



Kentor Gold Ltd
ACN 082 658 080

Registered Office
Level 36, Riparian Plaza
71 Eagle Street
Brisbane QLD 4000
Australia
Phone: (07) 3121 3206
Email:
info@kentorgold.com.au

21 April 2011

Dear Shareholder,

I am pleased to invite you to attend the Annual General Meeting of Kentor Gold Ltd (the "Company") to be held at:

RACV Club
501 Bourke Street
Melbourne VIC 3000

On Thursday 26 May 2011 at 1pm (Australian Eastern Standard 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 resolutions.

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 1pm (Australian Eastern Standard Time) 24 May 2011.

Yours sincerely,

W H John Barr AM
Chairman

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS GIVEN that the ANNUAL 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 26 May 2011 at 1pm (Australian Eastern Standard Time).

ORDINARY BUSINESS

Reports

To receive and consider the Annual Financial Report of the Company and the Directors' and Auditors' reports for the year ended 31 December 2010.

Resolution 1. Re-election of Director, Mr John Barr

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

"That Mr John Barr, a director who retires in accordance with the Constitution and being eligible offers himself for re-election as a director of the Company, is re-elected as a director of the Company."

Resolution 2. Re-election of Director, Mr John Taylor

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

"That Mr John Taylor, a director who retires in accordance with the Constitution and being eligible offers himself for re-election as a director of the Company, is re-elected as a director of the Company."

Resolution 3. Remuneration Report

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

"That the Remuneration Report set out in the Company's Annual Report (as part of the Directors' Report) for the year ended 31 December 2010 is approved."

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

SPECIAL BUSINESS

Resolution 4. Ratification of Share Placement to clients of Helmsec Global Capital Limited and RBS Morgans Corporate Limited

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

"That, for the purposes of Listing Rule 7.4 and for all other purposes, the issue by the Company of 86,542,904 fully paid ordinary shares at \$0.155 per share to clients of Helmsec Global Capital Limited and RBS Morgans Corporate Limited, on the terms and conditions set out in the Explanatory Memorandum and announced to the ASX on 15 November 2010, be ratified."

Resolution 5. Approval of issue of Options to Mr. Simon Milroy

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

"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for Mr. Simon Milroy, Managing Director of the Company, to be issued with 2,000,000 unlisted options in the Company on the terms and conditions set out in the Explanatory Memorandum."

Resolution 6. Approval of issue of Options to Mr. John Barr

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

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for Mr. John Barr, non-executive Director of the Company, to be issued with 500,000 unlisted options in the Company on the terms and conditions set out in the Explanatory Memorandum.”

Resolution 7. Approval of issue of Options to Mr. Andrew Daley

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

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for Mr. Andrew Daley, non-executive Director of the Company, to be issued with 500,000 unlisted options in the Company on the terms and conditions set out in the Explanatory Memorandum.”

Resolution 8. Approval of issue of Options to Mr. John Taylor

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

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for Mr. John Taylor, non-executive Director of the Company, to be issued with 500,000 unlisted options in the Company on the terms and conditions set out in the Explanatory Memorandum.”

Resolution 9. Approval of issue of Options to Ms. Kylie Anderson

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for Ms. Kylie Anderson, Company Secretary of the Company, to be issued with 1,000,000 unlisted options in the Company on the terms and conditions set out in the Explanatory Memorandum.”

Resolution 10. Approval of increase in non-executive Directors' Fee Pool

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

“That for the purposes of Listing Rule 10.17 and the Constitution, the maximum aggregate remuneration payable out of the funds of the Company to non-executive directors of the Company for their services as directors is increased by \$300,000 to \$500,000 per annum to be allocated as determined the board.”

Resolution 11 Adoption of proportional takeover approval rules

To consider and, if thought fit, pass the following as a special resolution:

“That the Company's Constitution be amended by adopting Rule 25 in the form tabled, as summarised in the Explanatory Memorandum, for a period of three years, effective on the day on which this resolution is passed by shareholders in general meeting.”

