



**excelsior**gold  
LIMITED

## **Notice of Annual General Meeting**

The Annual General Meeting of the Company will be held at the offices of BDO, 38 Station Street, Subiaco WA 6008 on Wednesday 22 November 2017 at 11 am (WST).

This Notice of General Meeting should be read in its entirety. If Shareholders are in any doubt as to how they should vote, they should seek advice from their professional advisor prior to voting.

Please contact the Company Secretary on (08) 9335 7770 if you wish to discuss any matter concerning the Meeting.

## **Excelsior Gold Limited**

**ABN 38 123 629 863**

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

Notice is hereby given that the Annual General Meeting of the Shareholders of Excelsior Gold Limited will be held at 38 Station Street, Subiaco, WA 6008 on 22 November 2017 at 11 am (WST).

The Explanatory Memorandum to this Notice of Meeting provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and Proxy Form form part of this Notice of Meeting.

Shareholders are urged to vote by attending the Meeting in person or by returning a completed Proxy Form. Instructions on how to complete a Proxy Form are set out in the Explanatory Memorandum.

Proxy Forms must be received by no later than 11 am (WST) on 20 November 2017.

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in the Explanatory Memorandum.

### **Agenda**

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#### **1 ANNUAL REPORT**

To receive and consider the financial statements of the Company and the reports of the Directors and Auditors for the financial year ended 30 June 2017.

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#### **2 RESOLUTION 1 - REMUNERATION REPORT (NON-BINDING)**

To consider, and if thought fit, to pass with or without amendment the following as a non-binding ordinary resolution:

*"That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the year ending 30 June 2017."*

A voting exclusion statement is set out below.

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#### **3 RESOLUTION 2 - RE-ELECTION OF DIRECTOR - MR SEBASTIANO RANDAZZO**

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

*"That Mr Sebastiano Randazzo, having been appointed a director of the Company on 25 November 2016 and who retires in accordance with clause 11.12 of the Company's Constitution and, being eligible, offers himself for re-election, be elected as a non-executive director of the Company."*

No Voting Exclusion

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**4 RESOLUTION 3 - RE-ELECTION OF DIRECTOR - MR DAVID HATCH**

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

*"That, in accordance with clause 11.3 of the Company's Constitution and for all other purposes, Mr David Hatch, who retires by rotation and offers himself for re-election, be re-elected as a Director."*

No Voting Exclusion

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**5 RESOLUTION 4 - RATIFICATION OF SHARES ISSUED TO FARRAH GOLD PTY LTD <FPS GOLD INVESTMENTS UNIT TRUST A/C>**

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

*"That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 1,904,762 Shares to Farrah Gold Pty Limited <FPS Gold Investments Unit Trust A/C> on the terms set out in the Explanatory Memorandum."*

A voting exclusion statement is set out below.

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**6 RESOLUTION 5 - RATIFICATION OF SHARES ISSUED TO KALGOORLIE MINING ASSOCIATES PTY LTD**

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

*"That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 20,000,000 Shares to Kalgoorlie Mining Associates Pty Ltd on the terms set out in the Explanatory Memorandum."*

A voting exclusion statement is set out below.

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**7 RESOLUTION 6 - RATIFICATION OF SHARES ISSUED TO HAMPTON TRANSPORT SERVICES PTY LTD**

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

*"That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 487,805 Shares to Hampton Transport Services Pty Ltd on the terms set out in the Explanatory Memorandum."*

A voting exclusion statement is set out below.

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**8 RESOLUTION 7 - APPROVAL OF THE EXCELSIOR GOLD INCENTIVE SCHEME**

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

*“That, for the purposes Listing Rule 7.2 (Exception 9(b)) and for all other purposes, Shareholders approve the Excelsior Gold Employee Share Loan Plan on the terms and conditions set out in the Explanatory Memorandum.”*

A voting exclusion statement is set out below.

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**9 RESOLUTION 8 - APPROVAL OF 10% PLACEMENT FACILITY**

To consider and, if thought fit, to pass with or without amendment, as a special resolution the following:

*“That, for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.”*

A voting exclusion statement is set out below.

