          | 750,000                |
| 20 day VWAP above \$0.30. This performance hurdle must be achieved on or before the date that is three years from the date of issue of the Options.                                                                                                                                                                                                                                                                                                                                                                                                                                     | \$0.35         | 19 Jul 2022 | 750,000          | 750,000                |
| 20 day VWAP above \$0.35. This performance hurdle must be achieved on or before the date that is three years from the date of issue of the Options.                                                                                                                                                                                                                                                                                                                                                                                                                                     | \$0.40         | 19 Jul 2022 | 750,000          | 750,000                |
| Obtaining sufficient capital expenditure financing (debt and/or equity) to enable the group's mines and facilities to be upgraded to the point where they can profitably produce no less than 55,000 ounces of gold or gold equivalent on an annualised basis. Where the relevant capital expenditure financing is obtained through debt financing, this milestone will be deemed to have been achieved upon the first, actual drawdown of the relevant loan. This performance hurdle must be achieved on or before the date that is three years from the date of issue of the Options. | \$0.25         | 19 Jul 2022 | 1,500,000        | 1,500,000              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                |             |                  |                        |
| <b>Total Options</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                |             | <b>7,750,000</b> | <b>5,250,000</b>       |

Performance Rights

| Performance Hurdle                                                       | Expiry Date  | Number Held      | Number to be Cancelled |
|--------------------------------------------------------------------------|--------------|------------------|------------------------|
| 20 day VWAP above \$0.25                                                 | 19 July 2022 | 150,000          | 150,000                |
| 20 day VWAP above \$0.30                                                 | 19 July 2022 | 150,000          | 150,000                |
| 20 day VWAP above \$0.35                                                 | 19 July 2022 | 150,000          | 150,000                |
| Market capitalisation above \$125,000,000 for a consecutive 5 day period | 19 July 2022 | 500,000          | 500,000                |
| <b>Total Performance Rights</b>                                          |              | <b>950,000</b>   | <b>950,000</b>         |
| <b>Total Options and Performance Rights</b>                              |              | <b>8,700,000</b> | <b>6,200,000</b>       |

**20 Day VWAP** means the average of the daily volume weighted average price of all sales of Shares recorded on ASX over a 20-day period, not including:

- (a) any transaction classified under the ASX's Market Rules as a "Special Crossing";
- (b) crossings prior to the commencement of normal trading or during the closing phase and after hours adjust phase;
- (c) any overseas trades or trades pursuant to the exercise of options over Shares; or

(d) any overnight crossings.

**Milestone 1** means obtaining sufficient capital expenditure financing (debt and/or equity) to enable the Group's mines and facilities to be upgraded to the point where they can profitably produce no less than 55,000 ounces of gold or gold equivalent on an annualised basis. Where the relevant capital expenditure financing is obtained through debt financing, Milestone 1 will be deemed to have been achieved upon the first, actual drawdown of the relevant loan.

**Milestone 2** means the achievement of Stage 1 production on budget. Milestone 2 will be deemed to have been achieved at the end of 90 days into Stage 1 production, provided that at that point the production is on budget.

**Milestone 3** means completion to pre-feasibility standards, of a second study to demonstrate profitable production of not less than 70,000 ounces of gold or gold equivalent on an annualised basis.

## THETA GOLD MINES LIMITED

BRETT TANG  
RELEVANT INTEREST IN UNLISTED OPTIONS

| Number  | Exercise Price | Expiry Date |
|---------|----------------|-------------|
|         |                |             |
| 500,000 | \$0.30         | 22 Aug 2019 |
| 300,000 | \$0.15         | 12 Oct 2019 |
|         |                |             |
| 800,000 |                |             |



#### All Correspondence to:

-  **By Mail** Boardroom Pty Limited  
GPO Box 3993  
Sydney NSW 2001 Australia
-  **By Fax:** +61 2 9290 9655
-  **Online:** [www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)
-  **By Phone:** (within Australia) 1300 737 760  
(outside Australia) +61 2 9290 9600

## YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 2:00pm AEST on Wednesday 26 June 2019.**

### TO VOTE BY COMPLETING THE PROXY FORM

#### STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

##### Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

#### STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

##### Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

#### STEP 3 SIGN THE FORM

The form **must** be signed as follows:

**Individual:** This form is to be signed by the securityholder.

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

**Power of Attorney:** to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

#### STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **2:00pm AEST on Wednesday 26 June 2019.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged:

-  **By Fax** + 61 2 9290 9655
-  **By Mail** Boardroom Pty Limited  
GPO Box 3993,  
Sydney NSW 2001 Australia
-  **In Person** Boardroom Pty Limited  
Level 12, 225 George Street,  
Sydney NSW 2000 Australia

#### Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

# Theta Gold Mines Limited

ACN 131 758 177

☐

## Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

## PROXY FORM

### STEP 1 APPOINT A PROXY

I/We being a member/s of **Theta Gold Mines Limited** (Company) and entitled to attend and vote hereby appoint:

☐

the **Chair of the Meeting (mark box)**

**OR** if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the General Meeting of the Company to be held at **Boardroom Pty Limited, Level 12, 225 George Street, Sydney NSW 2000 on Friday 28 June 2019 at 2:00pm AEST** and at any adjournment of that meeting, to act 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.

#### Chair of the Meeting's Voting Intentions

The Chair of the Meeting will vote all undirected proxies in favour of Resolutions 1 – 3.

The Chair of the Meeting will **not** vote any undirected proxies in relation to Resolutions 4 - 13.

If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote for, against, or to abstain from voting on an item, you must provide a direction by marking the 'For', 'Against' or 'Abstain' box opposite that resolution.

### STEP 2 VOTING DIRECTIONS

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

|              |                                                                                                     | FOR                      | AGAINST                  | ABSTAIN*                 |               |                                                                   | FOR                      | AGAINST                  | ABSTAIN*                 |
|--------------|-----------------------------------------------------------------------------------------------------|--------------------------|--------------------------|--------------------------|---------------|-------------------------------------------------------------------|--------------------------|--------------------------|--------------------------|
| <b>Res 1</b> | Ratification of Prior Issue of Shares to Fineway Creation Limited and Zenith (H.K.) Holding Limited | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <b>Res 8</b>  | Issue of Performance Rights to Related Party, Mr Finn Behnken     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <b>Res 2</b> | Ratification of Prior Issue of Shares to a Sophisticated Investor, an Employee and a Consultant     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <b>Res 9</b>  | Approval to Issue Shares to Related Party, Mr Charles William Guy | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <b>Res 3</b> | Ratification of Prior Issue of Options                                                              | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <b>Res 10</b> | Approval to Issue Shares to Related Party, Mr Robert Thomson      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <b>Res 4</b> | Issue of Performance Rights to Related Party, Mr Charles William Guy                                | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <b>Res 11</b> | Approval to Issue Shares to Related Party, Mr Bill Richie Yang    | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <b>Res 5</b> | Issue of Performance Rights to Related Party, Mr Robert Thomson                                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <b>Res 12</b> | Approval to Issue Shares to Related Party, Mr Guyang (Brett) Tang | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <b>Res 6</b> | Issue of Performance Rights to Related Party, Mr Bill Richie Yang                                   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <b>Res 13</b> | Approval to Issue Shares to Related Party, Mr Yang (Simon) Liu    | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <b>Res 7</b> | Issue of Performance Rights to Related Party, Mr Guyang (Brett) Tang                                | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |               |                                                                   |                          |                          |                          |

### STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2019