



**AFRICAN GOLD LIMITED
ACN 624 164 852**

NOTICE OF GENERAL MEETING

The General Meeting of the Company will be held at the offices of the Company, at Level 3, 24 Outram Street, West Perth, Western Australia on Wednesday, 30 October 2019 at 10.30am (WST).

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

Should you wish to discuss any matter, please do not hesitate to contact the Company Secretary by telephone on (08) 6166 9161.

Shareholders are urged to attend or vote by lodging the proxy form attached to the Notice

AFRICAN GOLD LIMITED

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NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting of Shareholders of African Gold Limited (**Company**) will be held at the offices of the Company, at Level 3, 24 Outram Street, West Perth, Western Australia on Wednesday, 30 October 2019 at 10.30am (WST) (**Meeting**).

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

The Board has determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Monday, 28 October 2019 at 5.00pm (WST).

Terms and abbreviations used in the Notice are defined in Schedule 1.

AGENDA

1. Resolution 1 - Approval to issue Initial Consideration Shares

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

"That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 3,000,000 Shares to the Vendors (or their respective nominees) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of the Vendors (and their respective nominees) and any person who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder), or any of their respective associates.

However, the Company need not disregard a vote if:

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

2. Resolution 2 - Approval to issue Deferred Consideration Shares

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

"That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 12,500,000 Shares to the Vendors (or their respective nominees) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of the Vendors (and their respective nominees) and any person who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder), or any of their respective associates.

However, the Company need not disregard a vote if:

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

BY ORDER OF THE BOARD



Michael Naylor
Company Secretary
African Gold Limited
Dated: 27 September 2019

AFRICAN GOLD LIMITED

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EXPLANATORY MEMORANDUM

1. Introduction

The 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 the offices of the Company, at Level 3, 24 Outram Street, West Perth, Western Australia on Wednesday, 16 October 2019 at 10.30am (WST).

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

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

2.1 Voting in person

To vote in person, attend the Meeting on the date and at the place set out above.

2.2 Proxies

(a) Voting by proxy

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (i) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (ii) a proxy need not be a member of the Company; and
- (iii) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

- (b) Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- (i) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed);
- (ii) if the proxy has 2 or more appointments that specify different ways to vote on the resolution - the proxy must not vote on a show of hands;
- (iii) if the proxy is the chair of the meeting at which the resolution is voted on - the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- (iv) if the proxy is not the chair - the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

- (c) Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- (i) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members;
- (ii) the appointed proxy is not the chair of the meeting;
- (iii) at the meeting, a poll is duly demanded on the resolution; and
- (iv) either the proxy is not recorded as attending the meeting or the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

3. Background to the Resolutions

3.1 Acquisition Agreement

On 5 September 2019, the Company announced that it had entered into a binding conditional terms sheet (**Acquisition Agreement**) with the 8 shareholders (**Vendors**) of Abra Resources Pty Ltd (**Abra Resources**) to acquire 100% of the issued capital of Abra Resources (**Acquisition**).

Abra Resources, through its wholly owned Malian subsidiaries, EurekaGold SARL and Catalyst Resources SARL, owns the Samanafoulou, Sitikili, Yatia, Golokasso gold projects in Mali, and has an option to purchase a 95% interest in the Walia gold project in Mali (together, the **Projects**).

The Company has paid \$45,000 in cash to Abra Resources in consideration for exclusivity with respect to the sale of Abra Resources and the Projects while the Company completes its due diligence investigations on the Acquisition.

3.2 Conditions Precedent

Completion of the Acquisition (**Completion**) is conditional upon the satisfaction or waiver by the Company of the following outstanding conditions precedent:

- (a) (**due diligence**) completion of legal, financial and technical due diligence investigations on Abra Resources, its subsidiaries and the Projects by the Company to its sole satisfaction;
- (b) (**ASX waiver**) ASX granting the Company the ASX Waiver (refer to Section 5.2(b) below);
- (c) (**regulatory approval**) the Company obtaining all shareholder and other regulatory approvals or waivers required (including those required pursuant to the Listing Rules or under Malian laws) in order to perform its obligations under the Acquisition Agreement; and
- (d) (**Third Party consents**) the obtaining of any consent, approval or signed document (including any deed of assignment and assumption) that is required to be obtained under the terms of any third party agreement to which Abra Resources or its subsidiaries are a party to in connection with the Acquisition.