BY ORDER OF THE BOARD



Kylie Anderson
Company Secretary
21 April 2011

Voting exclusion Statement

1. In respect of Resolution 4, the Company will disregard any votes cast on this Resolution by any person who participated in the placement of shares to clients of Helmsec Global Capital Limited and RBS Morgans Corporate Limited and their associates.
2. In respect of Resolution 5, 6, 7, and 8, the Company will disregard any votes cast on those Resolutions by the Directors of the Company and their associates.
3. In respect of Resolution 9, the Company will disregard any votes cast on that resolution by Kylie Anderson and her associates.
4. In respect of Resolution 10, the Company will disregard any votes cast on that resolution by the Directors of the Company.

However, the Company need not disregard a vote if:

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

Notes

1. The Company has determined that for the purpose of determining voting entitlements at the Annual 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 24 May 2011. 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 1pm (Australian Eastern Standard Time) 24 May 2011.

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

Explanatory Memorandum

Introduction

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

Financial Reports

Whilst the Corporations Act requires the Financial Report and the reports of the directors' and auditors' to be laid before the Annual General Meeting, neither the Corporations Act or the Constitution requires shareholders to vote on, approve or adopt those reports.

Shareholders will, however, have ample opportunity at the Annual General Meeting to raise questions on these reports.

Each shareholder will have had access to a copy of the Annual Report, which contains the Financial Report, Directors' Report and Auditors' Report for the year ended 31 December 2010.

Resolution 1 Re-election of Mr. John Barr

Mr. Barr retires pursuant to clause 13.5 of the Constitution and offers himself for re-election as director of the Company in accordance with the Company's Constitution.

Information about Mr. Barr is set out in the Company's 2010 Annual Report.

The Board recommends that shareholders vote in favour of the resolution for the re-election of Mr. John Barr.

Resolution 2 Re-election of Mr. John Taylor

Mr. Taylor retires pursuant to clause 13.5 of the Constitution and offers himself for re-election as director of the Company in accordance with the Company's Constitution.

Information about Mr. Taylor is set out in the Company's 2010 Annual Report.

The Board recommends that shareholders vote in favour of the resolution for the re-election of Mr. Taylor.

Resolution 3 Remuneration Report

Section 300A of the Corporations Act requires the Directors' Report to include a separately identified Remuneration Report. Listed entities are further required to submit the Remuneration Report for adoption at the Company's Annual General Meeting. However the vote on the resolution is advisory only and does not bind the directors of the Company.

The Remuneration Report explains the Board's policies in relation to the nature and level of remuneration paid to directors and specified executives of the Company and sets out remuneration details for each director and specified executive.

As detailed in the Remuneration Report, the Board believes that the remuneration granted to directors and specified executives is in line with market conditions.

Resolution 4. Ratification of Share Placement to clients of Helmsec Global Capital Limited and RBS Morgans Corporate Limited

On 15 November 2010 the Company announced it had carried out a placement of 86,542,904 new shares to clients of Helmsec Global Capital Limited and RBS Morgans Corporate Limited at an issue price of \$0.155 to raise approximately \$13.4 million. This resolution is seeking approval for the shares issued as part of the placement.

ASX Listing Rule 7.4 states that where securities have been issued without shareholder approval under ASX Listing Rule 7.1, that issue can be treated as having been made with approval for the purpose of ASX Listing Rule 7.1 where the holders of ordinary shares approve the issue.

ASX Listing Rule 7.1 operates to prevent a company from issuing any more than 15% of its issued shares, in any 12 month period, without obtaining shareholder approval. The issue of shares to the clients of Helmsec Global Capital Limited and RBS Morgans Corporate Limited amounted to 15% of the issued shares of the Company and consequently did not breach ASX Listing Rule 7.1. While shareholder approval was not required under ASX Listing Rule 7.1, the Company seeks approval for this share issue under ASX Listing Rule 7.4 so that this issue of shares will not be counted towards the 15% allowable in a 12 month period under ASX Listing Rule 7.1.

