

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt as to what action you should take, you are recommended to seek your own financial advice from your stockbroker or other independent adviser authorised under the Financial Services and Markets Act 2000. If you have sold or transferred all of your shares in SolGold Plc, please forward this document, together with the accompanying documents, as soon as possible either to the purchaser or transferee or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

**SOLGOLD PLC**

*(Registered in England & Wales with Company No. 5449516)*

*Directors*

Nicholas Mather  
Brian Moller  
Robert Weinberg  
John Bovard  
Alan Martin

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**10 June 2014**

Dear Shareholder,

**Introduction**

The purpose of this letter is to provide you with a brief summary and explanation of the resolutions proposed by SolGold Plc ("SolGold" or the "Company") as set out in the attached notice convening an Annual General Meeting ("AGM") of the Company at 11am (Brisbane, Australia time) on 8 July 2014 (the "Notice of AGM").

**The Company would like to propose the following Ordinary Resolutions at the AGM:**

**Resolution 1**

Resolution 1 is to receive the Company's financial statements and the report of the Board of Directors ("Directors") and auditors for the year ended 30 June 2013. Shareholders will have a reasonable opportunity at the AGM to ask questions and comment on these reports and on the business and operations of the Company.

**Resolution 2**

Robert Weinberg retires in accordance with the Articles of Association ("**Articles**") and, being eligible, offers himself for re-appointment as a Director of the Company.

**Resolution 3**

Alan Martin retires in accordance with the Articles and, being eligible, offers himself for re-appointment as a Director of the Company.

**Resolution 4**

Resolution 4 seeks approval for the grant of 4.36 million unlisted options ("Director Options"), of which 50% are exercisable at 14p and 50% are exercisable at 28p, to Directors as outlined below. The terms of the Director Options are set out in full in Appendix A. Unlisted options granted to the Company's Managing Director, Alan Martin, were approved by shareholders at last year's AGM.

a) Nick Mather (*Executive Director*):

- 750,000 Options exercisable at £0.14, vesting once the Company's share price has traded at a minimum of £0.20 on a 30 day VWAP basis; and
- 750,000 Options exercisable at £0.28, vesting once the Company's share price has traded at a minimum of £0.40 on a 30 day VWAP basis;

b) Brian Moller (*Non-Executive Chairman*):

- 550,000 Options exercisable at £0.14, vesting once the Company's share price has traded at a minimum of £0.20 on a 30 day VWAP basis; and
- 550,000 Options exercisable at £0.28, vesting once the Company's share price has traded at a minimum of £0.40 on a 30 day VWAP basis;

c) John Bovard (*Non-Executive Director*):

- 440,000 Options exercisable at £0.14, vesting once the Company's share price has traded at a minimum of £0.20 on a 30 day VWAP basis; and
- 440,000 Options exercisable at £0.28, vesting once the Company's share price has traded at a minimum of £0.40 on a 30 day VWAP basis;

d) Robert Weinberg (*Non-Executive Director*):

- 440,000 Options exercisable at £0.14, vesting once the Company's share price has traded at a minimum of £0.20 on a 30 day VWAP basis; and
- 440,000 Options exercisable at £0.28, vesting once the Company's share price has traded at a minimum of £0.40 on a 30 day VWAP basis.

As each Director except Alan Martin is interested in the outcome of this Resolution, each Director except Alan Martin accordingly makes no recommendation to Shareholders with regards to the outcome of this Resolution. However, the Directors note that some reasons for the proposed grant of Director Options include that:

- (i) the Director Options replace the recently expired suite of options granted to directors which were approved by shareholders in 2011, and will maintain the alignment of their interests for the progression of the Company with that of all shareholders;
- (ii) the Director Options are not intended as a substitute for salary or wages or as a means for compensation for past services rendered; and
- (iii) in the Company's circumstances as they exist as at the date of this Chairman's Statement, Alan Martin considers that the proposed Director Options provide a cost-effective and efficient incentive as opposed to alternative forms of cash-based incentives (eg. Bonuses or increased remuneration levels).

#### **Resolution 5**

Resolution 5 is to re-appoint BDO (UK) LLP as auditors of the Company to hold office from the conclusion of the AGM to the conclusion of the next AGM at which accounts are laid before the Company at a remuneration level to be determined by the Directors.

#### **Resolution 6**

Resolution 6 proposes to authorise the Directors to allot and issue shares in the Company or grant rights to subscribe for or to convert any securities into shares in the Company up to an aggregate nominal amount of £2,000,000 such authority to expire at the next AGM or fifteen months after the passing of this resolution, whichever date is the earlier.