10 VOTING PROHIBITION AND EXCLUSION STATEMENTS

Listing Rule 14.11

Under Listing Rule 14.11, the Company will disregard any votes cast on the following Resolutions by the following persons:

Resolution	Persons excluded from voting
<p>Resolution 1 - Remuneration Report</p>	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of the following persons:</p> <ul style="list-style-type: none"> <li>(a) a member of the key management personnel, details of whose remuneration are included in the Remuneration Report; or</li> <li>(b) a closely related party of such member.</li> </ul> <p>However, a person described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none"> <li>(a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or</li> <li>(b) the voter is the chair of the meeting and the appointment of the chair as proxy:               <ul style="list-style-type: none"> <li>(i) does not specify the way the proxy is to vote on this Resolution; and</li> <li>(ii) expressly authorises the chair to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.</li> </ul> </li> </ul>
<p>Resolution 4 - Ratification of Shares issued in satisfaction of placement fee</p>	<p>Farrah Gold Pty Limited &lt;FPS Gold Investments Unit Trust A/C&gt; and its associates.</p>
<p>Resolution 5 - Ratification of Shares issued as final deferred consideration for the 2009 staged purchase of the Kalgoorlie North Gold Project</p>	<p>Kalgoorlie Mining Associates Pty Ltd and its associates.</p>

Resolution	Persons excluded from voting
Resolution 6 - Ratification of Shares issued as consideration for extension of deferred payment terms	Hampton Transport Services Pty Ltd and his associates.
Resolution 7 - Approval of the Excelsior Gold Incentive Scheme	Any Director (or his nominee) and any of their associates, other than any Director who is ineligible to participate in the Excelsior Gold Incentive Scheme.
Resolution 8 - Approval of 10% Placement Facility	Persons who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity as a holder of ordinary securities, if the Resolution is passed, and an associate of that person.

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

By order of the Board of Directors



Amanda Sparks  
Company Secretary  
Excelsior Gold Limited  
13 October 2017

# Excelsior Gold Limited

ABN 38 123 629 863

## Explanatory Memorandum

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### 1 INTRODUCTION

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at 38 Station Street, Subiaco, WA 6008 on 22 November 2017 at 11 am (WST). The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding how to vote on the Resolutions set out in the Notice.

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice, and includes the Proxy Form located at the end of Explanatory Memorandum.

Please contact the Company Secretary on (08) 9335 7770 if you wish to discuss any matter concerning the Meeting.

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### 2 ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

#### 2.1 Proxies

All Shareholders are invited and encouraged to attend the Meeting. If a Shareholder is unable to attend in person, they can appoint a proxy to attend on their behalf by signing and returning the Proxy Form (attached to the Notice) to the Company in accordance with the instructions on the Proxy Form. The Company encourages Shareholders completing a Proxy Form to direct the proxy how to vote on each Resolution.

The Proxy Form must be received no later than 48 hours before the commencement of the Meeting, i.e. by no later than 11 am (WST) on 20 November 2017. Any Proxy Form received after that time will not be valid for the Meeting.

A Proxy Form may be lodged in the following ways:

Online	<a href="http://www.securitytransfer.com.au">www.securitytransfer.com.au</a>
Email	registrar@securitytransfer.com.au
Facsimile	(08) 9315 2233
Mail	PO Box 52, Collins Street West VIC 8007
By Hand	Suite 913, Exchange Tower, 530 Little Collins Street, Melbourne VIC 3000

Shareholders lodging a Proxy Form are not precluded from attending and voting in person at the Meeting. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

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

- (i) each Shareholder has a right to appoint a proxy;
- (ii) the proxy need not be a Shareholder of the Company; and
- (iii) a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

## **2.2 Corporate representatives**

Shareholders who are body corporates may appoint a person to act as their corporate representative at the Meeting by providing that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as the body corporate's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

An appointment of corporate representative form is available from the website of the Company's share registry (Security Transfer Australia).

## **2.3 Eligibility to vote**

The Directors have determined that, for the purposes of voting at the Meeting, Shareholders are those persons who are the registered holders of Shares at 5.00 pm (WST) on 20 November 2017.

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## **3 ANNUAL REPORT**

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2017 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report.

The Company will not provide a hard copy of the Company's financial report to Shareholders unless specifically requested to do so. The Company's financial report is available on its website at [www.excelsiorgold.com.au](http://www.excelsiorgold.com.au).



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#### 4 RESOLUTION 1 - REMUNERATION REPORT

The Remuneration Report is in the Directors' Report section of the Company's Annual Report.

By way of summary, the Remuneration Report:

- (a) explains the Company's remuneration policy and the process for determining the remuneration of its Directors and executive officers;
- (b) addresses the relationship between the Company's remuneration policy and the Company's performance; and
- (c) sets out remuneration details for each Director and each of the Company's executives and group executives named in the Remuneration Report for the financial year ended 30 June 2017.