Listing Rule 7.5 requires certain information to accompany a Notice of Meeting in relation to approval sought under Listing Rule 7.4. This information is set out below:

Share placement to clients of Helmsec Global Capital Limited and RBS Morgans Corporate Limited:

Date of issue	19/11/09
Number of securities allotted	86,542,904
Issue price per security	\$0.155
Terms of the securities	Ordinary fully paid shares ranking equally with all other fully paid ordinary shares of the Company
Basis on which the allottees were determined	Clients of Helmsec Global Capital Limited and RBS Morgans Corporate Limited
Use of funds	Development activities at the Andash Gold-Copper Project. Exploration activities in respect of the tenements that are the subject of the KGL's option to acquire the Aktash Gold-Copper deposit. Corporate costs and overheads. Working capital requirements. Costs and expenses associated with the November 2010 rights issue and placement.

The Board recommends shareholders vote in favour of the Ratification of Share Placement to clients of Helmsec Global Capital Limited and RBS Morgans Corporate Limited.

Resolution 5. Approval of issue of Options to Mr. Simon Milroy

Resolution 5 seeks approval from shareholders for the issue of 2,000,000 unlisted options to subscribe for fully paid ordinary shares to Mr. Simon Milroy, the Managing Director of the Company as part of his remuneration.

If approved, the options will be issued in accordance with the ESOP.

In recognition of Mr Milroy's contribution toward the advancement of the Company, the Remuneration and Nomination Committee has recommended that Mr Milroy receive a bonus for the 2010 financial year and that the bonus be paid by way of options over ordinary shares.

The options will be issued at no cost to the director. The terms and conditions of the issue of those options to Mr. Milroy are detailed below.

ASX Listing Rule 10.14 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities to a director of the Company under an employee incentive scheme. Accordingly, shareholder approval is required pursuant to ASX Listing Rule 10.14 for the issue of the options to Mr. Milroy.

Pursuant to ASX Listing Rule 10.15.7 the options will be issued to Mr. Milroy on 27 May 2011 and in any case no later than 12 months after the date of this meeting.

Under Chapter 2E of the Corporations Act a public company cannot give a financial benefit to a related party unless an exception applies or shareholders have in a general meeting approved the giving of that financial benefit to the related party.

Mr. Milroy is a related party of the Company due to the fact that he is a director of the Company. The issue of options constitutes a "Financial Benefit" as described in the Corporations Act. Accordingly, the proposed issue of options to Mr. Milroy will constitute the provision of a financial benefit to a related party of the Company.

It is the view of the Directors that the exemptions under section 211 of the Corporations Act (remuneration and reimbursement) apply to the proposed option issue pursuant to Resolution 5. Accordingly, while the Directors have not determined to seek shareholder approval under section 208 of the Corporations Act, shareholder approval must nonetheless be obtained pursuant to ASX Listing Rule 10.14. If approval of the issue is given under ASX Listing Rule 10.14, approval is not required under ASX Listing Rule 7.1.

Any funds raised upon the exercise of the options will be used for ongoing corporate costs.

The terms of the issue of options to Mr. Milroy are as follows:

Number of Options	Exercise Price	Expiry Date
1,000,000	25% above the 3 day volume weighted average price (VWAP) of the shares of the Company traded on ASX preceding the date of approval by shareholders at this meeting.	The options will expire 5 years from the date of issue or 1 month from the date of resignation.
1,000,000	50% above the 3 day volume weighted average price (VWAP) of the shares of the Company traded on ASX preceding the date of approval by shareholders at this meeting.	The options will expire 5 years from the date of issue or 1 month from the date of resignation.

For example, if the 3 day VWAP of the shares of the Company traded on ASX preceding the date of approval by shareholders at this meeting is \$0.17, the options issued to Mr. Milroy will have an exercise price of \$0.2125 and \$0.255.

