

LUIRI GOLD LIMITED
EXEMPTED COMPANY NO. 46884
ARBN 139 588 926

NOTICE OF ANNUAL GENERAL MEETING
and
EXPLANATORY MEMORANDUM

Date of Meeting: Monday, 23 June 2014
Time of Meeting: 9.30 am
Place of Meeting: Clarendon House
2 Church Street
Hamilton
Bermuda

This Notice of Annual General Meeting and Explanatory Memorandum should be read in their entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

LUIRI GOLD LIMITED
EXEMPTED COMPANY NO. 46884

ARBN 139 588 926

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of shareholders of Luri Gold Limited (Exempted Company 46884 and ARBN 139 588 926) (**Company** or **Luri**) will be held at Clarendon House, 2 Church Street, Hamilton, Bermuda at 9.30am on Monday, 23 June 2014.

The Explanatory Memorandum which accompanies and forms part of this Notice of Annual General Meeting describes the various matters to be considered and contains a glossary of defined terms for terms that are not defined in full in this Notice of Annual General Meeting (this **Notice**).

AGENDA

CHAIRMAN

To appoint a Chairman of the meeting.

NOTICE AND QUORUM

To confirm notice and quorum.

ANNUAL FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial statements, the directors' report and auditor's report for the Company and its controlled entities for the period ended 31 December 2013.

RESOLUTIONS

1. Re-election of Mr Michael Langouant as a Director

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That Mr Michael Langouant, who retires by rotation in accordance with the Bye-laws and being eligible, offers himself for re-election, be re-elected as a Director to serve until his appointment is otherwise terminated in accordance with the Bye-laws."

2. Authority to Issue Shares to the Shakumbila Trust

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 10,000,000 Shares in the Company to the Shakumbila Trust, on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by the Shakumbila Trust and by any person who might obtain a benefit, except a benefit solely in the capacity of a security holder, if the resolution is passed, and by any of their associates. However, the Company need not disregard a vote if:

- (a) 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
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

3. Authority to Issue Shares to Melissa Sturgess

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 6,500,000 Shares in the Company to Melissa Sturgess, or her nominee, at par value of USD0.01 each and on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Melissa Sturgess, her nominee and their associates. However, the Company need not disregard a vote if:

- (a) 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
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. Authority to Issue Shares to a Director – Evan Kirby

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That for the purposes of Listing Rule 10.11 and for all other purposes, approval is given by the Shareholders for Mr Kirby, a director of the Company, or his nominee, to be issued 5,500,000 Shares at par value of USD0.01 and on the terms and conditions as set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr Kirby, his nominee and their associates. However, the Company need not disregard a vote if:

- (a) 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
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. Authority to Issue Shares to a Director - Michael Langoulant

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That for the purposes of Listing Rule 10.11 and for all other purposes, approval is given by the Shareholders for Mr Langoulant, a director of the Company, or his nominee, to be issued 5,500,000 Shares at par value of USD0.01 and on the terms and conditions as set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr Langoulant, his nominee and their associates. However, the Company need not disregard a vote if:

- (a) 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
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. Authority to Issue Shares to a Director – Rob Brown

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That for the purposes of Listing Rule 10.11 and for all other purposes, approval is given by the Shareholders for Mr Brown, a director of the Company, or his nominee, to be issued 2,500,000 Shares at par value of USD0.01 and on the terms and conditions as set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr Brown, his nominee and their associates. However, the Company need not disregard a vote if:

- (a) 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
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. Approve the Disposal of Main Undertaking

To consider, and if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

" That, for the purposes of ASX Listing Rule 11.2 and for all other purposes, approval is given for the Company to dispose of its entire shareholding in LG Holdings Ltd and ZIO Holdings Ltd (wholly owned subsidiaries of the Company) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person, and their associates, who may obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed. However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

BY ORDER OF THE BOARD

Michael Langoulant
Secretary
Dated: 28 May 2014

LUIRI GOLD LIMITED
EXEMPTED COMPANY NO. 46884

ARBN 139 588 926

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be considered at the Annual General Meeting of Shareholders to be held at Clarendon House, 2 Church Street, Hamilton, Bermuda at 9.30am on Monday, 23 June 2014.

