



Minera Gold Limited

ACN 117 790 897

Notice of Annual General Meeting and Explanatory Statement

**Annual General Meeting to be held at the Boardroom,
45 Ventnor Avenue, West Perth, Western Australia
at 10.30am (WST) on Monday, 27 May 2013**

IMPORTANT NOTE

The Notice of Annual General Meeting, Explanatory Statement and Proxy Form should be read in their entirety. If you are in doubt as to how you should vote, you should seek advice from your accountant, solicitor or other professional adviser prior to voting.

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Minera Gold Limited (ACN 117 790 897) (**Minera or Company**) will be held at the **Boardroom, 45 Ventnor Avenue, West Perth, Western Australia at 10.30am (WST) on Monday, 27 May 2013.**

The Explanatory Statement, which accompanies and forms part of this Notice, describes the various matters to be considered. Terms used in this Notice will, unless the context otherwise requires, have the same meaning given to them in the Glossary as set out in the Explanatory Statement.

AGENDA

Annual Report

To receive and consider the Annual Report, incorporating the Company's audited financial statements, the Directors' report and the Auditor's report, for the financial year ended 31 December 2012.

Resolution 1 – Non-binding Resolution to adopt the Remuneration Report

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

“That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report contained in the Directors' report for the financial year ended 31 December 2012 be adopted by the Company.”

Resolution 2 – Re-election of Mr Brian Hurley as a Director

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

“That for the purposes of clause 11.4 of the Constitution and all other purposes, Mr Brian Hurley, being a Director of the company who retires under clause 11.3 of the Constitution, and being eligible, is re-elected as a Director of the Company.”

Resolution 3 – Re-election of Mr Ismael Benavides as a Director

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

“That, for the purposes of clause 11.12 of the Constitution and for all other purposes, Mr Ismael Benavides, being a Director of the Company appointed by the Board on 30 November 2012 in accordance with clause 11.11 of the Constitution, who retires under clause 11.12 of the Constitution, and being eligible, is re-elected as a Director of the Company.”

Resolution 4 – Approval to issue Shares to Lind

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

“That for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue to The Lind Partners LLC, managers of the Australian Special Opportunity Fund, LP of Shares, at an issue price per Share equal to the Price Formula (as defined in Section 5.3(c) of the Explanatory Statement), under the Facility Agreement (as defined in Section 5.1 of the Explanatory Statement), in accordance with the terms and conditions set out in the Explanatory Statement.”

Resolution 5 – Ratification of Share issue to Lind

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

“That for the purposes of Listing Rule 7.4 and for all other purposes, the Shareholders approve and ratify the prior issue of 2,127,660 Shares to The Lind Partners LLC, managers of the Australian Special Opportunity Fund, LP on 15 January 2013 for nil cash consideration under the Facility Agreement (as defined in Section 5.1 of the Explanatory Statement), in accordance with the terms and conditions set out in the Explanatory Statement.”

Resolution 6 – Ratification of Share issue to Anglo Pacific Group PLC

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

*“That for the purposes of Listing Rule 7.4 and for all other purposes, the Shareholders approve and ratify the prior issue of 3,500,000 Shares to Anglo Pacific Group PLC (**Anglo Pacific**) on 14 March 2013 for nil cash consideration, in accordance with the terms and conditions set out in the Explanatory Statement.”*

Resolution 7 – Approval of additional placement capacity

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

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

Resolution 8 – Approval to issue Shares to non-related parties on conversion of loan

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

“That for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of Shares to Slade Technologies Pty Ltd (ACN 010 694 756) as trustee for the Embrey Family Superannuation Fund, Mark Buratovic, Brian Peter Byass and Ekirtson Nominees Pty Ltd (ACN 137 521 825) as trustee for the GFCR Investment Fund, at an issue price per Share equal to the conversion formula (as specified in Section 9.3(a) of the Explanatory Statement), on the conversion of the outstanding amount owed by the Company under the Loan Agreement (as specified in Section 9.1), in accordance with the terms and conditions set out in the Explanatory Statement.”

Resolutions 9(a), 9(b) and 9(c) – Approval to issue Shares to related parties on conversion of loan

To consider and, if thought fit, to pass with or without amendment, the following resolutions as separate **ordinary resolutions**:

(a) *“That for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of Shares to Kilkenny Nominees Pty Ltd (ACN 009 104 134) as trustee for the Robert McKenzie Family Trust at an issue price per Share equal to the conversion formula (as specified in Section 10.3(b) of the Explanatory Statement), on the conversion of the outstanding amount owed by the Company under the Loan Agreement (as specified in Section 9.1), in accordance with the terms and conditions set out in the Explanatory Statement.”*

(b) *“That for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of Shares to Christopher William Chalwell & Janine Rose Chalwell as trustee for the Chalwell Pension Fund at an issue price per Share equal to the conversion formula (as specified in Section 10.3(b) of the Explanatory Statement), on the conversion of the outstanding amount owed by the Company under the Loan Agreement (as specified in Section 9.1), in accordance with the terms and conditions set out in the Explanatory Statement.”*

(c) *“That for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of Shares to Rebecca Stell Pattison at an issue price per Share equal to the conversion formula (as specified in Section 10.3(b) of the Explanatory Statement), on the conversion of the outstanding amount owed by the Company under the Loan Agreement (as specified in Section 9.1), in accordance with the terms and conditions set out in the Explanatory Statement.”*

By order of the Board



Angeline Hicks
Company Secretary
18 April 2013

Voting Exclusions

For the purposes of the Corporations Act and Listing Rule 14.11, the following voting exclusion statements apply to the Resolutions. The Company will disregard any votes on the following Resolutions cast by or on behalf of the following persons:

- Resolution 1 – a member of Key Management Personnel and any Closely Related Parties of a member of Key Management Personnel, whose remuneration is disclosed in the Remuneration Report;
- Resolution 4 – Lind and any Associates of Lind;
- Resolution 5 – Lind and any Associates of Lind;
- Resolution 6 - Anglo Pacific and any Associates of Anglo Pacific;
- Resolution 7 – a person, and Associate of such person, who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary shares, if Resolution 7 is passed;
- Resolutions 8(a), 8(b) or 8(c) – a person, and Associate of such persons, who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary shares, or a person who is to receive Securities, if Resolution 8 is passed;
- Resolution 9(a) – Kilkenny Nominees Pty Ltd (ACN 009 104 134) as trustee for the Robert McKenzie Family Trust and any of its Associates;
- Resolution 9(b) – Christopher William Chalwell & Janine Rose Chalwell as trustee for the Chalwell Pension Fund and any of their Associates; and
- Resolution 9(c) – Rebecca Stell Pattison and any of her Associates.

However, the Company need not disregard a vote if it is cast by:

- in respect of Resolution 1:
 - the person acting as proxy and the Proxy Form specifies how the proxy is to vote, and the vote is not cast on behalf of a person who is otherwise excluded from voting on Resolution 1 as outlined in the table above; or
 - the person is the person chairing the Meeting voting an undirected proxy which expressly authorises the person chairing the Meeting to vote on a Resolution in connection with the remuneration of a member of the Key Management; and
- in respect of Resolutions 4 to 8 (inclusive):
 - the person as a proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form; or
 - 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.

Proxy, voting and meeting instructions

Lodgement of a Proxy Form

The Proxy Form (and any power of attorney or other authority, if any, under which it is signed) must be received at an address given below by **10.30am WST on Saturday, 25 May 2013** being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Annual General Meeting.