The Board, with Mr. Milroy abstaining, recommends that shareholders vote in favour of the issue of 2,000,000 options to Mr. Simon Milroy.

Resolution 6 Issue of Options to Mr. John Barr

Resolution 6 seeks approval from shareholders for the issue of 500,000 unlisted options to subscribe for fully paid ordinary shares to Mr. John Barr, a non-executive director of the Company as part of his director's fees.

If approved, the options will be issued in accordance with the ESOP.

Currently, the chairman is paid director's fees of \$87,200 per annum, inclusive of superannuation. However in recognition of the increasing complexity of the Company's projects and the time commitment required, the Remuneration and Nomination Committee has recommended that non-executive directors each be granted 500,000 unlisted options over ordinary shares of the Company.

The options will be issued at no cost to the director. The terms and conditions of the issue of those options to Mr. Barr are detailed below.

ASX Listing Rule 10.14 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities to a director of the Company under an employee incentive scheme. Accordingly, shareholder approval is required pursuant to ASX Listing Rule 10.14 for the issue of the options to Mr. Barr.

Pursuant to ASX Listing Rule 10.15.7 the options will be issued to Mr. Barr on 27 May 2011 and in any case no later than 12 months after the date of this meeting.

Under Chapter 2E of the Corporations Act a public company cannot give a financial benefit to a related party unless an exception applies or shareholders have in a general meeting approved the giving of that financial benefit to the related party.

Mr. Barr is a related party of the Company due to the fact that he is a director of the Company. The issue of options constitutes a "Financial Benefit" as described in the Corporations Act. Accordingly, the proposed issue of options to Mr. Barr will constitute the provision of a financial benefit to a related party of the Company.

It is the view of the Directors that the exemptions under section 211 of the Corporations Act (remuneration and reimbursement) apply to the proposed option issue pursuant to Resolution 6. Accordingly, while the Directors have not determined to seek shareholder approval under section 208 of the Corporations Act, shareholder approval must nonetheless be obtained pursuant to ASX Listing Rule 10.14. If approval of the issue is given under ASX Listing Rule 10.14, approval is not required under ASX Listing Rule 7.1.

Any funds raised upon the exercise of the options will be used for ongoing corporate costs.

The terms of the issue of options to Mr. Barr are as follows:

Number of Options	Exercise Price	Expiry Date
500,000	25% above the 3 day volume weighted average price (VWAP) of the shares of the Company traded on ASX preceding the date of approval by shareholders at this meeting.	The options will expire 5 years from the date of issue or 1 month from the date of resignation.

The Board, with Mr. Barr abstaining, recommends that shareholders vote in favour of the issue of 500,000 options to Mr. John Barr.

Resolution 7 Issue of Options to Mr. Andrew Daley

Resolution 7 seeks approval from shareholders for the issue of 500,000 unlisted options to subscribe for fully paid ordinary shares to Mr. Andrew Daley, a non-executive director of the Company as part of his director's fees.

If approved, the options will be issued in accordance with the ESOP.

Currently, the non-executive directors (other than the Chairman) are paid director's fees of \$54,500 per annum, inclusive of superannuation. However in recognition of the increasing complexity of the Company's projects and the time commitment required, the Remuneration and Nomination Committee has recommended that non-executive directors each be granted 500,000 unlisted options over ordinary shares of the Company.

The options will be issued at no cost to the director. The terms and conditions of the issue of those options to Mr. Daley are detailed below.

ASX Listing Rule 10.14 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities to a director of the Company under an employee incentive scheme. Accordingly, shareholder approval is required pursuant to ASX Listing Rule 10.14 for the issue of the options to Mr. Daley.

Pursuant to ASX Listing Rule 10.15.7 the options will be issued to Mr. Daley on 27 May 2011 and in any case no later than 12 months after the date of this meeting.