If the conditions in sub-sections (a) and (b) are not satisfied or waived prior to 3 October 2019, or the conditions in sub-sections (c) and (d) are not satisfied or waived by 17 November 2019, any party may terminate the Acquisition Agreement by notice in writing to the other parties.

3.3 Consideration

In consideration for the Acquisition, the Company will pay a total of \$125,000 in cash to the Vendors at Completion and, subject to the receipt of Shareholder approval sought pursuant to Resolutions 1 and 2, issue up to a total of 15,500,000 Shares to the Vendors (or their respective nominees) at a deemed issue price of \$0.165 per Share (**Consideration Shares**).

The Consideration Shares will be issued as follows:

- (a) 3,000,000 Consideration Shares will be issued at Completion (**Initial Consideration Shares**) (Resolution 1); and
- (b) 12,500,000 Consideration Shares will be issued in 3 tranches (**Deferred Consideration Shares**) upon satisfaction of certain milestones prior to the expiry dates as outlined below, subject to the receipt of the ASX Waiver (refer to Section 5.2(b) below) (Resolution 2):

Tranche	Deferred Consideration Shares	Milestone	Expiry Date
1	2,500,000	The Tranche 1 Milestone will be completed upon the earlier to occur of: 1. announcement by the Company of a JORC 2012 compliant Inferred, Indicated or Measured Resource with a minimum grade	The date that is 3 years from Completion

Tranche	Deferred Consideration Shares	Milestone	Expiry Date
		<ul style="list-style-type: none"> of 1.5g/t for a total of at least 500,000oz of gold located within the Projects; 2. completion of the Tranche 2 Milestone; 3. completion of the Tranche 3 Milestone; and 4. announcement by the Company of the Commercial Production of gold from any of the Projects. 	
2	5,000,000	<p>The Tranche 2 Milestone will be completed upon the earlier to occur of:</p> <ul style="list-style-type: none"> 1. announcement by the Company of a JORC 2012 compliant Inferred, Indicated or Measured Resource with a minimum grade of 1.5g/t for a total of at least 1,000,000oz of gold located within the Projects; 2. completion of the Tranche 3 Milestone; and 3. announcement by the Company of the Commercial Production of gold from any of the Projects. 	The date that is 4 years from Completion
3	5,000,000	<p>The Tranche 3 Milestone will be completed upon the earlier to occur of:</p> <ul style="list-style-type: none"> 1. announcement by the Company of a JORC 2012 compliant Inferred, Indicated or Measured Resource with a minimum grade of 1.5g/t for a total of at least 2,000,000oz of gold located within the Projects; and 2. announcement by the Company of the Commercial Production of gold from any of the Projects. 	The date that is 5 years from Completion

If applicable, the Company may also be required to pay a further \$1,000,000 in cash to the Vendors (**Deferred Cash Payment**). However, the Company shall only be obliged to make the Deferred Cash Payment if tranche 3 of the Deferred Consideration Shares has not been issued to the Vendors and the Company announces a JORC 2012 compliant Inferred, Indicated or Measured Resource with a minimum grade of 1.5g/t for a total of at least 2,000,000oz of gold located within the Projects, provided such announcement is made after the date which is 5 years following Completion but prior to the date which is 7 years following Completion.

4. Resolution 1 - Approval to issue Initial Consideration Shares

Resolution 1 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of the Initial Consideration Shares to the Vendors (or their respective nominees).

4.1 Listing Rule 7.1

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities (as defined in the Listing Rules) 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.