Proxy Forms may be lodged:

In person: 45 Ventnor Avenue, West Perth, Western Australia, 6005

By mail: Company Secretary, Minera Gold Limited,
45 Ventnor Avenue, West Perth, Western Australia, 6005

By fax: (08) 9200 1861 (within Australia)
+61 8 9200 1861 (outside Australia)

Appointment of a Proxy

A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy. The proxy may, but need not be, a Shareholder of the Company.

If you wish to appoint the Chairman of the Meeting as your proxy, mark the appropriate box on the Proxy Form. If you appoint the Chairman of the Meeting as your proxy, he or she can only cast your votes on Resolutions 1, 4, 5 and 6 if you expressly authorise him to do so by marking the box on the Proxy form. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting, please write the name of that person. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairman of the Meeting will be your proxy and will vote in accordance with any instructions on the Proxy Form.

You are entitled to appoint up to two 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 telephoning the Company on +61 8 9200 1860 or you may photocopy the Proxy Form.

To appoint a second proxy you must on each Proxy Form state (in the appropriate box on the Proxy Form) the percentage of your voting Performance Rights which are the subject of the relevant proxy. If both Proxy Forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

Corporate Shareholders

Corporate Shareholders should comply with the execution requirements set out on the proxy form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

- 2 directors of the company;
- a director and a company secretary of the company; or
- for a proprietary company that has a sole director who is also the sole company secretary, that director.

Votes on Resolution

You may direct your proxy how to vote by placing a mark in one of the boxes opposite the Resolutions on the Proxy Form. All your shareholding will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on the Resolutions by inserting the percentage or number of Shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the Resolutions, your proxy may vote as he or she chooses. If you mark more than one box on a Resolution your vote on the Resolutions will be invalid.

Voting restrictions that may affect your proxy appointment

Due to the voting exclusions that may apply to certain items of business, the Key Management Personnel and their Closely Related Parties will not be able to vote your proxy on Resolution 1 (Remuneration Report) unless you have directed them how to vote or, in the case of the Chairman of the Meeting, if you expressly authorise him to do so.

Chairman voting undirected proxies

The Chairman of the Meeting will vote undirected proxies on, and in favour of, all the proposed Resolutions, except that in respect of Resolution 1, the Chairman will only do so where expressly authorised by the Shareholder having marked the appropriate box on the Proxy form.

Voting Entitlement (Snapshot Date)

The Company's Directors have determined that all Shares of the Company that are quoted on ASX at **5.00pm (WST) on Saturday, 25 May 2013** shall, for the purposes of determining voting entitlements at the Meeting, be taken to be held by the

persons registered as holding the Shares at that time. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Corporate Representatives

A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act, in which case the Company will require a certificate of appointment of the corporate representative executed in accordance with the Corporations Act. The certificate of appointment must be lodged with the Company and/or the Company's share registry before the Meeting or at the registration desk on the day of the Meeting.

Questions from Shareholders

At the Meeting the Chairman will allow a reasonable opportunity for Shareholders to ask questions or make comments on the management of the Company and the Remuneration Report.

Ms Leanne Karamfiles of Deloitte Touche Tohmatsu, as the auditor responsible for preparing the Auditor's report for the year ended 31 December 2012 (or her representative) will attend the Meeting. The Chairman of the Meeting will also allow a reasonable opportunity for Shareholders to ask the auditor questions about:

- the conduct of the audit;
- the preparation and content of the Auditor's report;
- the accounting policies adopted by the Company in relation to the preparation of Financial Statements; and
- the independence of the Auditor in relation to the conduct of the audit.

To assist the Board and the Auditor in responding to questions please submit any questions you may have in writing no later than **5.00pm WST on Saturday, 25 May 2013**:

In person: 45 Ventnor Avenue, West Perth, Western Australia, 6005

By mail: Company Secretary, Minera Gold Limited,
45 Ventnor Avenue, West Perth, Western Australia, 6005

By fax: (08) 9200 1861 (within Australia)
+61 8 9200 1861 (outside Australia)

As required under section 250PA of the Corporations Act, at the Meeting, the Company will distribute a list setting out the questions directed to the Auditor received in writing by **5.00pm WST on Saturday, 25 May 2013**, being questions which the Auditor considers relevant to the content of the Auditor's report or the conduct of the audit of the Annual Report for the year ended 31 December 2012. The Chairman of the Meeting will allow reasonable opportunity to respond to the questions set out on this list.

Explanatory Statement

Introduction

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's Annual General Meeting to be held at **10.30am (WST) on Monday, 27 May 2013**.

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

This Explanatory Statement should be read in conjunction with the Notice of Annual General Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary. All amounts referred to in this Explanatory Statement are in Australian dollars unless specified otherwise.

1. Annual Reports

The Corporations Act requires the Annual Report, incorporating the Company's financial statements, the Directors' report and the Auditors' report of the Company for the financial year ended 31 December 2012 to be tabled and considered at the Annual General Meeting.

Neither the Corporations Act nor the Constitution requires a vote of Shareholders on these reports. However, Shareholders will be given reasonable opportunity to raise questions on the reports and ask questions of the Auditor (see the 'proxy appointment and voting information' section above).

As previously advised, the Company has changed its financial year to the 12 month period between 1 January and 31 December to better align the Company with the fiscal and statutory reporting requirements of its subsidiaries in Brazil and Peru.

2. Resolution 1 – Adoption of Remuneration Report (non-binding)

2.1. Background

The Remuneration Report is set out in the Directors' report which accompanies the Annual Report.

The Corporations Act requires the Company to put a resolution to Shareholders that the Remuneration Report be adopted. Section 250R(3) of the Corporations Act specifies that the vote on Resolution 1 is advisory only and does not bind the Directors or the Company. Accordingly, a failure of Shareholders to pass Resolution 1 will not require the Directors to alter any of the arrangements in the Remuneration Report. However, the Board will take the outcome of the vote into consideration when considering the remuneration policy.

2.2. Spill resolution

In accordance with Division 9 of Part 2G.2 of the Corporations Act, if 25% or more of votes that are cast in respect of resolutions to adopt the Company's remuneration reports at 2 consecutive annual general meetings are voted against adoption, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (**Spill Resolution**) as to whether another general meeting be held within 90 days at which all of the Directors (other than the Managing Director) holding office at the date of the second approved Remuneration Report must stand for re-election.

It is noted that at the Company's 2012 annual general meeting the votes cast against the remuneration report was less than 25% and accordingly, a Spill Resolution will not be required for this Meeting.

2.3. Voting prohibition

Under sections 250R(4) and (5) of the Corporations Act, Key Management Personnel and their Closely Related Parties may not vote on Resolution 1 and may not cast a vote as proxy, unless the proxy appointment gives a direction on how to vote or the proxy is given to the Chairman of the Meeting and expressly authorises the Chairman to exercise the proxy. The Chairman will use any such proxies to vote in favour of Resolution 1.

3. Resolution 2 – Re-election of Mr Brian Hurley as a Director

3.1. Background

Clause 11.3 of the Constitution requires that one third of the Directors in office (other than a Managing Director) retire by rotation at each annual general meeting of the Company, with the retiring Directors then being eligible for re-election pursuant to clause 11.4 of the Constitution.

Mr Brian Hurley, who was appointed as a non-executive Director on 9 January 2006, retires in accordance with clause 11.3, and being eligible, offers himself for re-election as a Director.

