



Notice of Annual General Meeting and Explanatory Memorandum

Navaho Gold Limited

ACN: 068 958 752

Date of Meeting: 22 November 2011

Time of Meeting: 3.00pm (Brisbane time)

Place of Meeting: Offices of HopgoodGanim, Level 7, Waterfront Place, 1 Eagle Street,
Brisbane QLD, 4000

Notice is given that the next Annual General Meeting of Shareholders of **Navaho Gold Ltd ACN 068 958 752 (Company)** will be held at the offices of HopgoodGanim Lawyers, Level 7, Waterfront Place, 1 Eagle Street Brisbane on Tuesday 22 November 2011 at 3pm (Brisbane time).

Agenda

ORDINARY BUSINESS

1. Annual Financial Report

To receive and consider the Company's Annual Report comprising the Directors' Report and Auditors' Report, Directors' Declaration, Income Statements, Balance Sheets, Statement of Changes in Equity, Statement of Cashflows and notes to and forming part of the accounts for the Company for the financial year ended 30 June 2011.

See Explanatory Memorandum below for further information.

2. Resolution 1 – Remuneration Report

To consider and, if thought fit, pass the following Advisory Resolution:

“That, the Remuneration Report for the year ended 30 June 2011 (as set out in the Directors' Report) is adopted.”

Voting

Terms used in this Notice of Meeting are defined in the Interpretation section of the accompanying Explanatory Memorandum.

The vote on Resolution 1 is advisory only and does not bind the Directors of the Company.

Voting Restriction pursuant to Section 250R(4) of the Corporations Act

A vote on Resolution 1 must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, the above persons may cast a vote on Resolution 1 if:

- (a) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- (b) the vote is not cast on behalf of a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report or a Closely Related Party of such a member.

ASIC Relief

The Company has obtained relief from ASIC allowing the Chairman to vote undirected proxies on the conditions set out in the Explanatory Memorandum.

Shareholders should be aware that any undirected proxies given to the Chairman will be cast by the Chairman and counted in favour of the resolutions the subject of this Meeting, including Resolution 1.

3. Resolution 2 - Re-Election of Brian Moller as a Director

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company:

“That in accordance with Article 38.1(a) of the Company’s Constitution, Brian Moller, who retires in accordance with the Company’s Constitution and, being eligible for re-election offers himself for re-election, be re-elected as a Director of the Company.”

See Explanatory Memorandum below for further information.

4. Resolution 3 – Re-Election of Nick Mather as a Director

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company:

“That in accordance with Article 38.1(a) of the Company’s Constitution, Nick Mather, who retires in accordance with the Company’s Constitution and, being eligible for re-election offers himself for re-election, be re-elected as a Director of the Company.”

See Explanatory Memorandum below for further information.

5. Resolution 4 – Re-Election of Ben Harrison as a Director

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company:

“That in accordance with Article 38.1(b) of the Company’s Constitution, Ben Harrison, who retires in accordance with the Company’s Constitution and, being eligible for re-election offers himself for re-election, be re-elected as a Director of the Company.”

See Explanatory Memorandum below for further information.

6. Resolution 5 – Non Executive Directors’ Remuneration

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution, of the Company:

“That for the purposes of Article 39 of the Company’s Constitution and for all other purposes, the total aggregate annual remuneration payable to Non-Executive Directors of the Company (or any subsidiary of the Company) be fixed at a maximum of three hundred and fifty thousand dollars (\$350,000).”

See Explanatory Statement below for further information.

7. Resolution 6 – Appointment of Auditor

To consider and, if thought fit, pass the following resolution as an Ordinary Resolution of the Company:

“That in accordance with Section 327B of the Corporations Act, BDO Kendalls Audit & Assurance (Qld) Pty Ltd be appointed as auditor of the Company”.

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



Karl Schlobohm
Company Secretary
18 October 2011

Explanatory Memorandum

This Explanatory Memorandum is provided to Shareholders of **Navaho Gold Ltd ACN 068 958 752 (Company)** to explain the resolutions to be put to Shareholders at the Annual General Meeting to be held at HopgoodGanim Lawyers, Level 7, Waterfront Place, 1 Eagle Street Brisbane on Tuesday 22 November 2011 at 3pm (Brisbane time).

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of Resolutions 1 to 6 contained in the Notice of Meeting material.

The Directors recommend Shareholders read the accompanying Notice of Meeting and this Explanatory Memorandum in full before making any decision in relation to the resolutions.