The effect of Resolution 1 will be to allow the Company to issue the Initial Consideration Shares during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity under Listing Rule 7.1.

4.2 Specific information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Initial Consideration Shares:

- (a) a maximum of 3,000,000 Shares are to be issued as Initial Consideration Shares;
- (b) the Initial Consideration Shares will be issued no later than 3 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules);
- (c) the Initial Consideration Shares will be issued for nil cash consideration as part consideration for the Acquisition;
- (d) the Initial Consideration Shares will be issued to the Vendors (or their respective nominees), none of whom is a related party of the Company;
- (e) the Initial Consideration Shares will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue;
- (f) no funds will be raised from the Initial Consideration Shares as they will be issued for nil cash consideration;
- (g) it is intended that the issue of the Initial Consideration Shares will occur on the same date, being the date of Completion; and
- (h) a voting exclusion statement is included in the Notice.

4.3 Board recommendation

Resolution 1 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 1.

The Chair intends to exercise all available proxies in favour Resolution 1.

5. Resolution 2 - Approval to issue Deferred Consideration Shares

Resolution 2 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of the Deferred Consideration Shares to the Vendors (or their respective nominees).

5.1 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out at Section 4.1 above.

The effect of Resolution 2 will be to allow the Company to issue the Deferred Consideration Shares during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity under Listing Rule 7.1.

5.2 Specific information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Deferred Consideration Shares:

- (a) a maximum of 12,500,000 Shares are to be issued as Deferred Consideration Shares, split into three tranches as follows:
 - (i) 2,500,000 Tranche 1 Deferred Consideration Shares to be issued subject to the satisfaction of the Tranche 1 Milestone;
 - (ii) 5,000,000 Tranche 2 Deferred Consideration Shares to be issued subject to the satisfaction of the Tranche 2 Milestone; and
 - (iii) 5,000,000 Tranche 3 Deferred Consideration Shares to be issued subject to the satisfaction of the Tranche 3 Milestone;
- (b) the Deferred Consideration Shares will be issued no later than 3 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). The Company has applied for a waiver of Listing Rule 7.3.2 (ASX Waiver) to permit the issue of the Deferred Consideration Shares as follows:
 - (i) the Tranche 1 Deferred Consideration Shares will be issued no later than 3 years from the date Resolution 2 is approved and subject to the Company meeting the relevant Milestones;
 - (ii) the Tranche 2 Deferred Consideration Shares will be issued no later than 4 years from the date Resolution 2 is approved and subject to the Company meeting the relevant Milestones; and
 - (iii) the Tranche 3 Deferred Consideration Shares will be issued no later than 5 years from the date Resolution 2 is approved and subject to the Company meeting the relevant Milestones,

The Company will separately advise the market of the outcome of the waiver application. If the ASX Waiver is not granted and the Deferred Consideration Shares are not issued within 3 months of the date of the Meeting, the Company may need to seek further Shareholder approval at an appropriate time for the issue of the Deferred Consideration Shares. The grant of the waiver is also a condition precedent to the Acquisition (see Section 3.2(b)), which condition

precedent would need to be waived by the Vendors in the event the ASX Waiver is not granted in order for Completion to occur.

In the event that the ASX Waiver is granted, but the relevant Milestones are met after the expiry of the ASX Waiver and before the Expiry Date referred to in the table in Section 3.3(b), the Company may need to seek further Shareholder approval at an appropriate time for the issue of the Deferred Consideration Shares;

- (c) the Deferred Consideration Shares will be issued for nil cash consideration as part consideration for the Acquisition;
- (d) the Deferred Consideration Shares will be issued to the Vendors (or their respective nominees), none of whom is a related party of the Company;
- (e) the Deferred Consideration Shares will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue;
- (f) no funds will be raised from the Deferred Consideration Shares as they will be issued for nil cash consideration;
- (g) it is intended that the issue of the Deferred Consideration Shares will occur on the satisfaction of the relevant Milestones set out in Section 3.3(b); and
- (h) a voting exclusion statement is included in the Notice.