Under Chapter 2E of the Corporations Act a public company cannot give a financial benefit to a related party unless an exception applies or shareholders have in a general meeting approved the giving of that financial benefit to the related party.

Mr. Daley is a related party of the Company due to the fact that he is a director of the Company. The issue of options constitutes a "Financial Benefit" as described in the Corporations Act. Accordingly, the proposed issue of options to Mr. Daley will constitute the provision of a financial benefit to a related party of the Company.

It is the view of the Directors that the exemptions under section 211 of the Corporations Act (remuneration and reimbursement) apply to the proposed option issue pursuant to Resolution 7. Accordingly, while the Directors have not determined to seek shareholder approval under section 208 of the Corporations Act, shareholder approval must nonetheless be obtained pursuant to ASX Listing Rule 10.14. If approval of the issue is given under ASX Listing Rule 10.14, approval is not required under ASX Listing Rule 7.1.

Any funds raised upon the exercise of the options will be used for ongoing corporate costs.

The terms of the issue of options to Mr. Daley are as follows:

Number of Options	Exercise Price	Expiry Date
500,000	25% above the 3 day volume weighted average price (VWAP) of the shares of the Company traded on ASX preceding the date of approval by shareholders at this meeting.	The options will expire 5 years from the date of issue or 1 month from the date of resignation.

The Board, with Mr. Daley abstaining, recommends that shareholders vote in favour of the issue of 500,000 options to Mr. Andrew Daley.

Resolution 8 Issue of Options to Mr. John Taylor

Resolution 8 seeks approval from shareholders for the issue of 500,000 unlisted options to subscribe for fully paid ordinary shares to Mr. John Taylor, a non-executive director of the Company as part of his director's fees.

If approved, the options will be issued in accordance with the ESOP.

Currently, the non-executive directors (other than the Chairman) are paid director's fees of \$54,500 per annum, inclusive of superannuation. There has been no change in the fees paid to non-executive directors in the past three years and the Board has decided to leave the cash component of the non-executive directors fees unchanged. However in recognition of the increasing complexity of the Company's projects and the time commitment required, the Remuneration and Nomination Committee has recommended that non-executive directors each be granted 500,000 unlisted options over ordinary shares of the Company.

The options will be issued at no cost to the director. The terms and conditions of the issue of those options to Mr. Taylor are detailed below.

ASX Listing Rule 10.14 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities to a director of the Company under an employee incentive scheme. Accordingly, shareholder approval is required pursuant to ASX Listing Rule 10.14 for the issue of the options to Mr. Taylor.

Pursuant to ASX Listing Rule 10.15.7 the options will be issued to Mr. Taylor on 27 May 2011 and in any case no later than 12 months after the date of this meeting.

Under Chapter 2E of the Corporations Act a public company cannot give a financial benefit to a related party unless an exception applies or shareholders have in a general meeting approved the giving of that financial benefit to the related party.

Mr. Taylor is a related party of the Company due to the fact that he is a director of the Company. The issue of options constitutes a "Financial Benefit" as described in the Corporations Act. Accordingly, the proposed issue of options to Mr. Daley will constitute the provision of a financial benefit to a related party of the Company.

It is the view of the Directors that the exemptions under section 211 of the Corporations Act (remuneration and reimbursement) apply to the proposed option issue pursuant to Resolution 8. Accordingly, while the Directors have not determined to seek shareholder approval under section 208 of the Corporations Act, shareholder approval must nonetheless be obtained pursuant to ASX Listing Rule 10.14. If approval of the issue is given under ASX Listing Rule 10.14, approval is not required under ASX Listing Rule 7.1.

Any funds raised upon the exercise of the options will be used for ongoing corporate costs.

The terms of the issue of options to Mr. Taylor are as follows:

Number of Options	Exercise Price	Expiry Date
500,000	25% above the 3 day volume weighted average price (VWAP) of the shares of the Company traded on ASX preceding the date of approval by shareholders at this meeting.	The options will expire 5 years from the date of issue or 1 month from the date of resignation.