The Explanatory Memorandum should be read in conjunction with the accompanying Notice of Annual General Meeting. For the assistance of Shareholders, a glossary of defined terms is included at the end of this Explanatory Memorandum.

Full details of the business to be considered at this Annual General Meeting are set out below.

Annual financial statements and reports

The Companies Act requires Directors to lay the annual financial statements, directors' report and auditor's report before the Company in general meeting.

There is no requirement for the Shareholders to vote on and approve the annual financial statements. However, Shareholders will be given an opportunity to ask questions and make comments about the annual financial statements or the Company generally but there will be no formal resolution submitted to the Meeting in respect of the annual financial statements.

1. Resolution 1 - Re-election of Mr Michael Langoulant a Director

It is a requirement under the Company's Bye-Laws that Mr Michael Langoulant retires by rotation at the Annual General Meeting. Mr Langoulant, being eligible for re-election pursuant to the Bye-law 49.5, offers himself for re-election.

The Directors recommend to Shareholders that Mr Langoulant be re-elected.

1. Resolutions 2 & 3 – Approve Share Issues

Resolutions 2 and 3 seek Shareholder approval for the issue of up to 16,500,000 Shares, to satisfy certain Company contractual obligations.

Resolution 2 is an issue of Shares to the Shakumbila Trust being a community trust established for the benefit of those communities in the vicinity of the Company's exploration tenements. This obligation satisfies a contractual obligation entered into in February 2013 and is a condition of the sale of the Company's main undertaking that is the subject of Resolution 7.

Resolution 3 satisfies the Company's obligations entered into in February 2014 in relation to payment of all fees and claims owing to the then Chairman, Melissa Sturgess upon her resignation as a director. The Company and Ms Sturgess agreed to a Share issue to extinguish these obligations to preserve the Company's cash reserves. If Resolution 3 is not approved such that the fees and claims owed to Ms Sturgess by the Company are extinguished, the Company will remain liable to pay those fees and claims to Ms Sturgess.

Listing Rule 7.1 provides that a company must not, without prior approval of shareholders and subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if

the number of those securities exceeds 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolutions 2 & 3 will be to allow the Directors to issue the relevant Shares pursuant to those resolutions without utilising the Company's 15% annual placement capacity under Listing Rule 7.1. Approval is being sought for the issue of Shares to Ms Sturgess pursuant to Listing Rule 10.11 on the basis that she was a Director (and therefore a related party under the Listing Rules) of the Company within the past six months (i.e. prior to her resignation in February 2014). If approval is given under Listing Rule 10.11 approval is not required under Listing Rule 7.1 for the issue of Shares to Ms Sturgess, as an issue of Shares approved by Shareholders under Listing Rule 10.11 is an exception to Listing Rule 7.1.

In accordance with the disclosure requirements of Listing Rule 7.3, the following information is provided in relation to the proposed Share issue to the Shakumbila Trust in accordance with Resolution 2:

- (a) The maximum number of Shares to be issued is 10,000,000 Shares.
- (b) The Shares will be issued no later than 3 months after the date of the Annual General Meeting (or such later date to the extent permitted by any ASX waiver of the Listing Rules) and it is intended that they be issued on one date.
- (c) The deemed issue price of the Shares calculated to satisfy the Company's contractual obligations will be \$0.0448 per Share.
- (d) The Shares will be issued to the trustee of the Shakumbila Trust, a not-for-profit community entity.
- (e) The Shares will be fully paid common shares and rank equally with all existing Shares.
- (f) No funds will be raised by the issue of the Shares pursuant to Resolution 2, however the issue of Shares by the Company satisfies a contractual obligation of the Company to assist Senior Chief Shakumbila as trustee of the Shakumbila Trust to establish and fund a community trust for the benefit of those communities in the vicinity of the Company's exploration tenements.