3.2. Biography

Mr Hurley is a Mining Engineer with more than 35 years experience in senior management and operational positions in the resources sector, including a lengthy and distinguished senior executive career with Western Mining Corporation, where he was General Manager of the Nickel Division. Mr Hurley has strong practical mining skills and heads up the Company's Technical Advisory team, ensuring that appropriate disciplines are employed in developing the Company's asset base. Mr Hurley has significant experience as a company director.

3.3. Directors' recommendation

Mr Hurley has a material personal interest in the outcome of Resolution 2 and accordingly declines to make a recommendation in respect of this Resolution.

Other than Mr Hurley, the Directors recommend Shareholders vote in favour of Resolution 2.

4. Resolutions 3 – Re-election of Mr Ismael Benavides as a Director

4.1. Background

Clause 11.12 of the Constitution requires that any Director appointed to fill in casual vacancy or as an addition to the Board must only hold office until the next annual general meeting after their appointment and are eligible for re-election.

Mr Ismael Benavides was appointed as a non-executive Director by the Board on 30 November 2012. Mr Benavides retires in accordance with clause 11.12 of the Constitution, and being eligible, offers himself for re-election.

4.2. Biography

Ismael Benavides has extensive experience in the Peruvian corporate sector and his appointment provides a high profile presence on the Company's Board in Peru. Until his appointment as a non-executive Director on 30 November 2012, Mr Benavides was a Strategic Advisor to the Board. Mr Benavides is also the Managing Director of Agricola Santa Fe and Empacadora y Procesadora Huamani, a substantial farm and packing house in Peru. He also serves as a Non-Executive Director of BanBif (Peru's fifth largest bank), Quimpac (Peru's largest chemical company), the Peruvian Institute of Technology (IPTIG) and Pro Naturaleza (Peru's section of the Nature Conservancy).

4.3. Directors' recommendation

Mr Benavides has a material personal interest in the outcome of Resolution 3 and accordingly declines to make a recommendation in respect of this Resolution.

Other than Mr Benavides, the Directors recommend Shareholders vote in favour of Resolution 3.

5. Resolution 4 – Approval of Share issue to Lind

5.1. Background

Resolution 4 seeks Shareholder approval for the issue of Shares to New York-based investment fund, The Lind Partners LLC, managers of the Australian Special Opportunity Fund LP (**Lind**) under a Share Purchase and Convertible Security Agreement between the Company and Lind dated on or about 17 December 2012 (**Facility Agreement**).

Under the Facility Agreement, Lind has provided a convertible security and equity drawdown facility to the Company for up to \$7,650,000 to be used for working capital funding, including required capital for the Company's Peruvian exploration programs (**Funding Facility**).

The Company previously obtained Shareholder approval for the issue Shares to Lind under the Funding Facility at its general meeting held on 29 January 2013. However, under Listing Rule 7.3.2, such approval only lasted for 3 months from the date of that general meeting. Accordingly, renewed Shareholder approval is sought for the issue of Shares to Lind in the 3 months following the date of this Meeting.

5.2. Overview of Facility Agreement

Below is a summary of the key terms and conditions of the Facility Agreement:

(a) Convertible Security

On 18 December 2012, Lind advances \$650,000 to the Company by way of an unsecured convertible security (**Convertible Security**) pursuant to the Facility Agreement.

The Convertible Security:

- (i) has a conversion or repayment amount of \$690,000 (**Repayment Amount**);
- (ii) the Repayment Amount is convertible to Shares at the conversion price equal to 92.5% of the average of 5 daily VWAPs chosen by Lind during the 20 trading day period prior to the conversion date;
- (iii) has coupon/interest rate of nil;
- (iv) is not convertible for a period of 120 days following execution of the Facility Agreement (i.e. until 16 April 2013);
- (v) may be converted to Shares in one lump sum or in increments of not less than \$50,000; and
- (vi) has a term of 24 months from execution of the Facility Agreement.

(b) Drawdown Facility

Under the Facility Agreement, Lind has agreed to provide the Company with an equity drawdown facility of up to \$7,000,000 (**Drawdown Facility**) pursuant to which Lind will purchase Shares on a monthly basis equal in value to at least \$100,000 per tranche (**Tranche**) for up to 24 months (**Term**). The parties may increase the amount of each Tranche up to \$300,000.

Under the Drawdown Facility:

- (i) Each Tranche is pre-paid at the beginning of each month and the Shares for that corresponding Tranche are issued at the end of the month (**Issuance Date**).
- (ii) Upon execution of the Facility Agreement, Lind will purchase the first Tranche of \$100,000 (**Initial Advance**).
- (iii) The issue price of the Shares under the Drawdown Facility is equal to 92.5% of the average of 5 daily VWAPs chosen by Lind during the 20 trading day period prior to each Issuance Date (**Purchase Price**).
- (iv) Lind may on one occasion only, elect to purchase a Tranche of Shares at a Purchase Price equal to 130% of the average daily VWAPs of the Shares during the 20 trading days prior to the execution of the Facility Agreement (**One-Off Tranche**). At the date of this Notice, Lind has not elected to receive the On-Off Tranche.
- (v) The Company may refuse to issue a Tranche for a month if the Purchase Price will be less than \$0.045 per Share (**Floor Price**). However, the Company must then repay the amount paid by Lind for that Tranche plus a 5% premium.
- (vi) If the Purchase Price would fall below \$0.04 (**Base Price**) per Share for 2 consecutive trading days during the Term, Lind may suspend its purchase of Shares for up to 60 days. If during this period the Purchase Price rises above the Base Price for more than 10 trading days, the suspension will be lifted.
- (vii) After the first 6 Tranches have been drawn, the Company may suspend any further drawdown for up to 3 months in every 12 month period.
- (viii) The Company may terminate the Agreement at any time without penalty:
 - (A) after 6 months of the Term;
 - (B) if the Purchase Price falls below the Floor Price; or
 - (C) by paying a cancellation fee of \$125,000.
- (ix) Lind must not acquire a relevant interest in the Company's Shares of more than 19.99% at any one time.

- (x) The Company must seek Shareholder approval as necessary for the issue of Securities under the Facility Agreement.

(c) **Facility fees and collateral**

Under the Facility Agreement, the Company must provide the following consideration to Lind:

- (i) 4,000,000 Options, each with an exercise price of \$0.10 per Share and an expiry date of 3 years from issue. The Company issued these Option on 14 February 2013.
- (ii) A commitment fee of \$150,000. The Commitment Fee is non-refundable in the event that the Company does not complete the transactions under the Facility Agreement. The Company paid the Commitment Fee to Lind on 30 November 2012 by way of issuing 3,000,000 Shares at a deemed issue price of \$0.05 per Share.

Further, the issued 3,750,000 Shares to Lind as collateral for its obligations under the Facility Agreement (**Collateral Shares**). Under the Facility Agreement, Lind will be able to notify the Company that, rather than the Company issuing new Shares to Lind for each Tranche, Lind will off-set this obligation against the Collateral Shares already held. Accordingly, part of the Collateral Shares will make up a Tranche. Any remaining Collateral Shares held by Lind at the expiry or termination of the Facility Agreement will be cancelled, subject to the Company obtaining all necessary Shareholder approvals to effect this cancellation under Part 2J.1 of the Corporations Act and the Listing Rules (as applicable).

