



# Gold Aura Limited

A.B.N. 75 067 519 779

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Level 6, 200 Creek Street, Brisbane

Postal Address:  
PO Box 728  
Spring Hill Q  
Australia 4004

## NOTICE OF GENERAL MEETING AND EXPLANATORY MEMORANDUM

Notice is hereby given that a General Meeting of Gold Aura Limited ("the Company") is to be held at the registered office of the Company, Level 6, 200 Creek Street, Brisbane, Queensland on Wednesday 1st June 2005 at 11 am (Brisbane time).

### Ordinary Business

#### **RESOLUTION 1 – RATIFICATION OF THE PREVIOUS ISSUE OF SHARES AND FREE ATTACHING OPTIONS**

*"That in accordance with the provisions of Listing Rule 7.4 of the Official Listing Rules of the Australian Stock Exchange Ltd ("ASX"), and for all other purposes, the shareholders ratify the previous issue of 2,000,000 fully paid ordinary shares in the Company for a consideration of \$200,000 (representing an issue price of 10 cents per share) ("Placement Shares") and 2,000,000 free attaching options exercisable at 13 cents each on or before 31<sup>st</sup> March 2009 ("Attaching Options") to various investors ("investors") that fall within one or more of the classes of exemptions specified in section 708 of the Corporation Act 2001 (Cwth) ("Corporations Act") which were issued on 16<sup>th</sup> March 2005."*

#### Note:

- a) The rights attaching to the Placement Shares are identical in all respects to the existing ordinary shares on issue in the Company;
- b) The resulting shares to be issued upon the exercise of the Attaching Options will have the same rights and entitlements as existing fully paid ordinary shares in the capital of the Company.
- c) The funds raised by the issue of the Placement Shares will be used to provide working capital and fund the exploration and development of new and existing projects; and
- d) The Company will disregard any votes cast on this resolution by:
  - The investors being persons who participated in the issue and are excluded from voting; and
  - Any person who, for the purpose of Division 2 of Part 1.2 of the Corporations Act would be regarded as an associate of the one of the investors.

However, the Company need not disregard a vote if:

- It is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- It is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with the direction on the proxy form to vote as the proxy decides.

**RESOLUTION 2 – AUTHORISE THE ISSUE OF UP TO 10,000,000 SHARES AND 10,000,000 FREE ATTACHING OPTIONS**

*“That in accordance with the provisions of Listing Rule 7.1 of the Official Listing Rules of the ASX, and for all other purposes, the Company and the Directors of the Company are hereby authorised to issue up to 10,000,000 fully paid ordinary shares at an issue price of not less than 80% of the average Market Price of the securities calculated on the 5 business days prior to the date of the issue (“Further Placement Shares”) and up to 10,000,000 free attaching options exercisable at 13 cents each on or before 31<sup>st</sup> March 2009 (“Further Options”) to various investors (“investors”) that fall within one or more of the classes of exemptions specified in section 708 of the Corporation Act 2001.”*

Note: In accordance with the provisions of the Listing Rules:

- a) For the purposes of Resolution 2, “Market Price” has the meaning ascribed to that term in the Listing Rules;
- b) The Further Placement Shares and Further Options will be issued and allotted as soon as is practicable after the Meeting, and in any event, no later than 3 months from the date of the Meeting;
- c) The resulting shares to be issued upon the exercise of the Further Options will have the same rights and entitlements as existing fully paid ordinary shares in the capital of the Company,
- d) The Company will make application to quote the Further Placement Shares. The Further Options will not be quoted on ASX.
- e) The funds to be raised the issue of the Further Placement Shares will be used to fund general working capital requirements, for the investigation of new resource projects and the evaluation and development of existing resource projects.
- f) The Further Placement Shares and Further Options will not be issued to any related party of the Company (within the meaning of the ASX Listing Rules).
- g) The Company will disregard any votes cast on this resolution by:
  - Any person who may participate in the proposed issue and any person who might obtain a benefit, except a benefit solely in the capacity of a security holder, if the resolution is passed; and
  - Any person who, for the purpose of Division 2 of Part 1.2 of the Corporations Act would be regarded as an associate of such a person.

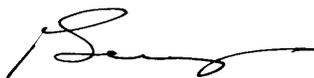
However, the Company need not disregard a vote if:

- It is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- It is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with the direction on the proxy form to vote as the proxy decides.

**GENERAL BUSINESS**

To consider any other business as may be lawfully put forward in accordance with the constitution of the Company.