In accordance with the disclosure requirements of Listing Rule 10.13, the following information is provided in relation to the proposed Share issue to Melissa Sturgess, or her nominee, in accordance with Resolution 3:

- (a) The maximum number of Shares to be issued is 6,500,000 Shares.
- (b) The Shares will be issued no later than 1 month after the date of the Annual General Meeting (or such later date to the extent permitted by any ASX waiver of the Listing Rules) and it is intended that they be issued on one date.
- (c) Ms Sturgess is a related party of the Company for the purposes of the Listing Rules as she was a Director until February 2014 (i.e. within the last six months).
- (d) The issue price of the Shares will be the par value of USD0.01 per Share.
- (e) The Shares will be issued to Melissa Sturgess, or her nominee.

- (f) The Shares will be fully paid common shares and rank equally with all existing Shares.
- (g) No funds will be raised by the issue of the Shares pursuant to Resolution 3, however the issue of Shares by the Company satisfies its contractual obligations to Melissa Sturgess being full settlement of all director, consulting and termination fees due to her in her previous role as Chairman of the Company until her resignation in February 2014.

The Directors recommend Shareholders vote in favour of Resolutions 2 & 3.

2. Resolutions 4 to 6 – Approve an Issue of Shares to Directors

Listing Rule 10.11 generally provides that Directors may not be issued any securities in the Company without the approval of Shareholders.

Resolutions 4 to 6 seek Shareholder approval in accordance with Listing Rule 10.11 for the Company's three directors, namely Rob Brown, Evan Kirby and Michael Langoulant (**Recipient Directors**) to each be issued Shares in the Company at par value of USD0.01.

The Company and the Recipient Directors have agreed to a Share issue to extinguish their unpaid director fee entitlements that will have accrued to them as at 30 June 2014 as a means of preserving the Company's cash reserves. If Shareholders do not approve Resolutions 4 to 6 such that any of the Directors claims for unpaid directors' fees have not been extinguished, the Company will remain liable to pay those fees to the relevant Director.

Each of the Recipient Directors has a personal interest in one of Resolutions 4 to 6. Accordingly, they do not consider it appropriate for them to make a recommendation to Shareholders in relation to these Resolutions. In accordance with the disclosure requirements of Listing Rule 10.13, the following information is provided in relation to the proposed Share issues to the Recipient Directors in accordance with Resolutions 4 to 6:

- (a) The maximum number of Shares to be issued to Rob Brown is 2,500,000 Shares, the maximum number of Shares to be issued to Evan Kirby is 5,500,000 and the maximum number of Shares to be issued to Michael Langoulant is 5,500,000 Shares.
- (b) The Shares will be issued no later than 1 month after the date of the Annual General Meeting (or such later date to the extent permitted by any ASX waiver of the Listing Rules) and it is intended that they be issued on one date.
- (c) The issue price of the Shares will be the par value of USD0.01 per Share.
- (d) The Shares will be fully paid common Shares and rank equally with all existing Shares.
- (e) No funds will be raised by the issue of the Shares pursuant to Resolutions 4 to 6, however the issue of Shares by the Company satisfies its contractual obligations to the Recipient Directors by extinguishing their claims for unpaid director fees that will have accrued to them as at 30 June 2014.

An issue of Shares approved by Shareholders under Listing Rule 10.11 is an exception to Listing Rule 7.1. Therefore, approval to the issues to the Directors is not being sought under Listing Rule 7.1 because, if approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

3. Resolutions 7 – Approve the Disposal of the Company’s Main Undertaking

5.1 Background

On 14 May 2014, the Company announced that it had entered into a binding sale agreement for the disposal of its wholly owned subsidiaries, LG Holdings Ltd and ZIO Holdings Ltd (**Sale Subsidiaries**), which are the legal owners of the Company’s Luiri Hill Gold Project in Zambia (**Sale**). The Luiri Hill Gold Project in Zambia is the Company’s main existing business.

