For personal use only

GOLDEN CROSS RESOURCES LTD

ABN 65 063 075 178

301/66 Berry Street
North Sydney NSW 2060
Phone (02) 9922 1266

NOTICE OF 2021 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2021 Annual General Meeting of the members of Golden Cross Resources Ltd (the **Company**) will be held at 301/66 Berry Street, North Sydney, NSW 2060 at 2.00 pm on Monday 29 November 2021.

1. **Financial Report**

To receive and consider the Financial Report of the Company and the reports of the Directors and Auditor for the year ended 30 June 2021.

2. Remuneration Report

To consider and, if thought fit, pass as a non-binding resolution:

"To adopt the Remuneration Report for the year ended 30 June 2021."

3. Re-election of Mr Yuanheng Wang as a Director

To consider and, if thought fit, to pass, the following as an Ordinary Resolution:

"To re-elect as a Director of the Company Mr Yuanheng Wang being a Director retiring by rotation in accordance with Rule 17.2 of the Company's Constitution who offers himself for re-election."

4. Re- Election of Jordan G Li as a Director

To consider and, if thought fit, to pass, the following as an Ordinary Resolution:

"To re-elect as a Director of the Company Mr Jordan G Li being a Director retiring by rotation in accordance with Rule 17.2 of the Company's Constitution who offers himself for re-election."

5. Approval of the Additional Placement Capacity

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totaling 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 and on the terms and conditions set out in the Explanatory Statement."

6. Replacement of Constitution

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"*That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt a new constitution in its place in the form as signed by the chairman of the Meeting for identification purposes."*

Voting Exclusions Statement

Resolution 2

A voting exclusion applies to Resolution 2. The Company will disregard any votes cast (in any capacity, whether as proxy or as shareholder) by any of the following:

a) Key Management Personnel;

b) Closely Related Parties of Key Management Personnel; and

c) as a proxy by a member of Key Management Personnel or a Key Management Personnel's Closely Related Party

However, with respect to all resolutions the Company will not disregard a vote where it is cast in favour by or on behalf of:

- a person as proxy or attorney for another person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way;
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that they are not excluded from voting, and are not an associate of a person excluded from voting, on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

EXPLANATORY STATEMENT

Items 1 to 4

Shareholders who elected to receive printed copies of the 2021 Annual Report of the Company (including the Financial Report of the Company and the reports of the Directors and Auditor for the year ended 30 June 2021) will do so simultaneously or will have done so before their receipt of this notice. Those reports are also available on the Company's website www.goldencross.com.au.

Included in the 2021 Annual Report of the Company is the Directors' Report, also included is details of the qualifications, experience, and special responsibilities of Mr Yuanheng Wang and Mr Jordan Li. In the Remuneration Report of the Company, which contains remuneration details of the Directors and Key Management Personnel.

Shareholders will have a reasonable opportunity for discussion of the Remuneration Report at the meeting. While there is a requirement for a formal resolution on this item under section 250R(2) of the *Corporations Act 2001*, the resolution is advisory only. It does not bind the Company or Directors, although Directors will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

RESOLUTION 5: APPROVAL OF THE ADDITIONAL 10% PLACEMENT CAPACITY UNDER LISTING RULE 7.

General

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15*% of the fully paid ordinary securities it had on issue at the start of that period.

Listing Rule 7.1A provides that an Eligible Entity may seek shareholder approval by way of a special resolution passed at its Annual General Meeting to increase this 15% limit by an additional 10% to total 25% (**Additional 10% Placement Capacity**).

An 'eligible entity' means an entity that is not included in the S&P/ASX300 Index and which has a market capitalisation of $300 million or less. The Company is an eligible entity for these purposes as its market capitalisation as at 21 October 2021 was approximately $1.9 million.

Resolution 5 seeks shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without shareholder approval.

If Shareholders approve Resolution 5, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2

The effect of passing Resolution 5 will be to allow the Company to issue Equity Securities up to a combined limit of 25% pursuant to Listing Rules 7.1 and 7.1A without any further shareholder approval. If Resolution 5 is passed the Company will be permitted to issue Equity Securities up to additional 10% of the Company's fully paid ordinary securities on issue under the Additional 10%

For personal use only

Placement Capacity during the period up to a maximum of 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 5 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders entitled to vote on the Resolution must be in favour of Resolution 5 for it to be passed.