**BY ORDER OF THE BOARD  
GOLD AURA LIMITED**



Peter Sauerberg  
Company Secretary

# GOLD AURA LIMITED

ABN 40 002 118 872

## EXPLANATORY MEMORANDUM

### 1. INTRODUCTION

This Explanatory Memorandum forms part of a Notice convening a General Meeting of Shareholders of the Company to be held at the registered office of the Company, Level 6, 200 Creek Street, Brisbane, Queensland on Wednesday 1st June 2005 at 11 am (Brisbane time). This Memorandum is to assist Shareholders in understanding the background to and the legal and other implications of the Notice and the reasons for the Resolutions proposed. Terms used in this Explanatory Memorandum are defined in Section 7.

### 2. RESOLUTION 1 RATIFICATION OF PREVIOUS ISSUES OF SHARES

Resolution 1 seeks shareholder ratification of the Placement Shares to the following investors:

NAME	OPTIONS	SHARES
Toltic Holdings Pty Ltd	300,000	300,000
Vinciullo Pty Ltd	250,000	250,000
Sancoast Pty Ltd	250,000	250,000
Dog Meat Pty Ltd	1,000,000	1,000,000
Hawkings Nominees Pty Ltd	100,000	100,000
Conchava Pty Ltd	100,000	100,000
<b>Total</b>	<b>2,000,000</b>	<b>2,000,000</b>

The Company believes that all relevant information concerning such resolutions is included in the text and the accompanying notes of these resolutions in the Notice of Meeting and therefore no further comment on these resolutions is necessary.

### 3. RESOLUTION 2 AUTHORISE THE ISSUE OF UP TO 10,000,000 NEW ORDINARY SHARES AND 10,000,000 FREE ATTACHING OPTIONS

Resolution 2 seeks shareholder authorisation to issue up to 10,000,000 new ordinary shares at an issue price of not less than 80% of the average Market Price of Shares calculated on the five (5) Business Days prior to the date of issue ("Further Shares") and up to 10,000,000 free attaching options to subscribe for ordinary shares in the Company ("Further Options"). All of the Further Options will have an exercise price of 13 cents each and expire on or before March 31<sup>st</sup> 2009. The Further Placement Shares and Further Options will be issued either to investors that fall within one or more of the classes of exemptions specified in section 708 of the Corporation Act 2001.

The following is a summary of the material terms of the Attaching Options and the Further Options ("the Options"):

- The Options are options to subscribe for ordinary shares in the capital of the Company;
- The exercise price of the Options is thirteen cents (\$0.13) per Option ("Exercise Price");
- Shares issued on exercise of the Options will rank pari passu with all existing ordinary shares of the Company from the date of issue;
- The Options may be exercised wholly or in part by notice in writing to the Company received at any time on or before 31 March 2009 ("Expiry Date") together with payment for the Exercise Price and the options certificate (if any) for those Options for cancellation by the Company;
- The Company will allot the number of shares the subject of any exercise notice, and apply at its cost for listing of the shares so allotted;
- The Option holder will be permitted to participate in new issues of securities of the Company on the prior exercise of the Options, in which case the holder of the Options will be afforded

the period of at least 14 days notice prior to and inclusive of the books closing date (to determine entitlements to the issue) to exercise the Options.

- In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company:
  - the number of Options, the exercise price of the Options, or both will be reconstructed (as appropriate) in a manner consistent with the ASX Listing Rules, 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
  - 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.
- 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:

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

Where:

- $O^n$  = the new exercise price of the Option;
- $O$  = the old exercise price of the Option;
- $E$  = the number of underlying securities into which one Option is exercisable;
- $P$  = the average market price per security (weighted by reference to volume) of the underlying securities during the 5 trading days ending on the day before the ex right date or the ex entitlements date;
- $S$  = the subscription price for a security under the pro rata issue;
- $D$  = dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue);
- $N$  = the number of securities with rights or entitlements that must be held to receive a right to one new security.

- 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 ordinary 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.

At the date of this Explanatory Memorandum the issued capital of the Company was:

No. of Ordinary Shares	28,951,725
No. of attaching options	2,000,000

The Company believes that all relevant information concerning these resolutions is included in the text relating to this resolution contained in the Notice of Meeting and therefore no further comment on these resolutions is made.

#### **4. SHAREHOLDER VOTING**

The Board has made a determination that all the shares of the Company will be taken, for the purposes of determining the right of shareholders to attend and vote at the Meeting, to be held by the persons who held them at 6pm on 31<sup>st</sup> May 2005 (being a time that is not more than 48 hours before the Meeting).

#### **5. OTHER INFORMATION**

There is no other information known to the Company that is material to a shareholder's decision on how to vote on the resolutions set out in the Notice of Meeting. However, should any

shareholder be in doubt as to how he/she should vote on the resolutions and/or as to how it may affect him/her, he/she should seek advice from his/her accountant, solicitor or other professional advisor as soon as possible. Queries as to the lodgement of proxies and other formalities in relation to the Meeting to be held on 1<sup>st</sup> June 2005 should be directed to the Company Secretary (telephone 07 - 3833 3833).