ORDINARY BUSINESS

1. Consider the Company's 2011 Annual Report

The Corporations Act requires the financial report, the directors' report and the auditor's report to be laid before the Annual General Meeting. There is no requirement either in the Corporations Act or in the Constitution of the Company for Shareholders to approve the financial report, the directors' report or the auditor's report. The Company's 2011 Annual Report is placed before the Shareholders for discussion. No voting is required for this item.

Shareholders can obtain a copy of the Company's 2011 Annual Report by sending a request to info@navahogold.com or by downloading a copy from the Company's website: www.navahogold.com

2. Resolution 1 - Remuneration Report

The Board has submitted its Remuneration Report (included in the 2011 Annual Report) to Shareholders for consideration and adoption by way of a non-binding Advisory Resolution.

The Remuneration Report is set out in the Directors' Report section of the 2011 Annual Report. The Report:

- explains the Board's policy for determining the nature and amount of remuneration of executive Directors and senior executives of the Company;
- explains the relationship between the Board's remuneration policy and the Company's performance;
- sets out remuneration details for each Director and the most highly remunerated senior executives of the Company; and
- details and explains any performance conditions applicable to the remuneration of executive Directors and senior executives of the Company.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting.

As a result of amendments to the Corporations Act which came into effect on 1 July 2011, members of the Key Management Personnel and their proxies and Closely Related Parties are restricted from voting on a resolution (**Voting Restriction**) put to Shareholders that the remuneration report of the Company be adopted. Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

The Voting Restriction does not apply where the Chairman or any other member of the Key Management Personnel is appointed in writing (by a shareholder who is not a member of the Key Management Personnel) as a proxy (**Management Proxy**) with specific instructions on how to vote on a resolution to adopt the remuneration report of the Company. It is not clear in the amendments to the Corporations Act whether the Management Proxy will be able to vote where the proxy appointment does not give specific instructions on how to vote on a resolution to adopt the remuneration report. In order to resolve this, during 2011, the Federal Government proposes to amend the Corporations Act to make clear that a Chairperson is permitted to vote undirected proxies on remuneration report resolutions.

In order to ensure strict compliance with the relevant provisions of the Corporations Act in relation to the Voting Restriction, the Company has obtained from ASIC relief allowing the Chairman to vote undirected proxies. The relief applies to the casting of a vote of the Chairman in the following circumstances:

- (a) Mr Nick Mather, or in the alternative, Mr Brian Moller, has been elected, by either the directors or the members of the Company, to be the Chair of the AGM of the Company to be held on or about 22 November 2011 and at any adjournment or postponement of that meeting;
- (b) the Chair has been appointed proxy by a member of the Company who is not a person mentioned in paragraph (a) or (b) of subsection 250R(4) as the member's proxy to attend and vote for the member at the meeting in relation to the resolution;
- (c) the appointment does not specify the way the Chair is to vote on the resolution;
- (d) the appointment expressly authorises the Chair to exercise the proxy in relation to the resolution even if resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company, which includes the Chair;
- (e) the notice of the meeting and the proxy form which accompanies the notice of meeting contains a statement as to how the Chair, if appointed as the member's proxy and the appointment does not specify the way the Chair is to vote on the resolution, intends to vote on the resolution; and
- (f) the proxy form which accompanies the notice of meeting is substantially in the form of the draft proxy form provided to ASIC on 12 October 2011.

Shareholders should be aware that any undirected proxies given to the Chairman will be cast by the Chairman and counted in favour of the resolutions the subject of this Meeting, including this Resolution 1.

The Board unanimously recommends that Shareholders vote in favour of adopting the Remuneration Report. A vote on this resolution is advisory only and does not bind the Directors of the Company.

3. Resolution 2 – Re-Election of Brian Moller as a Director

Mr Moller was originally appointed to the Board of Directors on 22 January 2003. In accordance with Article 38.1(a) of the Company's Constitution, Mr Moller will retire at the Annual General Meeting, and in accordance with Article 38.6 of the Company's Constitution, will stand for re-election.

Mr Moller acts for many public listed resource and industrial companies and brings a wealth of experience and expertise to the board particularly in the corporate regulatory and governance areas. He is a former Chairman of Gold Aura Limited, a Queensland based ASX-listed company.

Mr Moller is currently a Non-Executive Director of ASX-listed D'Aguilar Gold Ltd, Platina Resources Ltd and Solomon Gold plc, which is listed on AIM. He is also the Non-executive Chairman of AusNiCo Ltd.

The Directors (with Mr Moller abstaining) recommend that you vote in favour of this Ordinary Resolution.

4. Resolution 3 – Re-Election of Nick Mather as a Director

Mr Mather was originally appointed to the Board of Directors on 22 January 2003. In accordance with Article 38.1(a) of the Company's Constitution, Mr Mather will retire at the Annual General Meeting, and in accordance with Article 38.6 of the Company's Constitution, will stand for re-election.