If Resolution 5 is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities without shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without shareholder approval set out in Listing Rule 7.1.

ASX Listing Rule 7.1A

Listing Rule 7.3A.1: A statement of the period for which the approval will be valid.
An approval under this rule 7.1A commences on the date of the Annual General Meeting at which the approval is obtained and expires on the first of the following to occur:

- the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained; or
- the time and date of the entity's next annual general meeting; or
- the time and date of the approval by ordinary shareholders of a significant change to the Company's activities under ASX Listing Rule 11.1.2 or 11.2.

Listing Rule 7.3A.2: A statement of the minimum price at which the equity securities may be issued under rule 7.1A.2.

Any equity securities issued under rule 7.1A.2 must be in an existing quoted class of the eligible entity's equity securities and issued for a cash consideration per security which is not less than 75% of the volume weighed average market price for securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

• the date on which the price at which the securities are to be issued is agreed is agreed by the entity and the recipient of the securities; or

• if the securities are not issued within 10 trading days of the date above, the date on which the securities are issued.

Equity securities that may be issued under listing rule 7.1A will only be in an existing quoted class of securities.

Listing Rule 7.3A.3: A statement of the purposes for which the funds raised by an issue of equity securities under rule 7.1A.2 may be used.

The Company may only issue equity securities under the Additional 10% Placement Capacity for cash consideration to raise funds for the development of the Company's existing assets, the acquisition of new assets or investments (including assets associated with such acquisition), to repay debt or to fund working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 upon issue of any equity securities under the Additional Placement Capacity.

Listing Rule 7.3A.4: the company would like to remind all shareholders the risk of economic and voting dilution to existing ordinary security holders that may result from an issue of equity securities under rule 7.1A.2 including the risk that:

The issue of equity securities under the Additional 10% Placement Capacity may result in voting dilution of existing ordinary shareholders (as shown in the table below). There is also the risk that:

• the market price for equity securities in that class may be significantly lower on the issue date than on the date of the Annual General Meeting; and

• the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the issue date.

Table 1 below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A.2 on the basis of the last sale price of Shares and the current number of ordinary securities quoted on ASX for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table also shows:

(i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting;

(ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% against the last sale price of $0.019; and

(iii) a way of further example where the issue price of ordinary securities is $0.075.

For personal use only

Table 1

Issued Capital **(Variable 'A' in ASX Listing Rule 7.1A2)**	**Dilution**				
	Issue Price **(per Share)**	**$0.0095** **50% decrease in Issue Price**	**$0.019** **Issue Price**	**$0.038** **100% increase in Issue Price**	**$0.075** **Issue Price**
101,622,227 (current issued shares)	**Shares issued - 10% voting dilution**	10,162,233	10,162,233	10,162,233	10,162,233
	Funds raised	$96,541	$193,082	$386,164	$762,167
152,433,341 (Current plus 50%)	**Shares issued - 10% voting dilution**	15,243,334	15,243,334	15,243,334	15,243,334
	Funds raised	$144,812	$289,623	$579,247	$1,143,250
203,244,454 (100% increase in Issued Capital)	**Shares issued - 10% voting dilution**	20,324,445	20,324,445	20,324,445	20,324,445
	Funds raised	$193,082	$386,164	$772,329	$1,524,333

The above table is based on the following assumptions:

• The number of shares on issue (Variable "A") is calculated as 101,622,227 being all the fully paid ordinary shares on issue as at the date of this Notice.

• The Company issues the maximum number of equity securities available under the Additional Placement Capacity.

• The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue.

• The table shows only the issue of equity securities under the Additional Placement Capacity and not under Listing Rule 7.1.

• The issue of equity securities under the Additional Placement Capacity includes only Shares.

• The issue price of $0.019 was the closing price of shares on ASX on 16 August 2019.

• The issue price of $0.075 is shown by way of example only.

Listing Rule 7.3A.5: Details of the eligible entity's allocation policy for issues under rule 7.1A.2.