It was also announced that this Sale was subject to shareholder approval.

The consideration for this Sale is approximately USD520,000 in Luiri group liabilities that the purchaser will either pay or assume responsibility for. If Shareholders do not approve the disposal of the Sale Subsidiaries, the Company will be required to repay the funds the purchaser will expend in paying out Luiri group expenses and/or liabilities since the Sale was entered into up to a maximum of USD105,000.

After considering the financial commitments attached to the Luiri Hill Gold Project development contracts and term sheets the Board formed the view that it would not be able to fund its share of development capital to maintain a meaningful interest in the Luiri Hill Gold project in a way which would not be prohibitively dilutionary to existing Shareholders whilst matching the risks versus the rewards associated with the project.

ASX Listing Rule 11.2 requires that a disposal of the main undertaking of a Company be approved by Shareholders. The proposed Sale of the Sale Subsidiaries by the Company constitutes the disposal of the main undertaking of the Company. Accordingly, this Resolution seeks the approval for the proposed Sale.

5.2 Pro-forma Balance Sheet

An unaudited pro forma balance sheet of the Company as if the completion of the proposed disposal of the Sale Subsidiaries had occurred on 31 December 2013 is set out below:

	Consolidated	Pro-forma
	31 December	31 December 2013
	2013	2013
	\$	\$
Current Assets		
Cash and cash equivalents	228,606	314,337
Trade and other receivables	87,660	79,604
Total Current Assets	316,266	393,941
Non-Current Assets		
Plant and equipment	119,202	14,477
Exploration project acquisition costs	250,000	-
Total Non-Current Assets	369,202	14,477
Total Assets	685,468	408,418
Current Liabilities		
Trade and other payables	550,326	260,757
Total Current Liabilities	550,326	260,757
Non-current Liabilities		
Provisions	117,892	-
Total Non-current Liabilities	117,892	-
Total Liabilities	668,218	260,757
Net Assets	17,250	147,661
Equity		
Issued capital	27,588,627	28,316,627
Shares to be issued	448,000	-
Reserves	5,397,297	5,037,937
Accumulated losses	(33,416,674)	(33,206,903)
Total Equity	17,250	147,661

Assumptions for pro-forma balance sheet

- The Sale transaction is completed.
- A Placement in April 2014 to raise \$140,000 in working capital occurred as at 31 December 2013.
- The 10 million Shares due to be issued to the Shakumbila Trust (Resolution 2) were issued as at 31 December 2013

5.3 Capital Structure

There will be no change to the capital structure of the Company as a result of the disposal of the Sale Subsidiaries.

5.4 Advantages of the transaction

The Directors are of the view that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision on how to vote on Resolution 7:

- There is no viable alternative currently available to the Company other than the sale that would ensure the ongoing solvency of the Company.
- The Sale considerably improves the Company's working capital position by the purchaser assuming significant group liabilities.
- The Company is no longer exposed to the obligations of maintaining the Luri Hill Gold Project in Zambia and the associated overheads and staff costs.
- The Company is not required to further dilute Shareholders on contributing to a high risk project development;
- The Company is no longer at risk of not being able to satisfy the ongoing development obligations necessary to maintain good title to the Zambian mineral tenements.
- The Company will be free to pursue other transactions that may have a better risk/reward equation and that can better support fresh equity raisings to the benefit of all Shareholders.

5.5 Disadvantages of the transaction

The Directors are of the view that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision on how to vote on Resolution 7:

- The Company may not secure a replacement project that offers the opportunity for better returns to Shareholders.
- The Company may become suspended from ASX if it cannot acquire a new project within the time restrictions imposed by the ASX.

5.6 Operations of the Company assuming completion of the Sale

If Resolution 7 is passed and the Sale is approved, the Company will continue the process of seeking new projects to acquire as its main undertaking. An investment by the Company in a new project may constitute a change to the nature and scale of the Company's activities that would require shareholder approval under Listing Rule 11.1.2. Further, to comply with the Listing Rules, the investment may require the Company to re-comply with the requirements of Chapters 1 and 2 of the Listing Rules, as if the Company were applying for admission to the ASX in accordance with Listing Rule 11.1.3.

