

For personal use only



Level 9  
40 Creek Street  
Brisbane QLD 4000 Australia  
Phone: (07) 3071 9003  
Email: [info@kentorgold.com.au](mailto:info@kentorgold.com.au)

19 December 2011

Dear Shareholder,

I am pleased to invite you to attend a General Meeting of Kentor Gold Ltd (the “Company” or “Kentor Gold”) to be held at:

RACV Club  
501 Bourke Street  
Melbourne VIC 3000

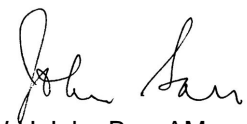
On Tuesday 24 January 2012 at 2pm (Australian Eastern Daylight Time).

The business to be dealt with at the meeting is set out in the attached Notice of Meeting with the Explanatory Memorandum providing further detail to the proposed resolution.

If you are able to attend the meeting, please bring the enclosed proxy form with you to assist registration.

If you do not plan to attend the meeting, you may wish to appoint a proxy to attend and vote on your behalf. To do this, you will need to complete and lodge the enclosed Appointment of Proxy form in accordance with the instructions. Proxy forms must be received by 2pm (Australian Eastern Standard Time) Sunday 22 January 2012.

Yours sincerely,



W H John Barr AM  
Chairman



## **NOTICE OF GENERAL MEETING**

**NOTICE IS GIVEN** that a GENERAL MEETING of the shareholders of Kentor Gold Ltd ACN 082 658 080 will be held at RACV Club, 501 Bourke Street, Melbourne VIC 3000 on Tuesday 24 January 2012 at 2 pm (Australian Eastern Daylight Time).

### **SPECIAL BUSINESS**

#### **Resolution 1. Consolidation of Shares**

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

“That with effect from 10 February 2012 the share capital of the Company will be consolidated through the conversion of every ten (10) fully paid ordinary shares in the Company into one (1) fully paid share in the Company and that any resulting fractions of a share be rounded up to the next whole number of shares, on the terms described in the Explanatory Memorandum.”

BY ORDER OF THE BOARD

Kylie Anderson  
Company Secretary  
19 December 2011

### **Notes**

1. The Company has determined that for the purpose of determining voting entitlements at the General Meeting all shares in the Company that are quoted on the ASX will be taken to be held by the persons who held them as registered shareholders at 7pm on Sunday 22 January 2012. Accordingly, share transfers registered after this time will be disregarded in determining entitlements to attend and vote at the Meeting.
2. A member entitled to attend and vote may attend and vote in person or by proxy, or attorney or (where the member is a body corporate) by representative.
3. The proxy of a member does not need to be a member of the Company.
4. A member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of the member's votes each proxy is entitled to exercise. If the appointment does not specify the proportion or number of the member's votes, each proxy may exercise one half of those votes.
5. A proxy form accompanies this Notice of Meeting and to be effective must be received by the Company's corporate registry by 2pm (Australian Eastern Daylight Time) Sunday 22 January 2012.

Link Market Services Limited  
Address: Level 12, 680 George Street, Sydney, NSW, 2000  
Fax Number: (02) 9287 0309

---

For personal use only



## Explanatory Memorandum

### Introduction.

This Explanatory Memorandum should be read in conjunction with the Notice of General Meeting to which this Explanatory Memorandum is attached and forms part of. Please take the time to read through this document.

---

### Resolution 1. Consolidation of Shares

The Company proposes to consolidate its share capital through the conversion of every ten (10) ordinary shares in the Company into one (1) ordinary shares in the Company. Under section 254H of the Corporations Act, a company may consolidate its shares if the consolidation is approved by an ordinary resolution of shareholders at a General Meeting.

#### Reasons for the Consolidation.

Kentor Gold currently has approximately 1.1 billion shares on issue as a result of a number of equity based capital raisings. The number of shares is disproportionate to Kentor Gold's peers; therefore the Company proposes to reduce this number through a share consolidation.

#### Effect of the Consolidation.

If approved the consolidation will take effect from 10 February 2012.

At this date, the number of shares on issue will be reduced as follows

Current Shares on Issue:	1,062,092,950
Shares on Issue after Consolidation	106,209,295

Where the consolidation of a shareholder's holding results in an entitlement to a fraction of a share, the fraction will be rounded up to the nearest whole number of shares. If the Company reasonably believes that a shareholder has been a party to the division of a shareholding in an attempt to obtain an advantage from this treatment of fractions, the Company will take the appropriate action having regard to the Company's constitution and the ASX Listing Rules. In particular, the Company reserves the right to disregard the division of the shareholding for the purpose of dealing with fractions so as to round up any fraction to the nearest whole number of shares that would have been received but for the division.

As the consolidation applies equally to all of the Company's shareholders, individual shareholdings will be reduced in the same ratio as the total number of the Company's shares (subject only to rounding of fractions).