**The Company is also proposing the following Special Resolution at the AGM:**

#### **Resolution 7**

The Companies Act 2006 (the "**Act**") requires that any equity securities issued for cash must first be offered to existing shareholders pro rata to their holdings unless approval is obtained by special resolution to disapply this requirement. It is proposed that this authority also be renewed for the same period as the authority under Resolution 6. The Company is seeking disapplication of pre-emption rights in connection with any equity securities to be allotted and issued up to a nominal amount of ordinary shares equal to £2,000,000 representing approximately 30 per cent of the issued share capital of the Company as at the date hereof.

### **Shareholder Voting**

All Shareholders registered as holding ordinary shares of the Company at 5:00pm (Brisbane, Australia time) on the second day prior to the date of the AGM or any adjournment of it shall be (unless otherwise entitled to do so) entitled to attend the AGM and vote on the Resolutions proposed.

### **Action to be taken by Shareholders**

Attached to the Notice of AGM accompanying this letter is a Proxy Form for use by Shareholders. All Shareholders are invited and encouraged to attend the AGM or, if they are unable to attend in person, to complete, sign and return the Proxy Form to the Company. Lodgement of a Proxy Form will not preclude the Shareholder from attending and voting at the AGM in person.

Shareholders can either deliver the Proxy by hand, by mail, by facsimile or as an attachment by email.

### **Recommendation**

**The Board of Directors believes that Resolutions 1-3 and 5-7 are fair and reasonable and in the best interests of the Company and Shareholders alike, and therefore recommends you to vote in favour of them.**

**Mr Alan Martin considers Resolution 4 to be fair and reasonable and in the best interests of the Company and Shareholders alike, and therefore recommends you to vote in favour of it.**

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'K. Schlobohm', with a long horizontal flourish extending to the right.

**Karl Schlobohm**  
**Company Secretary**

**NOTICE OF ANNUAL GENERAL MEETING**

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Notice is hereby given that the annual general meeting of SolGold Plc (the "Company") will be held on 8 July 2014 at 11.00am (Brisbane Australia time) at the offices of Hopgood Ganim, Level 7, Waterfront Place, 1 Eagle Street, Brisbane, Queensland 4000, Australia for the following purposes:

To consider and, if thought fit, pass Resolutions 1 to 6 which will be proposed as **Ordinary Resolutions** and Resolution 7 which will be proposed as a **Special Resolution**:

1. To receive the Company's financial statements and the report of the board of directors ("Directors") and auditors for the year ended 30 June 2013.
2. To re-appoint Robert Weinberg as a Director of the Company, who retires in accordance with the Articles and is eligible for re-appointment.
3. To re-appoint Alan Martin as a Director of the Company, who retires in accordance with the Articles and is eligible for re-appointment.
4. To approve the grant of 4,360,000 options to the following Directors:
  - a) **Nick Mather:**
    - 750,000 Options exercisable at £0.14, vesting once the Company's share price has traded at a minimum of £0.20 on a 30 day VWAP basis; and
    - 750,000 Options exercisable at £0.28, vesting once the Company's share price has traded at a minimum of £0.40 on a 30 day VWAP basis.
  - b) **Brian Moller:**
    - 550,000 Options exercisable at £0.14, vesting once the Company's share price has traded at a minimum of £0.20 on a 30 day VWAP basis; and
    - 550,000 Options exercisable at £0.28, vesting once the Company's share price has traded at a minimum of £0.40 on a 30 day VWAP basis.
  - c) **John Bovard:**
    - 440,000 Options exercisable at £0.14, vesting once the Company's share price has traded at a minimum of £0.20 on a 30 day VWAP basis; and
    - 440,000 Options exercisable at £0.28, vesting once the Company's share price has traded at a minimum of £0.40 on a 30 day VWAP basis;
  - d) **Robert Weinberg:**
    - 440,000 Options exercisable at £0.14, vesting once the Company's share price has traded at a minimum of £0.20 on a 30 day VWAP basis; and
    - 440,000 Options exercisable at £0.28, vesting once the Company's share price has traded at a minimum of £0.40 on a 30 day VWAP basis;

and otherwise on the terms set forth in **Appendix A**.

5. To re-appoint BDO (UK) LLP as auditors of the Company to hold office from the conclusion of the meeting to the conclusion of the next meeting at which accounts are laid before the Company at a remuneration to be determined by the Directors.