Mr Mather has been involved in the junior resource sector at all levels for more than 25 years. In that time he has been instrumental in the delivery of major resource projects that have delivered significant gains to shareholders. As an investor, securing projects and financiers, leading exploration campaigns and managing emerging resource companies, Mr Mather brings a wealth of valuable experience.

Mr Mather is currently Managing Director and co-founder of D'Aguilar Gold Limited (ASX), Non-Executive Director of Bow Energy Limited (ASX), AusNiCo Limited (ASX), and Solomon Gold plc (AIM).

The Directors (with Mr Mather abstaining) recommend that you vote in favour of this Ordinary Resolution.

5. Resolution 4 – Re-Election of Ben Harrison as a Director

Mr Harrison was originally appointed to the Board of Directors on 14 February 2011 as an additional Director and holds office until the next Annual General Meeting of the Company under Article 36.2 of the Company's Constitution. In accordance with Article 38.1(b) of the Company's Constitution, Mr Harrison will retire at the Annual General Meeting, and in accordance with Article 36.2 of the Company's Constitution, will stand for re-election.

Ben Harrison is an Executive Director with Bizzell Capital Partners. Prior to joining Bizzell Capital Partners he worked in the corporate finance team at a leading corporate advisory firm where he was involved in a number of high profile capital market and M&A transactions in the resources and industrial sectors.

Mr Harrison has experience in project management, financial analysis, primary and secondary market transactions and M&A. Mr Harrison also has experience in private equity and direct investments and is involved at board and management level in investee companies on behalf of Bizzell Capital Partners and its related entities. Mr Harrison is currently a Non-Executive Director of ASX-listed AusNiCo Limited.

The Directors (with Mr Harrison abstaining) recommend that you vote in favour of this Ordinary Resolution.

6. Resolution 5 – Non-Executive Director Remuneration

Resolution 5 seeks Shareholder approval to set the maximum aggregate remuneration payable to non-executive Directors at \$350,000 per annum.

- (a) Article 39.5 of the Company's Constitution provides that the total amount of Directors' fees payable by the Company or any subsidiary of the Company to non-executive Directors must be set by resolution of the Company; and
- (b) only be increased by resolution of the Company, with the notice of meeting relating to any proposed increase to specify the amount of the proposed increase and the maximum sum that may be paid.

The \$350,000 limit was approved by the Board prior to the Company's listing on the ASX. Shareholder approval is sought as this is the first Annual General Meeting since the Company became a public company. The maximum aggregate remuneration of non-executive Directors is applied in accordance with the direction of the Board. Please note that this Resolution does not seek to increase the maximum aggregate remuneration payable to non-executive Directors – it is merely seeking to set an initial amount.

Robert Skrzeczynski, Nick Mather, Ben Harrison and Brian Moller abstain from making a recommendation in relation to this Resolution. Mark Dugmore, Managing Director of the Company, recommends that you vote in favour of this Ordinary Resolution.

7. Resolution 6 – Appointment of Auditor

Section 327A(1) of the Corporations Act 2001 requires that the Directors appoint an auditor within one month of the Company's registration. On registration, BDO Audit (Qld) Pty Ltd (BDO) consented to act and the Company appointed BDO as the Company's auditor.

Under Section 327A(2) an auditor appointed under subsection (1) holds office until the Company's first Annual General Meeting. Section 327B of the Corporations Act 2001 requires that the Company appoint an auditor at its first Annual General Meeting. Further, it is a requirement under the Corporations Act 2001 that a member provide a written nomination of the company for appointment not less than 21 days before the meeting. The Company has received a nomination from a member to appoint BDO as the Company's auditor (a copy of which is set out in Appendix A).

As outlined above, BDO has consented and as at the date of this Notice of Meeting has not withdrawn its consent to act as the Company's auditor. The Directors wish to reappoint BDO Audit (Qld) Pty Ltd as the Company's auditor. The Directors recommend that you vote in favour of this Ordinary Resolution.

Interpretation

Annual General Meeting or Meeting means this meeting.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ABN 98 008 624 691.

Board means the board of Directors of the Company.

Closely Related Party (as defined in the Corporations Act) of a member of the Key Management Personnel for an entity means:

- (a) a spouse or child of the member; or
- (b) a child of the member's spouse; or
- (c) a dependant of the member or the member's spouse; or
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity; or
- (e) a company the member controls; or
- (f) a person prescribed by the regulations for the purposes of this paragraph.

Corporations Act means the *Corporations Act 2001* (Cth).