5.3. Listing Rules information requirements

For the purposes of the information requirements of Listing Rule 7.3, the following information is provided in respect of Resolution 4:

(a) **Maximum number of Securities to be issued**

The maximum number of Shares that may be issued cannot be ascertained at the date of this Notice as the amount is fluid and will depend upon the market price of Shares for each month (as outlined below) and the quantum of the Shares being purchased.

Please see Section 5.5 below for example scenarios of the number of Shares that may be issued under the Facility Agreement.

(b) **Date by which Securities will be issued**

Pursuant to Listing Rule 7.3.2, the Company may only Shares pursuant to approval granted under Resolution 4 within the 3 month period following the date of the Meeting. Accordingly, the Company will only issue part of the Shares (in Tranches) to be issued under the Funding Facility pursuant to approval granted under Resolution 4, subject to the terms of the Facility Agreement.

Further, any Shares issued after 3 months from the date of the Meeting will be issued out of the Company's 15% issuing capacity under Listing Rule 7.1, and if Resolution 7 is approved, the 10% additional placement capacity under Listing Rule 7.1A.

(c) **Issue price of Securities**

The issue price for each Tranche of the Shares is to be calculated on a monthly basis monthly in accordance with the applicable price formula (**Price Formula**) as outlined below.

$$\text{Issue Price} = \text{Selected VWAP} \times 0.925$$

The Selected VWAP is:

- (i) for the Drawdown Facility – the average of 5 daily VWAPs selected by Lind during the 20 trading day period prior to each date on which the Shares are to be issued;
- (ii) for the Convertible Security – the average of 5 daily VWAPs selected by Lind during the 20 trading day period prior to the conversion date of the Convertible Security; and
- (iii) for the One-Off Tranche - the average daily VWAPs during the 20 trading day period prior to the execution of the Facility Agreement.

(d) **Names of allottees**

All Shares allotted and issued under Resolution 4 will be issued to Lind.

(e) **Terms of Securities**

The Shares to be issued under Resolution 4 will rank equally with all other Shares on issue at the date of issue.

(f) **Intended use of funds raised**

The funds to be raised from Shares issued under Resolution 4 will be applied to the Company to its working capital requirements, including the development of its Torrecillas Project in Peru and its associated mineral resource base.

(g) **Dates of allotment or a statement that allotment will occur progressively**

Allotment of the Shares to be issued under Resolution 4 will occur progressively, but within 3 months of the date of the Meeting.

5.4. Company trading price history

The most recent available data concerning the price of the Company's Shares traded on ASX over the 12 months prior to the date of this Notice is as follows:

	High	Low	Last
Price	\$0.063	\$0.030	\$0.036
Date	20 December 2012	26 March – 3 April 2013	17 April 2013

5.5. Example Scenarios and Effect of Funding Facility

(a) **Drawdown Facility – Examples**

The table below sets out various worked example scenarios for possible numbers of Shares that may be issued in a Tranche under the Drawdown Facility with different issue prices and the respective dilution effect on existing Shareholders at that time.

VWAP Average	Issue Price	Drawdown Amount	Number of Shares to be Issued <small>(rounded up to the nearest whole number)</small>	Total Shares on Issue following Drawdown Tranche¹	Dilution Effect²
Day 1 - \$0.0487 Day 2 - \$0.0487 Day 3 - \$0.0487 Day 4 - \$0.0487 Day 5 - \$0.0487 Average = \$0.0487	$\$0.0486 \times 0.925 =$ \$0.04505	\$100,000	2,219,755 Shares	466,922,122 + 2,219,755 = 469,141,877 Shares	0.475%
Day 1 - \$0.08 Day 2 - \$0.09 Day 3 - \$0.10 Day 4 - \$0.11 Day 5 - \$0.12 Average = \$0.10	$\$0.10 \times 0.925 =$ \$0.925	\$200,000	2,000,000 Shares	466,922,122 + 2,000,000 = 468,922,122 Shares	0.428%
Day 1 - \$0.0487 Day 2 - \$0.0487 Day 3 - \$0.0487 Day 4 - \$0.0487 Day 5 - \$0.0487 Average = \$0.0487	$\$0.0486 \times 0.925 =$ \$0.04505	\$300,000	6,659,267 Shares	466,922,122 + 6,659,267 = 473,581,389 Shares	1.426%
Day 1 - \$0.15 Day 2 - \$0.18 Day 3 - \$0.20 Day 4 - \$0.21 Day 5 - \$0.22 Average = \$0.192	$\$0.192 \times 0.925 =$ \$0.1776	\$300,000	1,689,189 Shares	466,922,122 + 1,689,189 = 468,611,311 Shares	0.362%

Notes 1 & 2: Assumes that the total number of Shares on issue prior to a Tranche is the same as those on issue at the date of this Notice (i.e. 466,922,122 Shares) and that no Options are exercised prior to issue.

(b) **Convertible Security – Examples**

The table below sets out various worked example scenarios for possible numbers of Shares that may be issued on the conversion of the Convertible Security with different conversion prices and the respective dilution effect on existing Shareholders at that time.

VWAP Average	Conversion Price	Conversion Amount	Number of Shares to be Issued <small>(rounded up to the nearest whole number)</small>	Dilution Effect¹
Day 1 - \$0.0487 Day 2 - \$0.0487 Day 3 - \$0.0487 Day 4 - \$0.0487 Day 5 - \$0.0487 Average = \$0.0487	$\$0.0486 \times 0.925 =$ \$0.04505	\$690,000	15,316,315 Shares	3.280%
Day 1 - \$0.070 Day 2 - \$0.072 Day 3 - \$0.073 Day 4 - \$0.074 Day 5 - \$0.075 Average = \$0.0728	$\$0.0728 \times 0.925 =$ \$0.06734	\$690,000	10,246,511 Shares	2.194%
Day 1 - \$0.08 Day 2 - \$0.09 Day 3 - \$0.10 Day 4 - \$0.11 Day 5 - \$0.12 Average = \$0.10	$\$0.10 \times 0.925 =$ \$0.925	\$690,000	6,900,000 Shares	1.477%
Day 1 - \$0.15 Day 2 - \$0.18 Day 3 - \$0.20 Day 4 - \$0.21 Day 5 - \$0.22 Average = \$0.192	$\$0.192 \times 0.925 =$ \$0.1776	\$690,000	3,885,135 Shares	0.832%

Note 1: Assumes that the total number of Shares on issue prior to conversion of the Convertible Security is the same as those on issue at the date of this Notice (i.e. 466,922,122 Shares) and that no Options are exercised prior to conversion.

(c) **Total Dilution Effect of Funding Facility – Examples**

The table below sets out various example scenarios for the total number of shares issued under the Funding Facility and the respective dilution effects on existing Shareholders at that time. These scenarios assume that the Funding Facility operates for its 24 month term.

Total Shares issued under the Drawdown Facility¹	Total Shares issued on conversion of the Convertible Security	Total Shares issued under Funding Facility	Total Shares on Issue following expiry of Funding Facility Term²	Dilution Effect³
80,000,000	7,500,000	87,500,000	540,377,132	19.32%
120,000,000	15,000,000	135,000,000	587,877,132	29.81%
160,000,000	10,000,000	170,000,000	636,922,122	36.409%

Notes: 1. Calculated on the basis of the total number of Shares issued from 24 separate tranches.

2&3. Assumes that the total number of Shares on issue prior to the commencement of the Facility Agreement is the same as those on issue at the date of this Notice (i.e. 466,922,122 Shares) and that no Options are exercised prior to issue.