Section 250R(2) of the Corporations Act requires companies to put a resolution to their members that the Remuneration Report be adopted. The vote on this resolution is advisory only, however, and does not bind the Board or the Company. The Board will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

The Chairman will give Shareholders a reasonable opportunity to ask questions about or to make comments on the Remuneration Report.

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution that a further meeting is held at which all of the Company's Directors who were directors when the resolution to make the directors report considered at the later annual general meeting was passed (other than the Managing Director) must go up for re-election (**Spill Resolution**).

If more than 50% of votes cast are in favour of the Spill Resolution, the Company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were directors of the Company when the resolution to have the directors' report considered at the second annual general meeting was passed, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

The Company received 98.91% of votes for its Remuneration Report for the previous financial year and no specific feedback at the annual general meeting or throughout the year on its remuneration policies. Accordingly, the Spill Resolution is not relevant for this annual general meeting.

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**5 RESOLUTION 2 - RE-ELECTION OF DIRECTOR - SEBASTIANO RANDAZZO**

Clause 11.12 of the Constitution requires that any Director appointed during the year holds office until the next annual general meeting and then is to retire at the annual general meeting.

A Director who retires under clause 11.12 of the Constitution is eligible for re-election.

Mr Sebastiano (Sam) Randazzo was appointed as an additional Director of the Company on 24 October 2016, however as the notice of meeting for the Company's 2016 annual general meeting (2016 AGM) had already been dispatched at this time, Mr Randazzo was unable to retire and submit himself for re-election as a Director in accordance with clause 11.12 of the Constitution at that meeting. As such, Mr Randazzo resigned on the date of the 2016 AGM and was then re-appointed by the Board as an additional Director on the same date. Mr Randazzo will now retire at the Annual General Meeting and seek re-election to the Board.

Mr Randazzo has over 30 years of international experience in public company management (including Chairman, Director, Chief Executive Officer, Company Secretary and Chief Financial Officer roles). He has held executive director positions with ASX, TSX and AIM listed mineral resource companies and completed numerous capital raisings in Australia, USA, Canada, UK, Europe and the Middle East. His experience includes operational management in Australia, South America, USA, Canada and the UK. Mr Randazzo is a member of Chartered Accountants Australia and New Zealand.

The Board considers Mr Randazzo an independent director.

The Board of Directors (other than Mr Randazzo) recommend that shareholders vote in favour of Resolution 2.

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**6 RESOLUTION 3 - RE-ELECTION OF DIRECTOR -DAVID HATCH**

ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is the longer.

The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots, and accordingly Mr David Hatch will retire at the Annual General Meeting and seek re-election.

A Director who retires under clause 11.3 of the Constitution is eligible for re-election.

Mr Hatch (*Assoc Dip Mining Engineering, Dip Mineral Economics*) is a Mining Engineer with extensive senior management experience in Australia, Papua New Guinea, Indonesia and Ghana. Mr Hatch has seven years' prior experience as Managing Director of ASX listed gold companies.

The Board considers Mr Hatch an independent director.

The Board of Directors (other than Mr Hatch) recommend that shareholders vote in favour of Resolution 3.

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## 7 RESOLUTIONS 4 TO 6 - RATIFICATION OF THE ISSUES OF SHARES

### 7.1 Introduction

Resolutions 4 to 6 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Equity Securities (**Ratification**).

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. 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.

By ratifying these issues, 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. In addition, the base figure (ie variable 'A') upon which the Company's 15% and (subject to the passing of Resolution 8) 10% annual placement capacities are calculated will include these ratified issues.

### 7.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

All Equity Securities below were issued under the Company's 15% placement capacity.

- (a) Resolution 4 - As announced on 6 December 2016, the Company issued 1,904,762 Shares at a deemed issue price of 2.1 cents each to Farrah Gold Pty Limited <FPS Gold Investments Unit Trust A/C> as consideration of an underwriting/placement fee (in lieu of a cash payment of \$40,000); and
- (b) Resolution 5 - As announced on 29 June 2017, the Company issued 20,000,000 Shares at a deemed issue price of 2.5 cents each to Kalgoorlie Mining Associates Pty Ltd as the final deferred consideration in relation to the 2009 staged purchase of the Kalgoorlie North Gold Project This final deferred consideration was due upon the milestone of 40,000 oz of cumulative gold production. These Shares are subject to a voluntary restriction period to 29 December 2017; and
- (c) Resolution 6 - As announced on 19 July 2017, the Company issued 487,805 Shares at a deemed issue price of 4.1 cents each to Hampton Transport Services Pty Ltd as consideration for extension of deferred payment terms of a trade payable amount (in lieu of a cash payment of \$20,000).