Shareholders should note that the reduction of share capital, if approved, will have an effect on the Company's share price.

#### Timetable for Consolidation

If approved by shareholders, the following timetable will apply to the consolidation.

24/01/2012	Shareholder Approval
25/01/2012	Last day of trading pre-reorganisation
27/01/2012	Trade on a deferred settlement basis
02/02/2012	Last day for transfers pre-reorganisation
03/02/2012	Notices sent to shareholders providing details of holdings pre and post consolidation
09/02/2012	Despatch Date – deferred settlement ends
10/02/2012	Normal trade

For personal use only



### **Tax Implications for Shareholders.**

*The summary in this section is general in nature. In addition, particular taxation implications will depend upon the circumstances of each shareholder. Accordingly, shareholders are encouraged to seek and rely only on their own professional advice in relation to their tax position. Neither the Company nor its officers, employees or advisors assumes any liability or responsibility for advising shareholders about the tax consequences for them from the proposed share consolidation.*

The share consolidation will be undertaken in accordance with section 254H of the Corporations Act. Subject only to rounding, there will be no change to the proportionate interests held by each shareholder in the Company as a result of the consolidation.

The share consolidation will occur through the conversion of every ten (10) ordinary shares in the Company into one (1) ordinary share in the Company. No capital gains tax (CGT) event will occur as a result of the Company share consolidation and therefore the Company does not believe that there will be any taxation implications arising for the Company's shareholders.

**The Company's Directors unanimously recommend that shareholders vote in favour of the Consolidation of Shares.**

**Each Director intends to vote all the Company's shares under their control in favour of the proposed resolution.**

**The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 1.**

### **No Other Material Information.**

Other than as set out in this document, and other than information previously disclosed to the Company's shareholders, there is no other information that is known to the Company's Directors which may reasonably be expected to be material in the making of a decision by the Company's shareholders regarding whether or not to vote in favour of the share consolidation.

### **GLOSSARY OF TERMS**

**"ASX"** means Australian Securities Exchange Limited;

**"Board"** means the board of directors of the Company;

**"Company"** or **"Kentor Gold"** means Kentor Gold Ltd ACN 082 658 080;

**"Constitution"** means the Constitution of the Company adopted on 25 October 2004;

**"Corporations Act"** means the *Corporations Act* 2001 (Commonwealth).

For personal use only



**KENTOR GOLD LTD**  
ACN 082 658 080

**LODGE YOUR VOTE**



**ONLINE** >

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)



**By mail:**  
Kentor Gold Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia



**By fax:** (02) 9287 0309



**All enquiries to:** Telephone: 1300 554 474 or (02) 8280 7111



**X99999999999**

**SHAREHOLDER VOTING FORM**

I/We being a member(s) of Kentor Gold Limited and entitled to attend and vote hereby appoint:

**STEP 1**

**APPOINT A PROXY**

the Chairman  
of the Meeting  
(mark box)

OR if you are NOT appointing the Chairman 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

or failing the person/body corporate named, or if no person/body corporate is named, the Chairman of the Meeting, as my/our proxy and to vote for me/us on my/our behalf at the General Meeting of the Company to be held at 2:00pm on Tuesday, 24 January 2012, at the RACV Club, 501 Bourke Street, Melbourne VIC 3000 and at any adjournment or postponement of the meeting.

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the meeting. Please read the voting instructions overleaf before marking any boxes with an

**STEP 2**

**VOTING DIRECTIONS**

**Resolution 1**  
Consolidation of Shares

For	Against	Abstain*
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**i** \* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

**STEP 3**

**SIGNATURE OF SHAREHOLDERS - THIS MUST BE COMPLETED**

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

**KGL PRX101**



For personal use only

## HOW TO COMPLETE THIS PROXY FORM

### Your Name and Address

This is your name and address as it appears on the company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. 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 in Step 1. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the company. A proxy may be an individual or a body corporate.

### Votes on Items of Business - Proxy Appointment

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item 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 items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### Appointment of a Second Proxy

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's share registry or you may copy this form and return them both together.

### Lodgement of a Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **2:00pm on Sunday, 22 January 2012**, 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 meeting.

Proxy Forms may be lodged using the reply paid envelope or:



**ONLINE**

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the proxy form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the proxy form).



**by mail:**

Kentor Gold Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



**by fax:**

+61 2 9287 0309



**by hand:**

delivering it to Link Market Services Limited, Level 12, 680 George Street, Sydney NSW 2000.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares 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.
- return both forms together.

### Signing Instructions

You must sign this form as follows in the spaces provided:

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

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

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

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

### Corporate Representatives

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the company's share registry.

If you would like to attend and vote at the General Meeting, please bring this form with you.  
This will assist in registering your attendance.