The Board, with Mr. Taylor abstaining, recommends that shareholders vote in favour of the issue of 500,000 options to Mr. John Taylor.

Information Relating to Resolutions 5,6,7 and 8

Pursuant to Listing Rule 10.15.4 and 10.15.4A the following information is provided in relation to Resolutions 5,6,7 and 8.

The names of all directors and their associates who received securities under the Employee Share and Option Plan since the last approval, the number of securities issued and the exercise price.

Name of Director	Number of Options Granted	Exercise Price of Options on date of Granting
John Barr	1,000,000	16.41c
Andrew Daley	1,000,000	16.41c
Simon Milroy	1,000,000	16.41c
Hugh McKinnon	500,000	16.41c
Simon Milroy	1,000,000	13.68c
Hugh McKinnon	500,000	13.68c
John Taylor	1,000,000	13c

The names of all Directors and their associates entitled to participate in the Employee Share Option Plan.

Mr. John Barr

Mr. Andrew Daley

Mr. John Taylor

Mr. Simon Milroy

Mr. Hugh McKinnon

No loans were made available to the directors and their associates

Resolution 9 Issue of Options to Ms. Kylie Anderson

Resolution 9 seeks approval from shareholders, in accordance with Listing Rule 7.1, for the issue of 1,000,000 unlisted options to subscribe for fully paid ordinary shares to Ms. Kylie Anderson, the Company Secretary of the Company as part of her remuneration.

If approved, the options will be issued in accordance with the ESOP.

In recognition of Ms Anderson's contribution toward the advancement of the Company, the Remuneration and Nomination Committee has recommended that Ms Anderson receive a bonus for the 2010 financial year and that the bonus be paid by way of options over ordinary shares. The options will not have an issue price. The terms and conditions of the issue of those options to Ms Anderson are detailed below.

The options will be allotted and issued to Ms Anderson on 27 May 2011 and in any case no later than 3 months after the date of this meeting.

Any funds raised upon the exercise of the options will be used for ongoing corporate costs.

The terms of the issue of options to Ms. Anderson are as follows:

Number of Options	Exercise Price	Expiry Date
500,000	20.78c per option.	The options will expire 5 years from the date of issue or 1 month from the date of resignation.
500,000	24.93 c per option	The options will expire 5 years from the date of issue or 1 month from the date of resignation.

The Board recommends that shareholders vote in favour of the issue of 1,000,000 options to Ms. Kylie Anderson

Resolution 10. Increase in Directors' Fee Pool

An increase in the Directors' Fee Pool is proposed in recognition of the increasing complexity and responsibilities associated with acting in the capacity of Director of the Company. Shareholders last voted to increase the fee pool to \$200,000 in 2007.

Kentor Gold's market capitalisation has increased in excess of 20 fold since its listing in 2005. At the same time the complexity, workload, responsibilities and liability of directors are increasing. It is therefore proposed that the remuneration of non-executive Directors be increased accordingly. Additionally, the increase in the Directors Fee Pool contains provision for fees for an additional director which will come under consideration as Kentor progresses the development of its projects.

Listing Rule 10.17 provides that the maximum aggregate amount of the remuneration payable as Directors' fees be determined by shareholders at a general meeting.

The Board, with all Directors and their associates abstaining from voting in accordance with Listing Rule 14.11, recommends that the Directors remuneration be increased by 300,000 to \$500,000 per annum.

Resolution 11. Adoption of Proportional Takeover Approval Rules

The law regarding takeovers allows companies to amend their Constitutions to prohibit the registration of a transfer of shares resulting from an offer made under a proportional takeover bid, unless shareholders in a general meeting approve the bid.

It is proposed to insert Rule 25 into the Constitution of Kentor Gold Limited to provide shareholders the ability to vote on a proportional takeover offer.