5.6. Directors' recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 4.

6. Resolution 5 – Ratification of Share issue to Lind

6.1. Background

Resolution 5 seeks Shareholder approval and ratification of the prior issue of 2,127,660 Shares (**Conversion Shares**) to Lind on 15 January 2013 pursuant to the terms of the Facility Agreement (see Section 5.1 above).

Listing Rule 7.1 provides that prior approval of shareholders is required for an issue of Securities if the Securities will, when aggregated with the Securities issued by a company during the previous 12 months, exceed 15% of the number of Securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 states that an issue by a company of Securities made without approval under Listing Rule 7.1 is treated as having been made with approval for the purpose of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and the company's members subsequently approve it. Such approval replenishes the company's 15% capacity and enables it to issue further Securities up to that limit. Accordingly, if Resolution 5 is approved, the Conversion Shares will not be included in the Company's 15% calculation for the purposes of Listing Rule 7.1.

Although the Company sought Shareholder approval under Listing Rule 7.1 for the future issue of Shares to Lind under the Facility Agreement at a general meeting held on 29 January 2013, the Conversion Shares were issued after despatch of the notice for that general meeting, but prior to the general meeting being held. Accordingly, approval under Resolution 5 is sought to ensure that the Conversion Shares are properly approved by Shareholders.

6.2. Listing Rule information requirements

Listing Rule 7.5 requires that the following information be provided to the Shareholders in relation to Resolution 5 for the purposes of obtaining approval under Listing Rule 7.4:

(a) **Date of allotment and issue of Securities**

The Conversion Shares were allotted and issued on 15 January 2013.

(b) **Number of Securities allotted and issued**

A total of 2,127,660 Shares comprise the Conversion Shares.

(c) **Price at which Securities were allotted and issued**

The Conversion Shares were issued at an issue price of nil. Rather, the Conversion Shares were issued on the conversion to equity of a \$100,000 advance made by Lind to the Company under the Facility Agreement, at a conversion price of \$0.047 (rounded) per Share.

The conversion price was determined under the Facility Agreement using the formula set out in Section 5.3(c)(i) above.

For the above calculations, the following VWAPs for the Shares were utilised:

- (i) 13 December 2012 – \$0.0510;
- (ii) 14 December 2012 – \$0.0508;
- (iii) 17 December 2012 – \$0.0520;
- (iv) 11 January 2013 – \$0.0523; and
- (v) 14 January 2013 – \$0.0517.

(d) **Terms of the Securities**

The Conversion Shares are fully paid ordinary shares that which rank equally with the existing Shares on issue at the time of issue.

(e) **Name of the allottee**

Conversion Shares were issued to Lind as a professional investor under section 708(11) of the Corporations Act. Lind is not a related party of the Company.

(f) **Use of (or intended use of) the funds raised**

The Company did not raise any funds from the issue of the Conversion Shares, as these Shares were issued in lieu of repayment of an advance made by Lind to the Company.

The funds raised under the initial advance were applied to the Company's working capital requirements, including those objectives as set out in its announcement to ASX on 30 November 2012 ('Funding Package

Sees Minera Gold Fully Funded') for the increase in production at the Torecillas Gold Project in Peru and substantially increasing its Peruvian resource base.

6.3. Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 5.

7. Resolution 6 – Ratification of Share issue to Anglo Pacific

7.1. Background

Resolution 6 seeks Shareholder approval and ratification of the prior issue of 3,500,000 Shares (**Consideration Shares**) to Anglo Pacific Group PLC (**Anglo Pacific**) on 14 March 2013 pursuant to the terms of a Standstill and Forbearance Deed (**Standstill Deed**) and a Third Deed of Amendment to Standstill and Forbearance Deed (**Third Amendment Deed**).

As outlined in Section 6.1 above, Listing Rule 7.4 allows a company to obtain subsequent shareholder approval and ratification of a prior issue of Securities to the effect that those Securities are treated as having been issued under Listing Rule 7.1.

7.2. Overview of standstill arrangements

On 13 March 2012, the Company announced that it had entered into Standstill Deed with Anglo Pacific in relation to a debt facility provided by Anglo Pacific to the Company (**Anglo Debt Facility**).

Pursuant to the terms of the Standstill Deed, Anglo Pacific agreed to forbear from enforcing or seeking to enforce its rights against the Company (or its Brazilian subsidiary Mundo Mineração Ltda) until 12 September 2012 (**Standstill Term**) on the following terms:

- (a) an upfront principal repayment of \$500,000; and
- (b) the issue of 2,500,000 Shares to Anglo Pacific (as approved by Shareholders at the general meeting held on 3 May 2012),

as a standstill fee, which was fulfilled by the Company earlier this year.

In accordance with the terms of the Standstill Deed (and as announced to ASX on 28 September 2012), the Company has exercised an option to extend the Standstill Term by paying an additional principal repayment of \$750,000 (**Additional Repayment**) and by issuing an additional 2,500,000 Shares to Anglo Pacific (**Anglo Shares**).

In consideration for the Additional Repayment and issue of Anglo Shares, Anglo Pacific agreed to extend the Standstill Term to 1 October 2013, on which date all principal amounts and interest outstanding under the Anglo Debt Facility is due and payable.

The Company also agreed that if all principal amounts and interest outstanding under the Anglo Debt Facility have not been repaid to Anglo Pacific by 12 March 2013, it will make an additional principal repayment of \$750,000 and issue the Consideration Shares to Anglo Pacific.

A total of \$2,389,385.27 remained outstanding under the Anglo Debt Facility as at 31 December 2013.

7.3. Listing Rule information requirements

Listing Rule 7.5 requires that the following information be provided to the Shareholders in relation to Resolution 6 for the purposes of obtaining approval under Listing Rule 7.4:

(a) **Date of allotment and issue of Securities**

The Consideration Shares were allotted and issued on 14 March 2013.

(b) **Number of Securities allotted and issued**

A total of 3,500,000 Shares comprise the Consideration Shares.

(c) **Price at which Securities were allotted and issued**

The Consideration Shares were issued at an issue price of nil. Rather, the Consideration Shares were issued on as consideration for Anglo Pacific agreeing to extend the standstill and forbearance arrangements under the Standstill Deed.

(d) **Terms of the Securities**

The Consideration Shares are fully paid ordinary shares that which rank equally with the existing Shares on issue at the time of issue.

(e) **Name of the allottee**

Consideration Shares were issued to Anglo Pacific as a professional investor under section 708(11) of the Corporations Act. Anglo Pacific is not a related party of the Company.

(f) **Use of (or intended use of) the funds raised**

The Company did not raise any funds from the issue of the Consideration Shares, as these Shares were issued as consideration for Anglo Pacific agreeing to extend the standstill and forbearance arrangements under Standstill Deed.

7.4. Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 6.

8. Resolution 7 – Approval of additional placement capacity

8.1. Background

Resolution 7 seeks Shareholder approval under Listing Rule 7.1A, by way of special resolution, for the Company to have the ability to issue additional Equity Securities up to 10% of its issued share capital, in the 12 months following the Meeting (**Additional Placement Capacity**).

If approved, Resolution 7 will allow the Directors to issue Equity Securities representing up to 10% of the Company issued share capital in the 12 months following the Meeting without using the Company's existing 15% placement capacity under Listing Rule 7.1.