6. That the Directors be generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the 'Act') to allot shares in the Company or grant rights to subscribe for or to convert any securities into shares in the Company ("Relevant Securities") up to a maximum aggregate nominal amount of £2,000,000 provided that this authority shall expire at the conclusion of the next Annual General Meeting of the Company or, if earlier, fifteen (15) months from the date of passing this resolution save that the Company may before such expiry make an offer or agreement which would or might require Relevant Securities to be allotted after such expiry and the Directors may allot Relevant Securities in pursuance of such an offer or agreement as if the authority conferred had not expired. This resolution revokes and replaces all unexercised authorities previously granted to the Directors to allot shares or grant rights for or to convert any securities into shares but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.
7. That subject to, and conditional on, the passing of Resolution 6, the Directors be empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority given by Resolution 6 as if section 561(1) of the Act did not apply to any such allotment provided that this power shall be limited to:
- (a) the allotment of equity securities in connection with a rights issue or any other offer to holders of ordinary shares in proportion (as nearly as practicable) to their respective holdings and to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary, but subject to such exclusions or other arrangements as the Directors deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and
  - (b) the allotment (otherwise than pursuant to sub-paragraph (a) above) of equity securities up to an aggregate nominal amount of £2,000,000,

and this authority shall expire at the conclusion of the next annual general meeting of the Company or, if earlier, fifteen months from the date of passing this resolution save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby has not expired.

**BY ORDER OF THE BOARD OF DIRECTORS**



Karl Schlobohm  
Company Secretary  
10 June 2014

## Appendix A

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A summary of the terms of the 4.36 million Director Options to be issued to Nick Mather, Brian Moller, John Bovard and Robert Weinberg is set out below:

- The securities to be issued are options to subscribe for ordinary shares (“**Shares**”) in the share capital of the Company (“**Options**”).
- The Options are to be issued for nil consideration.
- The exercise price of each Director Option (“**Exercise Price**”) is set out as below:

<b>Recipient</b>	<b>Exercise Price (a)</b>	<b>Number of options</b>	<b>Exercise Price (b)</b>	<b>Number of Options</b>
Nick Mather	£0.14	750,000	£0.28	750,000
Brian Moller	£0.14	550,000	£0.28	550,000
John Bovard	£0.14	440,000	£0.28	440,000
Robert Weinberg	£0.14	440,000	£0.28	440,000
<b>Total</b>		<b>2,180,000</b>		<b>2,180,000</b>

- (a) 2.18 million Options exercisable at £0.14, vesting once the Company’s share price has traded at a minimum of £0.20 on a 30 day VWAP basis; and
- (b) 2.18 million Options exercisable at £0.28, vesting once the Company’s share price has traded at a minimum of £0.40 on a 30 day VWAP basis;
- The Options will lapse and expire immediately on the earlier of:
  - (a) three (3) years from the date of issue of the Options;
  - (b) the expiration of three (3) months, or any longer period as may be determined by the Board, after the recipient ceases to be an employee / contractor of the Company; or
  - (c) the recipient ceasing to be an employee / contractor of the Company due to fraud or dishonesty.
- The Options, once issued, will not be transferable in whole or in part and may not be exercised by any other person (except, in the case of the Option holder’s death, by his or her legal personal representative).
- Upon the valid exercise of the Options and payment of the Exercise Price, the Company will issue Shares ranking pari passu with the then issued Shares.
- The Options may be exercised wholly or in part by delivering a duly completed form of notice of exercise together with a cheque for the Exercise Price per Option to the Company at any time on or after the vesting date and on or before the expiry date provided that the minimum number of Options that may be exercised at any one time is 10,000 Options.
- While the Option holder does not have any right to participate in new issues of Securities in the Company to Shareholders generally, the Option holder will be afforded such period of notice as may be required under any relevant regulations prior to and inclusive of the record date (to determine entitlements to the issue) to exercise the Options.
- The Option holder does not participate in any dividends unless the Options are exercised and the resultant Shares of the Company are issued prior to the record date to determine entitlements to the dividend.
- The Company does not intend to apply for a stock exchange listing of the Options.
- The Company shall apply for listing on the stock exchange of the resultant Shares of the Company issued upon exercise of any Option.