The effect of Rule 25 is that, if a proportional takeover offer is received, the directors are required to convene a meeting of shareholders to vote on a resolution to approve the proportional bid. That meeting must be held at least 14 days before the bid closes. If the proportional bid is not approved, the registration of any transfer of shares resulting from an offer made under the proportional bid will be prohibited and the bid will be deemed to be withdrawn. If the proportional bid is approved, the transfers will be registered, provided they comply with the other provisions of the Corporations Act and Company's Constitution. The provisions of the rule do not apply to takeover bids for the whole of issued shares for the Company. The insertion of the rule will make it operational in the manner outlined above for a period of three years (or longer if it is subsequently renewed by further resolution/s of shareholders).

Without the proposed rule, a proportional takeover bid may enable control of the Company to be acquired without shareholders having an opportunity to dispose of all their shares to the bidder. Shareholders could thus risk being left as part of a minority interest in the Company. If the shareholders considered that control of the Company was likely to pass under any takeover bid, they could be placed under pressure to accept the offer even if they do not want control of the Company to pass to the bidder. The proposed rule will prevent this, by permitting shareholders in a general meeting to decide whether a proportional takeover bid should be permitted to proceed.

The bidder and its associates would not be permitted to vote on the matter at such a meeting and thereby influence the outcome. As at the date of this notice, no director is aware of any proposal by any person to acquire or increase the extent of a substantial interest in the Company.

Accordingly, the potential advantage for shareholders of the proposed Rule 25 is to provide them with the right to approve or reject a proportional takeover bid, which they do not currently have. A potential disadvantage for shareholders may be that bidders who are only prepared to make a proportional bid for securities in the Company may be deterred from making such a bid.

The Company is not aware of any potential advantages or disadvantages for the Directors, except in their capacity as shareholders.

The proposed Rule 25 will be tabled at the meeting.

The Board recommends that shareholders vote in favour of the Adoption of Proportional Takeover Approval Rules

GLOSSARY OF TERMS

“**ASX**” means Australian Securities Exchange Limited;

“**Board**” means the board of directors of the Company;

“**Company**” 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);

“**ESOP**” means Employee Share Option Plan

“**Listing Rules**” means the listing rules of the ASX.



KENTOR GOLD LTD
ACN 082 658 080

LODGE YOUR VOTE

ONLINE > www.investorcentre.linkmarketservices.com.au

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

By fax: +61 2 9287 0309

All enquiries to: Telephone: 1300 554 474 **Overseas:** +61 2 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 Annual General Meeting of the Company to be held at 1:00pm on Thursday, 26 May 2011, at RACV Club, 501 Bourke Street, Melbourne VIC 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

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Re-election of Director, Mr John Barr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Approval of issue of Options to Mr Andrew Daley	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director, Mr John Taylor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8 Approval of issue of Options to Mr John Taylor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Approval of issue of Options to Ms Kylie Anderson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Ratification of Share Placement to clients of Helmsec Global Capital Limited and RBS Morgans Corporate Limited	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Approval of Increase in Non-executive Directors' Fee Pool	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval of issue of Options to Mr Simon Milroy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11 Adoption of proportional takeover approval rules	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval of issue of Options to Mr John Barr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

* 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

IMPORTANT - VOTING EXCLUSIONS

If the Chairman of the Meeting is appointed as your proxy, or may be appointed by default and you do not wish to direct your proxy how to vote as your proxy in respect of Item 10 above, please place a mark in this box. By marking this box, you acknowledge that the Chairman of the Meeting may exercise your proxy even though he/she has an interest in the outcome of that Item and that votes cast by him/her for that Item, other than as proxyholder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Item 10 and your votes will not be counted in calculating the required majority if a poll is called on this Item.
The Chairman of the Meeting intends to vote undirected proxies in favour of Item 10.

STEP 4

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 PRX102



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.

To appoint a second proxy you must:

- (a) 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.
- (b) 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.

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 **1:00pm on Tuesday, 24 May 2011**, 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.investorcentre.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.

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