The shares issued were all fully paid and rank equally with all other existing shares. No funds were raised from the issues as the shares were issued for nil cash consideration as an offset payment for amounts due, or in the case of (b) above, as per the acquisition contract.

A voting exclusion statement is included in this Notice.

The Directors of the Company unanimously recommend that Shareholders vote in favour of Resolution 4, 5 and 6.

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## 8 RESOLUTION 7 - APPROVAL OF THE EXCELSIOR GOLD INCENTIVE SCHEME

### 8.1 Introduction

On 28 November 2014, Shareholders approved the Excelsior Gold Incentive Scheme, which allowed the Company to, for a 3 year period, issue Plan Shares without those securities being included when calculating the 15% limit imposed by ASX Listing Rule 7.1. The plan has allowed the Company to attract and retain suitably qualified and motivated directors and employees, and also align their interests with Shareholders.

Resolution 7 seeks Shareholder approval for the adoption of the Excelsior Gold Incentive Scheme (Plan) in accordance with ASX Listing Rule 7.2 (Exception 9(b)).

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. ASX Listing Rule 7.2 (Exception 9(b)) sets out an exception to ASX Listing Rule 7.1 which provides that issues under an employee incentive scheme are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the scheme as an exception to ASX Listing Rule 7.1.

If Resolution 7 is passed, the Company will be able to issue Plan Shares under the Plan to eligible participants over a period of 3 years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period.

Shareholders should note that 26,500,000 Plan Shares have previously been issued under the Plan since it was approved on 28 November 2014. These Plan Shares were all issued on 24 December 2014. Since that date, 23,250,000 of the Plan Shares have been cancelled upon employment ending, and only 3,250,000 remain as issued and under escrow.

Plan Shares will be issued for an issue price equal to the volume weighted average of the Company's shares calculated over the last 10 days on which sales of Shares were recorded before the day on which the offer for issue is made, with a zero interest non-recourse loan equal to the total issue price provided by the Company (Loan).

A summary of the key terms and conditions of the Plan is set out in Schedule 1. In addition, a copy of the Plan is available for review by Shareholders at the registered office

of the Company until the date of the Meeting. A copy of the Plan can also be sent to Shareholders upon request to the Company Secretary. Shareholders are invited to contact the Company if they have any queries or concerns.

Any future issue of Plan Shares under the Plan to Directors will, by virtue of their relationship with the Company, require additional Shareholder approval under Listing Rule 10.14 at the relevant time.

## 8.2 Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 7. It will allow the Company to issue securities for the benefit of participants of the Excelsior Gold Employee Incentive Scheme whilst preserving the Company's 15% limit of issuing securities and provide flexibility in the manner in which the Excelsior Gold Incentive Scheme is managed.

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## 9 RESOLUTION 8 - APPROVAL OF 10% PLACEMENT FACILITY

### 9.1 General

The Company seeks Shareholder approval to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period following shareholder approval (10% Placement Facility).

Resolution 8 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to section 9.2(a) below). The issue price is yet to be determined, but will be no less than 75% of the price of the Equity Securities at the time of any issue.

### 9.2 Listing Rule 7.1A

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period following shareholder approval by way of a special resolution. The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

#### **Maximum number of Equity Securities which may be issued**

The number of Equity Securities which may be issued, or agreed to be issued, under the 10% Placement Facility is prescribed in Listing Rule 7.1A.2 and is calculated as follows:

Number of Equity Securities = (A x D) - E
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"A" the number of shares on issue 12 months before the date of issue or agreement:

- (A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (B) plus the number of partly paid shares that become fully paid in the 12 months;
- (C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- (D) less the number of fully paid shares cancelled in the 12 months.

"D" is 10%

"E" is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

The actual number of Equity Securities that may be issued under Listing Rule 7.1A is calculated at the date of issue of the Equity Securities in accordance with the above formula.

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

As at the date of this Notice, the Company's quoted securities on issue are 812,363,974 Shares. As a result and subject to Shareholders approving this Resolution, the Company would have the capacity to issue 81,226,397 Equity Securities under Listing Rule 7.1A.