5.3 Board recommendation

Resolution 2 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 2.

The Chair intends to exercise all available proxies in favour Resolution 2.

Schedule 1 - Definitions

In the Notice, words importing the singular include the plural and vice versa.

\$ or A\$ means Australian Dollars.

Abra Resources means Abra Resources Pty Ltd (ACN 622 863 870).

Acquisition means the acquisition of 100% of the issued capital of Abra Resources in accordance with the Acquisition Agreement.

Acquisition Agreement means the conditional binding term sheet between the Company, Abra Resources and the Vendors for the Acquisition.

ASX means the ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

Board means the board of directors of the Company.

Chair means the person appointed to chair the Meeting of the Company convened by the Notice.

Commercial Production occurs when:

- (a) either:
 - (i) a study at pre-feasibility study has been completed for the Projects;
 - (ii) a plant has been commission for the Projects; or
 - (iii) an agreement is in place to utilise a third-party plant for the Projects; and
- (b) the Projects have been in production for a continuous 10 day period or has produced 5,000 ounces of gold (whichever occurs first).

Company means African Gold Limited (ACN 624 164 852).

Completion means completion of the Acquisition pursuant to the Acquisition Agreement.

Consideration Shares means the Initial Consideration Shares and the Deferred Consideration Shares.

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

Deferred Consideration Shares means up to 12,500,000 Shares to be issued to the Vendors (or their respective nominees) upon satisfaction of the Milestones pursuant to the Acquisition Agreement which are the subject of Resolution 2.

Explanatory Memorandum means the explanatory memorandum which forms part of the Notice.

Initial Consideration Shares means up to 3,000,000 Shares to be issued to the Vendors (or their respective nominees) at Completion pursuant to the Acquisition Agreement which are the subject of Resolution 1.

JORC 2012 means the 2012 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" prepared by the Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia.

Listing Rules means the listing rules of ASX.

Meeting has the meaning given in the introductory paragraph of the Notice.

Milestones means the milestones set out in Section 3.3(b).

Notice means this notice of general meeting.

Resolution means a resolution referred to in the Notice.

Section means a section of the Explanatory Memorandum.


Share means a fully paid ordinary share in the capital of the Company.


Shareholder means the holder of a Share.

Vendors means the 8 existing shareholders of Abra Resources, being Sidi Haidara, Wavecape Holdings Pty Ltd (ACN 145 576 558), Silverpeak Nominees Pty Ltd (ACN 117 689 826) ATF The RGM Hill Account, Bullseye Geoservices Pty Ltd (ACN 108 625 403) ATF Haynes Family Account, Baco Traore, Souley Sangare, Demba Camara and Ian Cunningham.

WST means Western Standard Time being the time in Perth, Western Australia.

Need assistance?

 **Phone:**
1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)

 **Online:**
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:30am (WST)** Monday, 28 October 2019.

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

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

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

ATTENDING THE MEETING

If you are attending in person, please bring this form with you to assist registration.

Corporate Representative

If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Appointment of Corporate Representative" prior to admission. A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form:

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Online:

Use your computer or smartphone to appoint your proxy and vote at www.investorvote.com.au or scan your personalised QR code below using your smartphone.

Your secure access information is



Control Number: 183385

SRN/HIN:

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



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

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of African Gold Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of African Gold Limited to be held at Level 3, 24 Outram Street, West Perth, Western Australia on Wednesday, 30 October 2019 at 10:30am (WST) and at any adjournment or postponement of that meeting.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
1 Approval to issue Initial Consideration Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Approval to issue Deferred Consideration Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1 <input type="text"/>	Securityholder 2 <input type="text"/>	Securityholder 3 <input type="text"/>	/ / Date
Sole Director & Sole Company Secretary	Director	Director/Company Secretary	

Update your communication details *(Optional)*

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

Mobile Number <input type="text"/>	Email Address <input type="text"/>
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