8.2. Overview of Listing Rule 7.1A

Listing Rule 7.1A provides that "eligible entities" may issue Equity Securities up to 10% of that entity's issued share capital through placements in the 12 month period following its annual general meeting provided that shareholder approval is obtained by special resolution at that annual general meeting. This placement capacity is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An "eligible entity" under the listing Rules is an entity that is not included in the S&P/ASX 300 index and has a market capitalisation of \$300 million or less. Accordingly, the Company satisfies these criteria and is an eligible entity.

A special resolution requires approval of at least 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).

8.3. Placement capacity

At the date of this Notice, the Company has 466,922,122 Shares on issue. Accordingly, the Company has the following capacity to make placements of Equity Securities:

- (a) issue up to 70,038,318 Equity Securities in the 12 months following the meeting under the Company's 15% placement capacity pursuant to Listing Rule 7.1; and
- (b) if Resolution 7 is approved by Shareholders, up to 46,692,212 Equity Securities under the Additional Placement Capacity pursuant to Listing Rule 7.1A.

However the actual number of Equity Securities that may be issued under the Additional Placement Capacity will be calculated as at the date of issue in accordance with the formula under Listing Rule 7.1A.2, as outlined in Section 8.4 below.

8.4. Formula for calculating Additional Placement Capacity

Listing Rule 7.1A.2 provides the following formula to calculate the Additional Placement Capacity:

$$\text{Additional Placement Capacity} = (A \times D) - E$$

where:

- A** the number of Shares on issue in the 12 months before the issue date or agreement to issue:
- plus the number of Shares issued in the 12 months under an exception in Listing Rule 7.2;
 - plus the number of partly paid shares that become fully paid in the 12 months;
 - plus the number of Shares issued in the 12 months with approval of Shareholders under Listing Rules 7.1 or rule 7.4 – this does not include an issue of Shares under the Company's 15% placement capacity; and
 - less the number of Shares cancelled in the 12 months;

- D is 10%; and
- E 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 issued that are not issued with Shareholder approval under Listing Rules 7.1 or 7.4.

8.5. Listing Rule information requirements

Listing Rule 7.3A requires that the following information be provided to the Shareholders in relation to Resolution 7 for the purposes of obtaining approval under Listing Rule 7.1A:

(a) **Minimum price at which Equity Securities may be issued**

The issue price of Equity Securities issued under Listing Rule 7.1A must not be less than 75% of the VWAP of Equity Securities over the 15 trading days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 trading days of the date in paragraph (i) above, the date on which the Securities are issued.

(b) **Economic risk and dilution effect**

If Resolution 7 is approved and the Company issues Equity Securities under the Additional Placement Capacity, the existing Shareholders' economic and voting interest in the Company will be diluted. Further, there is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the issue date of Equity Securities than on the date of the Meeting; and
- (ii) the Equity Securities may be issued at a price that is a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of the consideration for the acquisition of a new asset,

which may have an affect on the amount of funds raised by the issue of the Equity Securities.

The table below sets out potential scenarios for dilution of existing Shareholders' voting interests. However, in respect of quoted options, an option holder's voting rights will only be diluted if those quoted Options are exercised.

Variable A in Listing Rule 7.1A		Nominal issue price		
		\$0.036 (Market Price)	\$0.027 (25 % decrease in Market Price)	\$0.018 (50% decrease in Market Price)
Current Variable "A" 466,922,122 Shares	Shares issued under LR 7.1A	46,692,212 Shares	46,692,212 Shares	46,692,212 Shares
	Voting Dilution	10%	10%	10%
	Funds Raised	\$1,680,919	\$1,260,689	\$840,459
	Economic Dilution	0%	2.275%	4.55%
50% increase in current Variable "A" 700,383,183 Shares	Shares issued under LR 7.1A	70,038,318 Shares	70,038,318 Shares	70,038,318 Shares
	Voting Dilution	7.5%	7.5%	7.5%
	Funds Raised	\$2,521,379	\$1,891,034	\$1,260,689
	Economic Dilution	0%	2.275%	4.55%

100% increase in current Variable "A"	Shares issued under LR 7.1A	93,384,424 Shares	93,384,424 Shares	93,384,424 Shares
	Voting Dilution	5%	5%	5%
	Funds Raised	\$3,361,839	\$2,521,379	\$1,680,919
	Economic Dilution	0%	2.275%	4.55%
933,844,244 Shares				

Notes:

This table has been prepared based on the following assumptions:

1. The Company issues the maximum number of Equity Securities available under the Additional Placement Capacity.
2. Other Shares are not issued before the issue date of the Equity Securities, including on exercise of Options. The Company has 211,316,444 Options on issue as at the date of this Notice.
3. The "Market Price" of \$0.036 is the closing price of the Company's Shares as traded on ASX on 17 April 2013, being the date immediately prior to the date of this Notice.
4. The table shows the effect of issuing the Equity Securities under Listing Rule 7.1A only, and not any placement or other issue of Securities under Listing Rule 7.1.
5. All 'Funds Raised' amounts are rounded down to the nearest whole number.

(c) **Date by which Equity Securities must be issued**

Any Equity Securities to be issued under the Additional Placement Capacity will be issued within 12 months of approval by Shareholders at the Meeting. Accordingly, the final date for issue of Equity Securities will be 27 May 2014.

Importantly, if 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), Shareholder approval of the Additional Placement Capacity under Resolution 7 will cease to be valid.

(d) **Purpose for which Equity Securities may be issued**

If Resolution 7 is approved by Shareholders, the Company intends to issue Equity Securities to raise working capital or to reduce the Company's existing liabilities. These may include (without limitation) the following:

- (i) The issue of Equity Securities to Lind on the conversion to equity of advanced funds under the Facility Agreement. In such circumstances, the Equity Securities will not be issued for cash consideration, but rather to repay liabilities owed by the Company.
- (ii) The issue of Equity Securities to Anglo Pacific in consideration for Anglo Pacific providing and extending the standstill and forbearance arrangements under the Standstill Deed.
- (iii) Fund development and exploration activities at the Company's Torrecillas Gold Project and Tumi Gold Projects in Peru.
- (iv) Fund business growth and provide general working capital.

(e) **Allocation policy**

The allottees of Equity Securities that may be issued under the Additional Placement Capacity have not been determined at the date of this Notice.

The Company's allocation policy for the issue of Equity Securities under the Additional Placement Capacity will be dependent upon the equity market conditions at the proposed date of issue. Accordingly, the allottees of Equity Securities under the Additional Placement Capacity will be determined on a case-by-case basis having regard to the circumstances and factors including (without limitation) the following:

- (i) the Company's financial situation and solvency;
- (ii) the possible fundraising methods available to the Company at the time, including placements or issues of Securities in which existing Security holders may participate (e.g. rights/entitlement issues);
- (iii) the effect of issuing the proposed Equity Securities on the control of the Company; and
- (iv) the advice obtained from corporate, financial and other professional advisors of the Company.

The Company may issue Equity Securities under the Additional Placement Capacity to existing substantial Shareholders and/or new Shareholders. However, the Company will not issue any Equity Securities to related parties of the Company or their associates.

(f) **Previous approvals**

The Company has not obtained any previous approval from Shareholders for the issue of Equity Securities under Listing Rule 7.1A.

8.6. Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 7 so that the Company is provided with the flexibility to raise additional working capital in the future as and when required.