### 9.3 Technical Information Required by Listing Rule 7.3A

For the purposes of Listing Rule 7.3A, the following information is provided about the proposed issue:

- (a) Minimum Issue Price - The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days on which trades in that class were recorded immediately before:
  - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
  - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph 9.3(a)(i) above, the date on which the Equity Securities are issued.

- (b) There is a risk of economic and voting dilution to existing Shareholders in approving the 10% Placement Facility, including the risks that:
- (i) the market price for the Company's Equity Securities may be significantly lower of the date of the issue of the Equity Securities than when Shareholders approve the 10% Placement Facility; and
  - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date, or issued for non-cash consideration for the acquisition of a new asset.

Following is a table that sets out the potential dilution of existing Shareholders if Equity Securities are issued under the 10% Placement Facility:

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$0.028 50% decrease in Issue Price	\$0.056 Current Issue Price	\$0.112 100% increase in Issue Price
Current Variable A 812,363,974 Shares	10% Voting Dilution	81,236,397 shares	81,236,397 shares	81,236,397 shares
	Funds Raised	\$2,274,619	\$4,549,238	\$9,098,477
50% increase in current Variable A 1,218,545,961 Shares	10% Voting Dilution	121,854,596 shares	121,854,596 shares	121,854,596 shares
	Funds Raised	\$3,411,929	\$6,823,857	\$13,647,715
100% increase in current Variable A 1,624,727,948 Shares	10% Voting Dilution	162,472,795 shares	162,472,795 shares	162,472,795 shares
	Funds Raised	\$4,549,238	\$9,098,477	\$18,196,953

The table has been prepared on the following assumptions:

- (i) The Company issues, or agrees to issue, the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No Options are exercised before the date of the issue of the Equity Securities.
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iv) The issue of Equity Securities under the 10% Placement Facility consists only of Shares.
- (v) The Company has not issued Equity Securities in the 12 months prior to the Meeting that was not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1 (other than those Equity Securities for which ratification is sought under Resolutions in this Notice which, for the purposes of the table above, the Company has assumed will be passed).

- (vi) The issue price is \$0.056 being the closing price of the Shares on ASX on 4 October 2017.

The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.

The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

- (c) The latest date by which Equity Securities may be issued is 12 months after the Meeting. Approval for the issue of Equity Securities under the 10% Placement Facility will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Equity Securities may be issued for the following purposes:
  - (i) To raise funds, in which case the Company intends to use the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued exploration, feasibility studies and/or development expenditure on the Company's current assets and/or general working capital.
  - (ii) In consideration of the acquisition of new resources assets and investments, in which case the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.

- (e) The Company is yet to identify the persons to whom Equity Securities will be issued to under the 10% Placement Facility and may not use the 10% Placement Facility. The Company's policy for allocating Equity Securities issued under the 10% Placement Facility will be determined on a case-by-case basis depending upon the purpose, and prevailing market conditions at the time, of any issue and having regard to factors including but not limited to the following:
  - (i) The fundraising methods available to the Company, including but not limited to, rights issue or other issue which may minimise dilution to Shareholders.
  - (ii) In the case of an asset or investment acquisition, the nature and circumstances of the acquisition.
  - (iii) The effect of the issue of the Equity Securities on the control of the Company.
  - (iv) The financial situation and solvency of the Company.
  - (v) Advice from corporate, financial and broking advisers (if applicable).



The subscribers may include vendors (in the case of any issue for non-cash consideration), existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

- (f) The Company did not obtain approval under Listing Rule 7.1A at the previous Annual General Meeting.
- (g) A voting exclusion statement is included in the Notice.

At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities, and no existing Shareholder's votes will be excluded under the voting exclusion in the Notice.

#### **9.4 Directors' recommendation**

The Board unanimously recommends that Shareholders vote in favour of Resolution 8. This will allow the Company to issue securities and raise funds if appropriate whilst preserving the Company's 15% annual limit permitted by Listing Rule 7.1.