- While the Option holder does not have any participating rights in new issues of securities in the Company during the term of any Options held, in the event of a bonus issue or pro-rata issue the Option holder shall be afforded such period of notice as may be required under any relevant regulations before the record date to determine entitlements to the issue, to exercise the Options and it shall be a condition of the Options that any entitlements to bonus issues of securities are only available to the Option holder in the event of a prior exercise of the Options.
- If there is a pro rata issue (except a bonus issue), the exercise price of an Option may be reduced according to the following formula:

$$O_n = O - \frac{E [P - (S + D)]}{N + 1}$$

**Where:**

O<sub>n</sub> = the new exercise price of the Option;

O = the old exercise price of the Option;

E = the number of underlying Shares into which one Option is exercisable;

P = if the Company is listed, the average market price per Share (weighted by reference to volume) of the underlying Shares during the five (5) trading days ending on the day before the ex rights date or ex entitlements date and otherwise, the market value per Share determined by the auditor of the Company at the time of any pro-rata issue;

S = the subscription price for a Share under the pro rata issue;

D = the dividend due but not yet paid on existing underlying Shares (except those to be issued under the pro rata issue); and

N = the number of Shares with rights or entitlements that must be held to receive a right to one new Share.

- If there is a bonus issue to the holders of Shares in the Company, the number of Shares over which the Option is exercisable may be increased by the number of Shares which the Option holder would have received if the Option had been exercised before the record date for the bonus issue.
- The terms of the Options shall only be changed if holders (whose votes are not to be disregarded) of Shares in the Company approve of such a change. However, the terms of the Options shall not be changed to reduce the Exercise Price, increase the number of Options or change any period for exercise of the Options save as set out above.
- In the event of any reconstruction (including consolidation, subdivision or reduction) of the issued share capital of the Company:
  - (a) the number of Options, the Exercise Price of the Options, or both will be reconstructed (as appropriate) in a manner consistent with the relevant listing rules as applicable at the time of reconstruction, but with the intention that such reconstruction will not result in any benefits being conferred on the holders of the Options which are not conferred on Shareholders; and
  - (b) subject to the provisions with respect to rounding of entitlements as sanctioned by a meeting of Shareholders approving a reconstruction of capital, in all other respects the terms for the exercise of the Options will remain unchanged.
- In the event that as a requirement of admission or continued admission of the Company on AIM or any other recognised stock exchange (**Exchange**), the Company requires the terms of the Options to be amended to meet the reasonable requirements of the Exchange, the Option holder consents and agrees to the same and will do all acts and things and execute all such further documents as may be required to give effect to this term.



(Incorporated in England and Wales with registered number 5449516)

**PROXY CARD**

NAME AND ADDRESS OF SHAREHOLDER. **Please Complete:**

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**ANNUAL GENERAL MEETING of SOLGOLD PLC (the “Company”) to be held at the offices of Hopgood Ganim, Level 7, Waterfront Place, 1 Eagle Street, Brisbane, Queensland 4000, Australia on 8 July 2014 at 11.00am (Brisbane Australia time), and at any adjourned meeting.**

**Before completing this form, please read the explanatory notes following this Proxy Card.**

I/We being a member of the Company appoint \_\_\_\_\_ or, failing him/her, the Chairman of the Meeting to act as my/our proxy to attend and vote on my/our behalf at the AGM of the Company to be held on 8 July 2014 and at any adjournment of the meeting.

(Please use a **black** pen. Mark with an **X** inside the box)

<b>RESOLUTIONS</b>	<b>For</b>	<b>Against</b>	<b>Votes withheld (see note 8)</b>	<b>Discretionary (see note 8)</b>
<b>ORDINARY RESOLUTIONS:</b>				
1. To receive the Company’s financial statements and the report of the Directors and auditors for the year ended 30 June 2013.				
2. To re-appoint Robert Weinberg as a Director of the Company.				
3. To re-appoint Alan Martin as a Director of the Company.				
4. To approve the grant of 4.36 million Options (50% exerciseable at £0.14 and 50% exercisable at £0.28) to Nick Mather, Brian Moller, John Bovard and Robert Weinberg.				
5. To re-appoint BDO (UK) LLP as auditors of the Company to hold office from the conclusion of the meeting to the conclusion of the next meeting at which the accounts are laid before the Company at a remuneration to be determined by the Directors.				



<b>RESOLUTIONS</b>	<b>For</b>	<b>Against</b>	<b>Votes withheld (see note 8)</b>	<b>Discretionary (see note 8)</b>
6. That the Directors be generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the 'Act') to allot shares in the Company or grant rights to subscribe for or to convert any securities into shares in the Company up to a maximum aggregate nominal amount of £2,000,000.				
<b>SPECIAL RESOLUTION:</b>				
7. That, subject to and conditional on the passing of Resolution 6, the Directors be empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash as if section 561(1) of the Act did not apply.				