The Company's allocation policy for issues under the Additional Placement Capacity is dependent on prevailing market conditions at the time of any proposed issue. The identity of the allottees of the equity securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

• the purpose of the issue;

• the methods of raising funds that are available to the Company, including rights issues or other issues in which existing shareholders may participate;

• the effect of the issue of the equity securities on the control of the Company;

• the financial situation and solvency of the Company;

• prevailing market conditions; and

• advice from the Company's advisors.

• the Company has not issued any equity securities under Listing Rule 7.1A.2 in the past 12 months preceding the date of the AGM.

• the number of issues it intends to make under the mandate and the time frame over which they will be made

The Company confirms that no equity securities under Listing Rule 7.1A.2 have been issued or agreed to be issued in the 12 months preceding and at the time of dispatching the Notice of Meeting.

As the Company has no current plans to undertake a new capital raising using its additional 10% placement capacity, the allottees under the Additional Placement Capacity have not yet been determined but if such an exercise was undertaken, allottees may include existing substantial shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.

For personal use only

RESOLUTION 6: APPROVAL FOR REPLACEMENT OF CONSTITUTION

The Company wishes to repeal its current constitution and adopt the constitution set out in the Annexure to this Explanatory Statement.

The Board is proposing to change the Company's constitution to take into account changes to the ASX Listing Rules and the *Corporations Act 2001* (Cth) since the constitution was last amended in 2001.

The new constitution includes the provisions in Appendix 15A to the ASX Listing Rules ensuring that it meets the constitution requirements for admission to the official list of the ASX.

The material provisions of the new constitution, and material differences from the existing constitution, are described below:-

- Subject to any rights or restrictions attaching to shares or a class of shares, every shareholder present at a general meeting (or proxy, attorney, or corporate representative) has one vote on a show of hands and one vote per share on a poll.
- The Company's directors may determine whether to declare a dividend, and the amount, time for payment and manner of payment of the dividend.

  Subject to the constitution, and to any rights or restrictions attaching to a share or class of shares, dividends on shares are to be paid in proportion to the number of shares held by members.

- A liquidator may, with a sanction of a special resolution of shareholder, divide among the holders of shares any surplus assets on a winding up of the Company in proportion to the number of shares held by members.

- Without prejudice to any special right conferred on a holder of a share or class of shares, the directors may issue, grant options for, or otherwise dispose of, shares in the Company as the directors think fit.

- Subject to any restrictions on shares and any other rules imposed by the *Corporations Act 2001* (Cth), shares are freely transferrable. The ASX listing rules and the constitution require that the board refuse to register a transfer of shares if it relates to shares which are subject to escrow requirements.

  The new constitution contains new provisions in relation to restricted securities to align with the requirements of the ASX Listing Rules.

- There is no procedure for the variation of class rights in the new constitution, unlike the existing constitution. Any variation of class rights will follow the procedure set out in section 246B of the *Corporations Act 2001* (Cth). This procedure requires both a special resolution of the members of the Company as a whole, and a separate special resolution of the members of the class whose rights are being varied.

- A director may call a meeting of shareholders. Annual meetings and meetings requested by shareholders are called and arranged in accordance with the *Corporations Act 2001* (Cth).

  The new constitution has been updated to include provisions relating to using virtual meeting technology and provision of electronic notices.

- Directors may be appointed by the board, but any such appointment must be ratified by members at the next general meeting of the Company. At each annual general meeting, subject to the ASX Listing Rules, any director who has held the office past the third annual general meeting, or three years since that director's last election (or re-election), whichever longer, must retire. Retiring directors are eligible for re-election.

  Provided that, at all times, there are more than three directors in office, the shareholders may remove a director from the board by passing a special resolution.

- Subject to the *Corporations Act 2001* (Cth) and the constitution, the directors shall exercise all of the general power of management of the Company. Two directors (or a director and company secretary) may execute documents on behalf of the Company. Documents may be electronically signed subject to the constitution and the *Corporations Act 2001* (Cth).

- Directors make decisions at a meeting based on a majority of votes. In the case of an equality of votes, the chairperson has a casting vote unless only 2 directors competent to vote on the proposed resolution are present at the meeting.

