

**Yilgarn Gold Limited**  
ABN 34 002 527 906

***Notice of Annual General Meeting***

***Explanatory Statement***

***and***

***Proxy Form***

# **YILGARN GOLD LIMITED**

**ABN 34 002 527 906**

## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the Annual General Meeting of members of Yilgarn Gold Limited (**Yilgarn** or the **Company**) will be held on Tuesday, 28 November 2006 commencing at 12.30pm at the Holiday Inn City Centre, 788 Hay Street, Perth, WA.

The enclosed Explanatory Statement accompanies and forms part of this Notice of Annual General Meeting.

### **AGENDA**

#### **ORDINARY BUSINESS**

##### **1. Accounts and Reports**

To receive and consider the Financial Report of the Company and of the consolidated entity for the year ended 30 June 2006 and the reports by directors and auditors thereon.

**To consider and, if thought fit, pass the following resolutions as ordinary resolutions:**

##### **2. Resolution 1 - Adoption of Remuneration Report**

*“That the Remuneration Report included in the Annual Report for the financial year ended 30 June 2006 be adopted.”*

The vote on this resolution is advisory only and does not bind the directors of the Company.

##### **3. Resolution 2 - Re-election of Director (Mr P Fry)**

*“That Mr Paul Damien John Fry, having been appointed by the directors until this general meeting in accordance with the Constitution of the Company and, having offered himself for re-election and being eligible, is re-elected a director of the Company.”*

##### **4. Resolution 3 - Re-election of Director (Mr L Brown)**

*“That Mr Lawrence James Brown, having been appointed by the directors until this general meeting in accordance with the Constitution of the Company and, having offered himself for re-election and being eligible, is re-elected a director of the Company.”*

##### **5. Resolution 4 - Re-election of Director (Mr G Clatworthy)**

*“That Mr Graeme John Clatworthy, who retires by rotation in accordance with the Constitution of the Company and, having offered himself for re-election and being eligible, is re-elected a director of the Company.”*

For the purposes of determining voting entitlements at the annual general meeting, Shares will be taken to be held by persons who are registered as holding Shares at 12.30pm on 26 November 2006. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the general meeting.

Proxy and Voting Entitlement Instructions are included on the Proxy Form accompanying this Notice of Annual General Meeting.

**BY ORDER OF THE BOARD**

**Neville Bassett**  
**Company Secretary**  
18 October 2006

# **YILGARN GOLD LIMITED**

**ABN 34 002 527 906**

## **EXPLANATORY STATEMENT**

### **1. INTRODUCTION**

This Explanatory Statement has been prepared for the information of members of Yilgarn Gold Limited (“**Yilgarn**” or the “**Company**”) in connection with the business to be conducted at the annual general meeting of members to be held at the Holiday Inn City Centre, 788 Hay Street, Perth, WA on Tuesday, 28 November 2006 at 12.30pm.

This Explanatory Statement forms part of and should be read in conjunction with the accompanying Notice of Annual General Meeting.

### **2. 2006 ANNUAL REPORT**

In accordance with the requirements of the Company’s Constitution and the Corporations Act, the 2006 Annual Report will be tabled at the annual general meeting. Shareholders will have the opportunity of discussing the Annual Report and making comments and raising queries in relation to the Report.

Representatives from the Company’s auditors, Rothsay, will be present to take shareholders’ questions and comments about the conduct of the audit and the preparation and content of the audit report.

### **3. ADOPTION OF REMUNERATION REPORT – Resolution 1**

The Annual Report for the financial year ended 30 June 2006 contains a Remuneration Report, which forms part of the Directors’ Report and sets out the remuneration policy for the Company and its controlled entities, and reports the remuneration arrangements in place for executive directors, senior management and non-executive directors.

The Corporations Act 2001 requires listed companies to put an annual non-binding resolution to shareholders to adopt the Remuneration Report. In line with the legislation, this vote will be advisory only, and does not bind the Directors or the Company. However, the Board will take the outcome of vote into consideration when considering the Company’s remuneration policy.

### **4. RE-ELECTION OF DIRECTORS – Resolutions 2, 3 and 4**

In accordance with the requirements of the Company’s Constitution and the Corporations Act 2001, one-third of the directors of the Company retire from office at this annual general meeting of the Company and, being eligible, offer themselves for re-election. Directors who have been appointed since the last annual general meeting also retire and, being eligible, offer themselves for election.

Details of directors’ qualifications and experience are available in the Annual Report accompanying this notice of annual general meeting.

# YILGARN GOLD LIMITED

ABN 34 002 527 906

## PROXY FORM

The Secretary  
Yilgarn Gold Limited  
PO Box 7315  
Perth WA 6850

I/We (full name)

\_\_\_\_\_

of \_\_\_\_\_

being a member(s) of Yilgarn Gold Limited, hereby appoint as my/our proxy

\_\_\_\_\_

of \_\_\_\_\_

or, failing him/her the Chairperson of the Meeting to attend and vote for me/us at the general meeting of the Company to be held at 10.00am on Tuesday, 28 November 2006 and at an adjournment thereof in respect of \_\_\_\_\_% of my/our shares or, failing any number being specified, ALL of my/our shares in the Company.

### RESOLUTIONS

	FOR	AGAINST	ABSTAIN
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-Election of Director – Mr P Fry	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-Election of Director – Mr L Brown	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Re-Election of Director – Mr G Clatworthy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### *If the member is an individual or joint holder:*

\_\_\_\_\_  
Usual Signature

\_\_\_\_\_  
Usual Signature

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2006.

### *If the member is a Company:*

Signed in accordance with the  
Constitution of the company  
in the presence of:

\_\_\_\_\_  
Director/Sole Director

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

\_\_\_\_\_  
Sole Director and Sole Secretary

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2006.

## NOTES

1. A member entitled to attend and vote is entitled to appoint not more than two proxies.
2. Where more than one proxy is appointed and that appointment does not specify the proportion or number of the member's votes, each proxy may exercise half of the votes.
3. A proxy need not be a member of the Company.
4. A proxy is not entitled to vote unless the instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed is either deposited at the registered office of the Company (Level 9, 190 St George's Terrace, Perth, Western Australia or PO Box 7315, Perth, WA 6850) or sent by facsimile to that office on Fax: *08 9486 8066* to be received not less than 48 hours prior to the time of the meeting.
5. If the member is a company it must execute under its Common Seal or otherwise in accordance with its Constitution.
6. The Chairman intends to vote all undirected proxies in favour of all resolutions.