**YOUR BOARD RECOMMENDS THAT YOU VOTE IN FAVOUR OF ALL OF THE ABOVE RESOLUTIONS**

In order to assist us in the preparation of the meeting, please indicate by placing an **X** in the relevant box below whether you will be attending the meeting.

	<b>YES</b>	<b>NO</b>
I/We will be attending the meeting		

I/We would like my/our proxy to vote on the resolutions proposed at the Meeting as indicated on this form. Unless otherwise instructed the proxy may vote as he or she sees fit or abstain in relation to any business of the meeting.

**Signature**

**Date**

\_\_\_\_\_

**2014**

In the case of a corporation, this proxy must be given under its common seal or be signed on its behalf by an attorney or officer duly authorised, stating their capacity (e.g. Director or secretary).

## NOTES TO THE PROXY CARD:

1. As a member of the Company you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company. You can only appoint a proxy using the procedures set out in these notes.
  2. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
  3. A proxy does not need to be a member of the Company but must attend the meeting to represent you. To appoint as your proxy a person other than the Chairman of the meeting, insert their full name in the box. If you sign and return this proxy form with no name inserted in the box, the Chairman of the meeting will be deemed to be your proxy. Where you appoint as your proxy someone other than the Chairman, you are responsible for ensuring that they attend the meeting and are aware of your voting intentions. If you wish your proxy to make any comments on your behalf, you will need to appoint someone other than the Chairman and give them the relevant instructions directly.
  4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, you will need to complete a separate form in relation to each appointment. Additional proxy forms may be obtained by contacting the Company's registrar or Company Secretary.
  5. In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, only those members entered on the Company's register of members not later than 48 hours before the scheduled time for the meeting or, if the meeting is adjourned, shareholders entered on the Company's register of members not later than 48 hours before the time fixed for the adjourned meeting shall be entitled to attend and vote at the meeting.
  6. To be valid for the meeting, a form of proxy should be completed, signed and lodged (together with any power of authority or any other authority under which it is signed or a duly certified copy of such power of authority) with:
    - For residents in Australia:** the Company Secretary resident in the Company's Australian office, GPO Box 5261 (Level 27, 111 Eagle Street, Brisbane, Queensland) 4001, Australia, facsimile number **+61 (0) 7 3303 0681** or by email to the Company Secretary ([kschlobohm@solgold.com.au](mailto:kschlobohm@solgold.com.au));
    - For residents in the UK or elsewhere in the EU:** the Company's registered office c/o Sharon O'Donnell, Fox Williams LLP, Ten Dominion Street, London EC2M 2EE, United Kingdom, facsimile number **+44 20 7614 1478**, or the Company's Registry Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom;
- no later than 48 hours before the time for which the meeting is convened.**
7. The register of Directors' interests in the share capital of the Company and copies of Directors' service contracts are available for inspection during usual business hours, at the registered office of the Company and at the offices of HopgoodGanim, Level 8, Waterfront Place, 1 Eagle Street, Brisbane QLD 4000 Australia on any weekday (weekends and public holidays excepted) from the date of this notice until the date of the annual general meeting and also at the place of the annual general meeting for at least 15 minutes prior to, and until the conclusion of the meeting.
  8. To direct your proxy how to vote on the resolutions mark the appropriate box with an 'X' To abstain from voting on a resolution, mark the box "vote withheld". A "vote withheld" is not a vote in law which means that the vote will not be counted in the calculation of votes "for" and "against" the resolution. Marking "Discretionary", or failing to mark any box against a resolution, will mean your proxy can vote as he or she wishes or can decide not to vote at all.

9. The Chairman of the Meeting shall act as a proxy unless another proxy is desired, in which case, insert full name of your proxy in the space provided above. A proxy will act in his/her discretion in relation to any business, other than that above, at the meeting (including any resolution to amend a resolution or to adjourn the meeting).
10. In the case of a corporation, this form of proxy must be executed under its common seal or signed on its behalf by an attorney or officer of the corporation.
11. In the case of joint holders, the vote of the senior holder shall be accepted to the exclusion of the votes of other joint holders. For this purpose, seniority shall be determined by the order in which the names of such holders stand in the register of members in respect of the joint holding.
12. To appoint one or more proxies or to give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system, CREST messages must be received by the issuer's agent (ID number 3RA50) not later than 48 hours before the time appointed for holding the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which an issuer's agent is able to retrieve the message. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
13. Any alterations to this form should be initialled.

**To be effective, all votes must be lodged in accordance with note 6 above.**