- Subject to the *Corporations Act 2001* (Cth) and other relevant laws the Company indemnifies its directors against liability for an act or omission made by the director in their capacity as an officer of the Company.

- Directors are entitled to remuneration for their services as directors as determined by the directors. However, the ASX Listing Rules require shareholder approval for an increase in the aggregate remuneration allocated to non-executive directors. Director remuneration must not include a commission on, or percentage of, operating revenue.

- The new constitution no longer references the *Corporations (New South Wales) Act 1990* and SCH Business Rules, both of which are no longer relevant.

For personal use only

The Company's existing constitution is available for inspection upon request by the shareholders of the Company.

If this Resolution 6 is passed then the new constitution will be adopted as the constitution of the Company.

If this Resolution 6 is not passed then the existing constitution will remain the constitution of the Company, including the references to repealed legislation. The updates to reflect changes to the ASX Listing Rules and recent amendments to the *Corporations Act 2001* (Cth) will not be adopted.

A special resolution of the Company's shareholders is required for Resolution 6 to be passed.

VOTING ENTITLEMENTS

In accordance with Regulation 7.11.37 of the Corporations Regulations, the Company has determined that for the purposes of the meeting, shares will be taken to be held by those persons recorded on the Company's share register at 2.00 pm Sydney time on Saturday 27th November 2021 (48 hours prior to the meeting). This means that any person not the registered holder of a relevant share at that time will not be entitled to attend and vote at the meeting.

PROXIES

A member entitled to attend and vote is entitled to appoint not more than two persons as his or her proxy to attend and vote instead of the member. A proxy need not be a member of the Company. If more than one proxy is appointed, the proxy form may specify the proportion or number of the member's votes that each proxy may exercise. If the proxy form does not specify a proportion or number of votes then each proxy may exercise half of the member's votes.

To be effective, proxy forms must be received by the Company at the address or email appearing on this notice at least 48 hours before the time for commencement of the meeting.

For personal use only

All Correspondence to:

By Mail Golden Cross Resources Ltd
301/66 Berry Street, North Sydney 2060

By Fax: +61 2 9922 1288

Online: carolyn@goldencross.com.au

By Phone: +61 2 9922 1266

For personal use only

COPY ONLY

A hard copy of the Notice of Meeting and Explanatory Statement has not been mailed with this Proxy Form and may be viewed and downloaded from the Company's website https://www.goldencross.com.au/AGM.

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 2:00pm (AEDT) on Saturday 27 November 2021**

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

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

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

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

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

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

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

STEP 3 SIGN THE FORM

The form **must** be signed as follows:
Individual: This form is to be signed by the security holder.
Joint Holding: where the holding is in more than one name, all the security holders should sign.
Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.
Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **2:00pm (AEDT) on Saturday, 27 November 2021 (48hrs prior to the meeting).** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged:

By Fax	+ 61 2 9922 1288
By Mail	Golden Cross Resources Ltd 301/66 Berry Street North Sydney 2060
In Person	Golden Cross Resources Ltd Suite 301, 66 Berry Street, North Sydney 2060
By email	carolyn.jacobs@goldencross.com.au

Attending the Meeting

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

Golden Cross Resources Ltd
ABN 65 063 075 178

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

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Golden Cross Resources Ltd** and entitled to attend and vote hereby appoint:

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

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at **Golden Cross Resources Ltd's office 301/66 Berry Street, North Sydney NSW 2060 on Monday 29 November 2021 at 2:00pm (AEDT)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolutions 2, through to 6, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these Resolutions even though Resolution 2 is connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolutions 2 through to 6) If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution

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

STEP 2 VOTING DIRECTIONS

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

		FOR	AGAINST	ABSTAIN*
Res 2	Approve the remuneration Report	☐	☐	☐
Res 3	Re-election of Mr Yuanheng Wang as a Director	☐	☐	☐
Res 4	Re-election of Mr Jordan G Li as a Director	☐	☐	☐
Res 5	Approval of the Additional Placement Capacity	☐	☐	☐
Res 6	Replacement of the Constitution	☐	☐	☐

STEP 3 SIGNATURE OF SHAREHOLDERS

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

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name…….. Contact Daytime Telephone……..... Date / /

For personal use only