## 6. ACTION TO BE TAKEN BY SHAREHOLDERS

Attached to the Notice of Meeting accompanying this Explanatory Memorandum is a proxy form for use by shareholders. All shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person and are eligible to vote, to complete, sign and return the proxy form and the Notice of Meeting. Lodgement of a proxy form will not preclude a shareholder from attending and voting at the meeting in person.

## 7. INTERPRETATION

**"Board"** means the Directors of the Company from time to time.

**"Company"** or **"Gold Aura"** means Gold Aura Limited ABN 75 067 519 779.

**"Constitution"** means the constitution of the Company.

**"Directors"** means the Directors of the Company.

**"Listing Rules"** means the official listing rules of the ASX.

**"Market Price"** has the meaning ascribed to that phrase in the Listing Rules.

**"Meeting"** means the meeting of shareholders convened by the Notice for 1<sup>st</sup> June 2005 and any adjournment thereof.

**"Notice"** means the notice in respect of the Meeting.

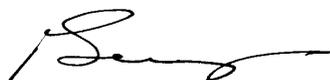
**"Non-executive Directors"** means the Non-Executive Directors of the Company.

**"Shares"** means ordinary fully paid shares in the capital of the Company.

**"Shareholders"** means the registered holders of Shares

**In this Explanatory Memorandum references to "Sections" are to Sections hereof.**

By Order of the Board  
**GOLD AURA LIMITED**



Peter Sauerberg  
Company Secretary

29<sup>th</sup> April 2005

**GOLD AURA LIMITED  
ABN 75 067 519 779**

**PO Box 728  
Spring Hill, Queensland, 4004  
Telephone: (07) 3833 3833  
Fax: (07) 3833 3888**

**PROXY FORM**

I/We \_\_\_\_\_

\_\_\_\_\_

of \_\_\_\_\_

\_\_\_\_\_

being a shareholder/(s) of Gold Aura Limited ("**Company**") and entitled to

\_\_\_\_\_ shares in the Company hereby appoint \_\_\_\_\_

of \_\_\_\_\_

or failing him/her \_\_\_\_\_

of \_\_\_\_\_

or failing him/her the Chairman as my/our proxy to vote for me/us and on my/our behalf at the general meeting of the Company to be held at Level 6, 200 Creek Street, Brisbane, Queensland on Wednesday 1<sup>st</sup> June 2005 at 11 am (Brisbane time) and at any adjournment

thereof in respect of \_\_\_\_\_ of my/our shares or, failing any number being specified, **ALL** of my/our shares in the Company.

If two proxies are appointed, the proportion of voting rights this proxy is authorised to exercise is [     ]%.  
(An additional proxy form will be supplied by the Company on request.)

If you wish to indicate how your proxy is to vote, please tick the appropriate places below.

If you do **not** wish to direct your proxy how to vote please place a mark in this box:

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest.

The Chairman advises that it is his intention to vote in favour of all resolutions in respect of any undirected proxies which may be granted in favour of the Chairman.

I/we direct my/our proxy to vote as indicated below:

**RESOLUTION**

	<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAIN</b>
1. Ratification of previous issue of 2,000,000 Shares and 2,000,000 free attaching options under a private placement.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Authorise the issue of up to 10,000,000 Shares and up to 10,000,000 free attaching options to subscribe for Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

As witness my/our hand/s this \_\_\_\_\_ day of \_\_\_\_\_ 2005

**If a natural person:**

SIGNED by \_\_\_\_\_ )  
\_\_\_\_\_ )

\_\_\_\_\_  
in the presence of:

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Name (Printed)

**If a company:**

EXECUTED by \_\_\_\_\_ )  
\_\_\_\_\_ )  
in accordance with its \_\_\_\_\_ )  
constitution \_\_\_\_\_ )

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director/Secretary

\_\_\_\_\_  
Name (Printed)

\_\_\_\_\_  
Name (Printed)

**If by power of attorney:**

SIGNED for and on behalf of \_\_\_\_\_ )  
\_\_\_\_\_ by \_\_\_\_\_ )  
\_\_\_\_\_ under a Power of Attorney \_\_\_\_\_ )  
dated \_\_\_\_\_ and who declares that he/she has \_\_\_\_\_ )  
not received any revocation of such Power of \_\_\_\_\_ )  
Attorney in the presence of : \_\_\_\_\_ )

\_\_\_\_\_  
Signature of Attorney

\_\_\_\_\_  
Signature of Witness