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10 DEFINITIONS

In this Notice and Explanatory Memorandum:

<b>ASX</b>	means ASX Limited or the Australian Securities Exchange operated by ASX Limited, as the context requires.
<b>Board</b>	means the current board of Directors.
<b>Chairman</b>	means the Chairman of the Company.
<b>Company or EXG</b>	means Excelsior Gold Limited ABN 38 123 629 863.
<b>Constitution</b>	means the constitution of the Company as amended.
<b>Corporations Act</b>	means the <i>Corporations Act 2001</i> (Cth) as amended.
<b>Director</b>	means a current director of the Company.
<b>Equity Securities</b>	has the same meaning giving in the Listing Rules.
<b>Explanatory Memorandum</b>	means this explanatory memorandum.
<b>Listing Rules</b>	means the listing rules of the ASX.
<b>Meeting or Annual General Meeting</b>	means the meeting convened by this Notice (as adjourned from time to time).
<b>Notice</b>	means this notice of meeting.
<b>Plan</b>	means the Excelsior Gold Incentive Scheme.
<b>Plan Share</b>	means a Share issued under the Plan.
<b>Proxy Form</b>	means the proxy form attached to this Notice.
<b>Resolution</b>	means a resolution set out in the Notice.
<b>Share</b>	means a fully paid ordinary share in the capital of the Company.
<b>Shareholder</b>	means a holder of a Share.
<b>Trading Days</b>	means a day determined by ASX to be a trading day in accordance with the Listing Rules.
<b>VWAP</b>	means volume weighted average price.
<b>WST</b>	means Western Standard Time.

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## SCHEDULE 1 - TERMS OF THE EXCELSIOR GOLD INCENTIVE SCHEME

The key terms of the Excelsior Gold Incentive Scheme (**Plan**) are as follows:

1. **Eligibility:** Participants in the Scheme may be directors, employees or contractors of the Company or any of its subsidiaries or any other related body corporate of the Company (**Eligible Participants**).
2. **Administration of Plan:** The Board is responsible for the operation of the Plan and has a broad discretion to determine which Eligible Participants will be offered Shares under the Plan.
3. **Invitation:** The Board may make an invitation to an Eligible Participant to participate in the Plan. The invitation:
  - (a) will invite application for the number of Shares specified in the invitation;
  - (b) will specify the issue price for the Shares or the manner in which the Issue Price is to be calculated;
  - (c) may invite applications for a loan up to the amount payable in respect of the Shares accepted by the Eligible Participant in accordance with the invitation;
  - (d) will specify any restriction conditions applying to the Shares;
  - (e) will specify an acceptance period; and
  - (f) specify any other terms and conditions attaching to the Shares.
4. **Issue price:** the issue price of each Share will be not less the volume weighted average price at which Shares were traded on the ASX over the 10 trading days up to the date Plan Shares are offered for issue under the Plan, or such other price as the Board determines.
5. **Renounceability:** Eligible Participants may renounce their Invitation in favour of an associate (the Eligible Participants and their associates are each **Participants**).
6. **Restriction Conditions:** Shares may be subject to restriction conditions relating to milestones (**Milestone Conditions**) (such as a period of employment) or escrow restrictions (**Escrow Conditions**) which must be satisfied before the Shares can be sold, transferred, or encumbered (**Restriction Conditions**). Shares cannot be sold, transferred or encumbered until any loan in relation to the Shares has been repaid or otherwise discharged under the Plan.
7. **Extension of Escrow Condition:** If an Eligible Participant ceases to be an Eligible Participant as a result of an occurrence other than certain bad leaver occurrences prior to the satisfaction of all Restriction Conditions, the escrow restriction applied under the Escrow Condition in relation to the Plan Shares held by the Participant will be extended by 6 months.
8. **Loan:** An Eligible Participant who is invited to subscribe for Shares may also be invited to apply for a loan up to the amount payable in respect of the Shares accepted by the Participant (**Loan**), on the following terms:

- (a) the Loan will be interest free unless the Company and the Participant agree otherwise;
- (b) the Loan made available to a Participant shall be applied by the Company directly toward payment of the issue price of the Shares;
- (c) the Loan repayment date will be 5 years following the issue of Shares under the Plan and the manner for making such payments shall be determined by the Board and set out in the invitation;
- (d) a Participant must repay the Loan in full by the loan repayment date but may elect to repay the Loan amount in respect of any or all of the Shares at any time prior to the loan repayment date;
- (e) the Company shall have a lien over the Shares in respect of which a Loan is outstanding and the Company shall be entitled to buy-back, cancel or sell those Shares in accordance with the terms of the Plan;
- (f) a Loan will be non-recourse except against the Shares held by the Participant to which the Loan relates; and
- (g) the Board may, in its absolute discretion, agree to forgive a Loan made to a Participant.