9. Resolution 8 – Approval to issue Shares to non-related parties on loan conversion

9.1. Background

Resolution 8 seeks Shareholder approval under Listing Rule 7.1 to issue Shares (**Conversion Shares**) to non-related parties of the Company on the conversion to Shares of the outstanding balance of funds owed by the Company under the Loan Agreement dated 27 March 2013 (**Loan Agreement**) between the Company and:

- (a) Slade Technologies Pty Ltd (ACN 010 694 756) as trustee for the Embrey Family Superannuation Fund (**Slade**);
 - (b) Kilkenny Nominees Pty Ltd (ACN 009 104 134) as trustee for the Robert McKenzie Family Trust (**Kilkenny**);
 - (c) Mark Buratovic;
 - (d) Brian Peter Byass;
 - (e) Ekirtson Nominees Pty Ltd (ACN 137 521 825) as trustee for the GFCR Investment Fund (**Ekirtson**);
 - (f) Christopher William Chalwell & Janine Rose Chalwell as trustee for the Chalwell Pension Fund; and
 - (g) Rebecca Stell Pattison,
- (collectively, the **Lenders**).

Of the Lenders, Slade, Mark Buratovic, Brian Byass and Ekirtson (**Non-Related Lenders**) are not related parties of the Company. Shareholder approval for the issue of Conversion Shares to the other Lenders (i.e. related parties) is sought pursuant to Resolution 9 below.

Listing Rule 7.1 provides that prior approval of shareholders is required for an issue of Securities if the Securities will, when aggregated with the Securities issued by a company during the previous 12 months, exceed 15% of the number of Securities on issue at the commencement of that 12 month period.

9.2. Summary of the Loan Agreement

The material terms of the Loan Agreement are as follows:

- (a) the principal sum to be borrowed will be \$600,000 (**Loan**);
- (b) interest equal to 20% of the Loan, being \$120,000, will be payable by the Company on repayment of the Loan (**Interest Payment**);
- (c) the Loan and the Interest Payment (**Outstanding Monies**) must be repaid on the earlier of:
 - (i) 31 May 2013; and
 - (ii) 5 business days after the Lenders provide notice of a default event occurring and requiring repayment;
- (d) a Lender may at any time elect to convert the whole or part of the Outstanding Monies owed to that Lender into Conversion Shares in the Company at a conversion rate equal to 80% of the 5 day VWAP of Shares traded in the 5 trading days prior to a conversion notice being issued; and
- (e) conversion of the Outstanding Monies into Conversion Shares is conditional upon the Company obtaining all necessary Shareholder and regulatory approvals.

9.3. Listing Rule information requirements

The following information is provided in accordance with Listing Rule 7.3 to enable Shareholders to assess the merits of Resolution 8 for the purposes of Listing Rule 7.1:

(a) **The formula for calculating the number of Securities to be issued**

The maximum number of Conversion Shares that may be issued to Non-Related Lenders cannot be ascertained at the date of this Notice as the amount is fluid and will depend upon the market price of Shares prior to conversion.

The formula for calculating the number of Conversion Shares to be issued is as follows:

$$\text{Conversion Shares} = \text{Selected VWAP} \times 0.80$$

where the Selected VWAP is the VWAP of the Company's Shares traded on ASX in the 5 trading days prior a conversion notice being issued.

Importantly, a Non-Related Lender may convert the whole or any part of the portion of the Loan owed to them. Whether any amount of the Loan is converted to Conversion Shares is at the a Non-Related Lender's discretion.

(b) **The date of allotment and issue of the Securities**

If the Loan is converted to Conversion Shares, the Conversion Shares will be issued on or before 31 May 2013, being within the 3 month time period under Listing Rule 7.3.2 for issue of Securities.

(c) **The issue price of the Securities**

The issue price of the Conversion Shares is nil. Rather, if Conversion Shares are issued, they will be issued in lieu of the Company's obligation to repay that part of the Loan owed to a Non-Related Lender.

(d) **The terms of the Securities**

The Conversion Shares will be fully paid ordinary shares that which rank equally with the existing Shares on issue at the time of issue.

(e) **The intended use of the funds**

The Company will not raise any funds from the issue of the Conversion Shares, as they will be issued in lieu of repayment of that part of the Loan owed to a Non-Related Lender.

9.4. Directors' Recommendation

Other than Robert McKenzie, Christopher Chalwell and Ashley Pattison who have a material personal interest in the outcome of Resolution 8, the Directors recommend Shareholders vote in favour of Resolution 8.

10. Resolutions 9(a), 9(b) and 9(c) – Approval to issue Shares to related parties on loan conversion

10.1. Background

Resolutions 9(a), 9(b) and 9(c) seek Shareholder approval under Listing Rule 10.11 to issue Conversion Shares to:

- (a) under Resolution 9(a), Kilkenny;
- (b) under Resolution 9(b) Christopher Chawell and Janine Chalwellas trustees for the Chalwell Pension Fund; and
- (c) under Resolution 9(c), Rebecca Pattison,

(Related Lenders) on the conversion to Shares of the outstanding balance of funds owed by the Company under the Loan Agreement (as defined in Section 9 above). A summary of the terms and conditions of the Loan Agreement is set out in Section 9.2 above.

The Related Lenders are 'related parties' of the Company within the meaning of that term set out in section 228 of the Corporations Act and Listing Rule 19.12.

Each of Resolutions 9(a), 9(b) and 9(c) is a separate and independent resolution.

10.2. Corporations Act exemption

Section 208 of the Corporations Act states that a public company cannot give a "financial benefit" (including an issue of shares and options) to a "related party" of the Company unless one of the exceptions set out in section 210 to 216 of the Corporations Act apply, or the holders of ordinary Securities have approved the giving of the financial benefit to the related party at a general meeting.

Section 210 of the Corporations Act provides that shareholder approval is not required to give a financial benefit on terms that:

- (a) would be reasonable in the circumstances if the public company and the related party were dealing at arm's length; or
- (b) are less favourable to the related party than arm's length terms.

The Directors have considered the Loan Agreement and resolved that Shareholder approval is not required as the Loan Agreement falls within the exception under section 210 of the Corporations Act on the basis that the terms and conditions of the Loan Agreement have been negotiated with the non-related Lenders and their advisors who are 'arm's length' third parties, and it is reasonable in the circumstances as if the Company and the Related Lenders were dealing at arm's length.

10.3. Listing Rule information requirements

Listing Rule 10.11 provides that a Company must not issue or agree to issue any Equity Securities, or other Securities with rights to conversion to equity, to a related party without shareholder approval. If Resolutions 9(a), 9(b) and 9(c) are approved for the purposes of Listing Rule 10.11, then approval is not required under Listing Rule 7.1.

The following information is provided in accordance with Listing Rule 7.3 to enable Shareholders to assess the merits of Resolutions 9(a), 9(b) and 9(c) for the purposes of Listing Rule 7.1:

(a) **The name of the allottee of the Securities**

The allottees of the Conversion Shares under Resolutions 9(a), 9(b) and 9(c) will be the Related Lenders.

(b) **The formula for calculating the number of Securities to be issued**

The maximum number of Conversion Shares that may be issued cannot be ascertained at the date of this Notice as the amount is fluid and will depend upon the market price of Shares prior to conversion.

The formula for calculating the number of Conversion Shares to be issued is as follows:

$$\text{Conversion Shares} = \text{Selected VWAP} \times 0.80$$

where the Selected VWAP is the VWAP of the Company's Shares traded on ASX in the 5 trading days prior a conversion notice being issued.