As at the date of this Notice, the Directors do not have any sufficiently developed investment opportunities to bring to the attention of Shareholders.

GLOSSARY OF TERMS

The following terms and abbreviations used in the Notice of Annual General Meeting and this Explanatory Memorandum have the following meanings.

"**\$**" means Australian dollars.

"**ASX**" means ASX Limited, or the stock exchange conducted by ASX, as the context requires.

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

"**Bye-laws**" mean the Bye-laws of the Company as amended from time to time.

"**Chair**" or "**Chairman**" means the person appointed to chair the Meeting convened by this Notice.

"**Company**" means Luri Gold Limited (Exempted Company 46884 and ARBN 32 139 588 926).

"**Companies Act**" means the Companies Act 1981 of Bermuda as amended from time to time.

"**Directors**" mean the directors of the Company from time to time.

"**Explanatory Memorandum**" means the explanatory memorandum that accompanies and forms part of this Notice.

"**Listing Rule**" means a Listing Rule of ASX Limited.

"**Meeting**" or "**Annual General Meeting**" means the annual general meeting of Shareholders of the Company convened by this Notice.

"**Notice**" or "**Notice of Annual General Meeting**" means the notice of annual general meeting which accompanies this Explanatory Memorandum.

"**Officers**" means the officers of the Company from time to time.

"**Proxy Form**" means the proxy form attached to this Notice.

"**Resolution**" means a resolution referred to in the Notice.

"**Secretary**" means the secretary of the Company from time to time.

"**Share**" means a common share of USD0.01 par value in the Company.

"**Shareholder**" means a registered holder of Shares.

"**USD**" means United States dollars

"**WST**" means Western Standard Time in Western Australia.

PROXY AND VOTING ENTITLEMENT INSTRUCTIONS

PROXY INSTRUCTIONS

Shareholders are entitled to appoint up to two individuals or bodies corporate to act as proxies to attend and vote on their behalf. Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion of the Shareholder's voting rights. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes.

The Proxy Form (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or sent by facsimile transmission to the Secretary's office, **Suite 2, 47 Havelock Street, West Perth WA 6005, +61 8 9324 2977**, not less than 48 hours before the time for holding the Meeting, or adjourned Meeting as the case may be, at which the individual or body corporate named in the Proxy Form proposes to vote.

The Proxy Form must be signed by the Shareholder or his/her attorney duly authorised in writing or, if the Shareholder is a corporation, in a manner permitted by the Company's Bye-Laws.

The proxy may, but need not, be a Shareholder of the Company.

In the case of Shares jointly held by two or more persons, all joint holders must sign the Proxy Form.

A Proxy Form is attached to this Notice.

VOTING ENTITLEMENT

For the purposes of determining voting entitlements at the Meeting, Shares will be taken to be held by the persons who are registered as holding the Shares at 5.00pm (WST) on, Wednesday 18 June 2014. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

LUIRI GOLD LIMITED

EXEMPT COMPANY NO. 46884

ARBN 139 588 926

PROXY FORM

The Secretary

Luri Gold Limited, Suite 2, 47 Havelock Street, West Perth WA 6005,

Facsimile +61 8 9324 2977

I/We _____

of _____

being a Shareholder/(s) of Luri Gold Limited ("**Company**") and registered holder of

_____ Shares in the Company

hereby appoint _____

of _____

or failing him/her/it _____

of _____

or failing him/her/it the Chairman as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at the Clarendon House, 2 Church Street, Hamilton, Bermuda at 9.30am on Monday, 23 June 2014 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 no indication is given on a Resolution, the proxy may abstain or vote at his/her/its discretion.

In relation to undirected proxies, the Chairman intends to vote in favour of all of the Resolutions.

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