9. **Unfulfilled Milestone Condition:** Where a Milestone Condition in relation to Shares is not satisfied by the due date, or becomes incapable of satisfaction in the opinion of the Board, the Company may, unless the Milestone Condition is waived by the Board, either:

- (a) buy back and cancel the relevant Shares within 12 months of the date the restriction condition was not satisfied or was waived (or became incapable of satisfaction) under Part 2J.1 of the Corporations Act in consideration for the cancellation of any Loan granted; or
- (b) in the event that such a buy-back and cancellation of Shares cannot occur, require the Participant to sell the Shares as soon as reasonably practicable either on the ASX and give the Company the sale proceeds (**Sale Proceeds**), which the Company will apply in the following priority:
  - (i) first, to pay the Company any outstanding Loan Amount (if any) in relation to the Shares and the Company's reasonable costs in selling the Shares;
  - (ii) second, to the extent the Sale Proceeds are sufficient, to repay the Participant any cash consideration paid by the Participant or Loan Amount repayments (including any cash dividends applied to the Loan Amount) made by or on behalf of the Participant; and
  - (iii) lastly, any remainder to the Company to cover its costs of managing the Plan.

10. **Sale of Shares to Repay Loan:**

- (a) A Loan shall become repayable in full on the earlier of:
  - (i) 5 years following the issue of Shares under the Plan;
  - (ii) the date determined under (b) below;
  - (iii) any Shares issued to the Participant in relation to the Loan being sold, transferred, assigned, mortgaged, charged or otherwise encumbered (unless any such actions were undertaken by or on behalf of the Company);
  - (iv) the Participant suffering an event of insolvency;
  - (v) the Participant breaching any condition of the Loan or the Plan; or
  - (vi) a Restriction Condition in relation to Shares subject to the Loan is not satisfied by the due date, or becomes incapable of satisfaction in the opinion of the Board (and is not waived).
- (b) In the event that the Eligible Participant to whom the invitation was made ceases to be an Eligible Participant, the date for repayment of the Loan under paragraph 10(a)(ii) will subject to the Company buying back, cancelling or selling any Shares where the Eligible Participant ceases such a role for to certain bad leaver reasons (including acting fraudulently or dishonestly, being grossly negligent, demonstrating serious and wilful misconduct, or causing a material adverse effect on the reputation of the Company), be the later of:
  - (i) if all Restriction Conditions have been satisfied or waived, within 30 days;
  - (ii) if a Milestone Condition in relation to Shares is not satisfied or waived, immediately. Such payment obligation shall be satisfied as set out in (i) above; or
  - (iii) if all Milestone Conditions have been satisfied or waived, but the Escrow Condition has not been satisfied or waived, immediately upon satisfaction.
- (c) Where a Loan becomes repayable under paragraph 10, other than paragraph 10(a)(ii) and at that time a Restriction Condition in relation to Shares subject to the Loan is not satisfied, or is incapable of being satisfied in the opinion of the Board (and is not waived), the Company may elect to buy-back or cancel in consideration for cancellation of the Loan or sell the Shares, with the Sale Proceeds being applied to repay the Loan in accordance the Plan.
- (d) Where a Loan in relation to Shares becomes repayable under paragraph 10, other than paragraphs 10(a)(ii) or 10(a)(v) or 10(b)(ii) and at that time Restriction Conditions in relation to the Shares have either been satisfied or are waived, the Company must give the Participant a 30 day period to repay the Loan, failing which the Company may buy-back, cancel or sell the Shares and, if sold, apply the Sale Proceeds in accordance with the Plan.

11. **Power of Attorney:** The Participant irrevocably appoints each of the Company and each Director severally as his or her attorney to do all things necessary to give effect to the sale of the Participant's Shares in accordance with the Plan.
12. **Restriction on Transfer:** Other than as specified in the Plan, Participants may not sell or otherwise deal with a Share until the Loan Amount in respect of that Share has been repaid and any Restriction Conditions in relation to the Shares have been satisfied or waived. The Company is authorised to impose a holding lock on the Shares to implement this restriction.
13. **Quotation on ASX:** The Company will apply for each Share to be admitted to trading on ASX upon issue of the Share. Quotation will be subject to the ASX Listing Rules and any holding lock applying to the Shares.
14. **Rights Attaching to Shares:** Each Share shall be issued on the same terms and conditions as the Company's issued Shares (other than in respect of transfer restrictions imposed by the Plan) and it will rank equally with all other issued Shares from the issue date except for entitlements which have a record date before the issue date.