Importantly, a Related Lender may convert the whole or any part of that portion of the Loan owed to them. Whether any amount of the Loan is converted to Conversion Shares is at a Related Lender's discretion.

(c) **The date of allotment and issue of the Securities**

If the Loan is converted to Conversion Shares, the Conversion Shares will be issued on or before 31 May 2013, being within the 1 month time period required under Listing Rule 10.13.3 for issue of Securities to related parties.

(d) **The relationship that requires Shareholder approval**

In respect of the Related Lenders:

- (i) Kilkenny is controlled by Robert McKenzie, who is a Director;
- (ii) Christopher Chalwell is a Director;
- (iii) Janine Chalwell is the spouse of a Director, Christopher Chalwell; and
- (iv) Rebecca Pattison is the spouse of a Director, Ashley Pattison.

(e) **The issue price of the Securities**

The issue price of the Conversion Shares is nil. Rather, if Conversion Shares are issued, they will be issued in lieu of the Company's obligation to repay that party the Loan owed to a Related Lender.

(f) **The terms of the Securities**

The Conversion Shares will be fully paid ordinary shares that which rank equally with the existing Shares on issue at the time of issue.

(g) **The intended use of the funds**

The Company will not raise any funds from the issue of the Conversion Shares, as they will be issued in lieu of repayment of that part of the Loan to a Related Lender.

10.4. Directors' Recommendation

Other than Robert McKenzie, Christopher Chalwell and Ashley Pattison who have a material personal interest in the outcome of Resolutions 9(a), 9(b) and 9(c), the Directors recommend Shareholders vote in favour of Resolution each of Resolutions 9(a), 9(b) and 9(c).

Glossary

In this Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

Annual General Meeting or Meeting	The Annual General Meeting of Shareholders of the Company, and if adjourned, any reconvened meeting, convened by the Notice.
Annual Report	The Company's annual financial report for the financial year ended 31 December 2012, including the Directors' report, the Auditor and the Company's financial statements of the Company for the year ended 31 December 2012, which can be downloaded from the Company's website at www.mineragoldlimited.com .
Associate	Has the meaning given to it by Division 2 of Part 1 of the Corporations Act.
Auditor	The Company's auditor from time to time, being at the date of this Notice, Deloitte Touche Tohmatsu.
ASX	ASX Limited (ACN 008 624 691), trading as the Australian Securities Exchange.
Board	The Board of Directors of the Company.
Closely Related Party	Has same meaning given to it in section 9 of the Corporations Act, being, in relation to a member of Key Management Personnel: <ul style="list-style-type: none">(a) a spouse or child of the member;(b) a child of the member's spouse;(c) a dependent of the member or the member's spouse;(d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;(e) a company the member controls; or(f) a person prescribed by the <i>Corporations Regulations 2001</i> (Cth) (currently none are prescribed).
Company	Minera Gold Limited (ACN 117 790 897).
Company Secretary	The company secretary (and chief financial officer) of the Company at the time of the Meeting, being Ms Angeline Hicks.
Constitution	The Company's constitution.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Director	A Director of the Company.
Equity Security	Has the meaning given to it in Listing Rule 19.12, being: <ul style="list-style-type: none">(a) a share;(b) a unit;(c) a right to a share or unit or option;(d) an option over an issued or unissued security;(e) a convertible security;(f) any security that ASX decides to classify as an equity security.
Explanatory Statement	This explanatory statement which accompanies and forms part of this Notice.
Key Management Personnel	Has the same meaning as the definition of that term in section 9 of the Corporations Act, being those persons details of whose remuneration are included in the Remuneration Report having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).
Listing Rules	The official listing rules of the ASX.
Notice and Notice of Annual General Meeting	The notice of Annual General Meeting which accompanies this Explanatory Statement.

Option	An option to acquire a Share.
Remuneration Report	The remuneration report of the Company, appearing in the Annual Report.
Resolution	A resolution set out in the Notice.
Security	Has the meaning given to it in Listing Rule 19.12.
Share	A fully paid ordinary share in the capital of the Company.
Shareholder	The holder of a Share.
Standstill Deed	The Standstill and Forbearance Deed dated 12 March 2012 between the Company and Anglo Pacific Group PLC, as amended by deeds dated 12 September 2012, 10 October 2012 and 14 March 2013.
Standstill Term	The period of time during which Anglo Pacific has agreed to forbear from enforcing or seeking to enforce its rights against the Company (or its Brazilian subsidiary Mundo Mineração Ltda) under the Standstill Deed.
VWAP	The volume weighted average price of a Security traded on ASX on a trading day, as reported on the financial information provided, Bloomberg LP.
WST	Australian Western Standard Time, being the time in Perth, Western Australia.

**MINERA GOLD LIMITED
ACN 117 790 897
PROXY FORM**

I/We (name of Shareholder)

of (address)

being a member/members of Minera Gold Limited HEREBY APPOINT:

(name).....

of (address)

and/or failing him/her (name)

of (address)

or failing that person then the Chairman of the Annual General Meeting as my/our proxy to act generally for me/us and to vote in accordance with the following directions or, if no directions are given, as the proxy sees fit at the Annual General Meeting of the Company to be held at **10.30am WST on Monday, 27 May 2013 at The Boardroom, 45 Ventnor Avenue, West Perth WA** and at any adjournment of the meeting (**Meeting**).

Important: If the chair of the Meeting is your nominated proxy, or may be appointed by default, and you have not directed your proxy how to vote on the Resolutions, please place a mark in the box to the left. By marking the box, you expressly appoint the chair of the Meeting as your proxy and authorise the chair to exercise your vote by proxy on Resolutions 1 and 8 as the chair sees fit (except where you have indicated a different voting intention below) even though Resolutions 1 and 8 are connected directly or indirectly with the remuneration of a member of Key Management Personnel. If you do not mark the box, and you have not directed your proxy how to vote, the chair of the Meeting will not cast your votes by proxy and your votes by proxy will not be counted in computing the required majority if a poll is called.

The chair of the Meeting intends to vote all undirected proxies **IN FAVOUR** of the Resolutions where authorised to do so.

Should you so desire to direct the proxy how to vote, you should place a cross in the appropriate boxes below:

I/We direct my/our Proxy to vote in the following manner:

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director (Mr Brian Hurley)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Director (Mr Ismael Benavides)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval to issue Shares to Lind	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Ratification of Share issue to Lind	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Ratification of Share issue to Anglo Pacific	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval of additional placement capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Approval to issue Shares to non-related parties on conversion of loan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9(a)	Approval to issue Shares to related party on conversion of loan – Kilkenny Nominees Pty Ltd as trustee for the Robert McKenzie Family Trust	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9(b)	Approval to issue Shares to non-related party on conversion of loan – Christopher Chalwell and Janine Chalwell as trustees for the Chalwell Pension Fund	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9(c)	Approval to issue Shares to non-related party on conversion of loan – Rebecca Pattison	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no directions are given my/our proxy may vote as the proxy thinks fit or may abstain.

*This Proxy is appointed to represent _____% of my/our voting right or if two proxies are appointed Proxy 1 represents _____% and Proxy 2 represents _____% of my/our total votes.
My/our total voting right is _____ shares.*

This proxy is dated _____, 2013 is by:

Shareholder 1 (individual)	Joint Shareholder 2 (individual)	Joint Shareholder 3 (individual)
Sole Director and Sole Company Secretary	Director/Company Secretary (delete one)	Director