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# EXCELSIOR GOLD LIMITED

ACN: 123 629 863

REGISTERED OFFICE:  
UNIT 2  
124 STIRLING HIGHWAY  
NORTH FREMANTLE WA 6159

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«EFT\_REFERENCE\_NUMBER»



«Post\_zone»  
«Company\_code» «Sequence\_number»

«Holder\_name»  
«Address\_line\_1»  
«Address\_line\_2»  
«Address\_line\_3»  
«Address\_line\_4»  
«Address\_line\_5»

SHARE REGISTRY:  
Security Transfer Australia Pty Ltd  
**All Correspondence to:**  
PO BOX 52  
Collins Street West VIC 8007  
Suite 913, Exchange Tower  
530 Little Collins Street  
Melbourne VIC 3000  
T: 1300 992 916 F: +61 8 9315 2233  
E: registrar@securitytransfer.com.au  
W: www.securitytransfer.com.au

Code:

Holder Number:

## PROXY FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

<b>VOTE ONLINE</b>	Lodge your proxy vote securely at <a href="http://www.securitytransfer.com.au">www.securitytransfer.com.au</a>	<input type="text" value="«ONLINE»"/>
	<ol style="list-style-type: none"> <li>Log into the Investor Centre using your holding details.</li> <li>Click on "Proxy Voting" and provide your Online Proxy ID to access the voting area.</li> </ol>	

### SECTION A: Appointment of Proxy

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

The meeting chairperson **OR**

or failing the person named, or if no person is named, the Chairperson of the meeting, as my/our Proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the Proxy sees fit) at the Annual General Meeting of the Company to be held at 11:00am WST on Wednesday 22 November 2017 at BDO, 38 Station Street, Subiaco WA 6008 and at any adjournment of that meeting.

### SECTION B: Voting Directions

Please mark "X" in the box to indicate your voting directions to your Proxy. The Chairperson of the Meeting intends to vote undirected proxies in FAVOUR of all the resolutions. In exceptional circumstances, the Chairperson of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

RESOLUTION	For	Against	Abstain*
1. Remuneration Report (Non-Binding)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-election of Director - Mr Sebastiano Randazzo	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Re-election of Director - Mr David Hatch	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Ratification of Shares issued to Farrah Gold Pty Ltd <FPS Gold Investments Unit Trust A/C>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Ratification of Shares issued to Kalgoorlie Mining Associates Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Ratification of Shares issued to Hampton Transport Services Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Approval of the Excelsior Gold Incentive Scheme	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no directions are given my proxy may vote as the proxy thinks fit or may abstain. \* If you mark the Abstain box for a particular item, you are directing your Proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

### SECTION C: Signature of Security Holder(s)

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder <input type="text"/> Sole Director & Sole Company Secretary	Security Holder 2 <input type="text"/> Director	Security Holder 3 <input type="text"/> Director/Company Secretary
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Proxies must be received by Security Transfer Australia Pty Ltd no later than 11:00am WST on Monday 20 November 2017.



My/Our contact details in case of enquiries are:

Name:

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Number:

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**1. NAME AND ADDRESS**

This is the name and address on the Share Register of the Company. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

**2. APPOINTMENT OF A PROXY**

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a shareholder of the Company.

**3. DIRECTING YOUR PROXY HOW TO VOTE**

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

**4. APPOINTMENT OF A SECOND PROXY**

You are entitled to appoint up to two (2) persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second Proxy, an additional Proxy form may be obtained by contacting the Company's share registry or you may photocopy this form.

To appoint a second Proxy you must:

- a) On each of the Proxy forms, state the percentage of your voting rights or 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 of your votes; and
- b) Return both forms in the same envelope.

**5. SIGNING INSTRUCTIONS**

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

**Joint Holding:** where the holding is in more than one name, all of the Shareholders must sign.

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

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

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

**6. LODGEMENT OF PROXY**

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Australia Pty Ltd no later than the date and time stated on the form overleaf. Any Proxy form received after that time will not be valid for the scheduled meeting.

The proxy form does not need to be returned to the share registry if the votes have been lodged online.

**Security Transfer Australia Pty Ltd**

<b>Online</b>	www.securitytransfer.com.au
<b>Postal Address</b>	PO BOX 52 Collins Street West VIC 8007
<b>Street Address</b>	Suite 913, Exchange Tower 530 Little Collins Street Melbourne VIC 3000
<b>Telephone</b>	1300 992 916
<b>Facsimile</b>	+61 8 9315 2233
<b>Email</b>	registrar@securitytransfer.com.au

**PRIVACY STATEMENT**

Personal information is collected on this form by Security Transfer Australia Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Australia Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.