Company means Navaho Gold Limited ACN 068 958 752.

Directors means the directors of the Company.

Key Management Personnel has the definition given in the accounting standards as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any director (whether executive or otherwise) of that entity.

Notice means the notice of meeting which accompanies this Explanatory Memorandum.

Ordinary Resolution means a resolution passed by more than 50% of the votes cast at a general meeting of shareholders.

Resolution means a resolution to be proposed at the Meeting.

Shareholder means a holder of ordinary Shares in the Company.

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

ENQUIRIES

Any enquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to Karl Schlobohm (Company Secretary), at Level 5, 60 Edward Street Brisbane QLD 4000, or on (07) 3303-0661.

Notes

Entitlement to Vote

The Board has determined, in accordance with the Corporations Regulations 2001 that for the purposes of determining those Shareholders entitled to attend and vote at the Annual General Meeting of the Company, shall be those persons recorded in the register of Shareholders as at 7.00pm (Brisbane Time) on 21 November 2011. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

How to Vote

You may vote by attending the Annual General Meeting in person, by proxy or authorised representative.

Voting in Person

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

Voting by Proxy

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to vote on their behalf. Where a member is entitled to cast two or more votes, they may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. Where the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes. A proxy need not be a member of the Company.

Members who are a body corporate are able to appoint representatives to attend and vote at the meeting under Section 250D of the Corporations Act 2001 (Cth).

If a representative of the Company is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's share registry.

Signing instructions

You must sign the proxy 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, all of the security holders should sign. |
| Power of Attorney: | To sign under Power of Attorney, you must have already lodged this document 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 <i>Corporations Act 2001</i>) 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. |

To vote by proxy, the proxy form provided with this notice (and the original or a certified copy of any power of attorney under which it is signed) must be received by the Company not less than forty eight (48) hours before the scheduled time for the meeting. Any proxy form received after that time will not be valid for the scheduled meeting.

Completed proxies can be returned to the Company Secretary by either mail to Level 5, 60 Edward St, Brisbane, Queensland 4001; or facsimile to (07) 3303-0681, or scanned and emailed to kschlobohm@navahogold.com

Proxy Form

STEP 1: APPOINTMENT OF PROXY

I/We being Shareholder(s) of Navaho Gold Limited (Company) hereby appoint:

the Chairman of the Meeting **OR**

Write here the name of the person you are appointing if this person is someone other than the Chairman of the Meeting

(mark with an "X")

IMPORTANT NOTE

The Chairman of the Meeting intends to vote undirected proxies **in favour of each resolution**. If the Chairman of the Meeting is your proxy (or becomes your proxy by default), you authorise the Chairman to exercise your proxy on Resolution 1, that the Remuneration Report for the year ended 30 June 2011 (as set out in the Directors' Report) is adopted, even though the Resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel, which includes the Chairman. If you do **not** wish to authorise the Chairman to vote in this way, you should direct your vote in accordance with Step 2 below.

If the Chairman is appointed as your proxy, or may be appointed by default, you acknowledge that the Chairman of the Meeting 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.

If no directions are given, the Proxy may vote as the Proxy thinks fit or may abstain. By signing this appointment you acknowledge that the Proxy (whether voting in accordance with your directions or voting in their discretion under an undirected Proxy) may exercise your proxy even if he/s he has an interest in the outcome of the resolution and even if votes cast by him/her other than as proxy holder will be disregarded because of that interest.

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 appoint the proxy to exercise voting power over only some of your Shares, the number of Shares in respect of which this proxy is to operate is Shares (Note: proxy will be over all Shares if left blank).

STEP 2: VOTING DIRECTIONS

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

Resolution	For	Against	Abstain
1. Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-election of Brian Moller as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Re-election of Nick Mather as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Re-election of Ben Harrison as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Non-Executive Director Remuneration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Individual or Security holder 1

Security holder 2

Security holder 3

Sole Director and Secretary
(if appointed)

Director

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

How to complete this Proxy Form

1 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.**

2 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in section A. 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 section A. 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.

3 Votes on Items of Business

You should 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.

4 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 or you may copy this form.

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; and
- (b) return both forms together.

5 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 security holder may sign.
- Power of Attorney: To sign under Power of Attorney, you must have already lodged 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.

6 Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address given below by 3pm 20 November 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 posting as follows:

Navaho Gold Ltd
GPO Box 5261
Brisbane QLD 4001

Appendix A

12 October 2011

The Company Secretary
Navaho Gold Limited
Level 5
60 Edward Street
Brisbane Qld 4000

Dear Sir

Re: Nomination of Auditor

The undersigned being a member of Navaho Gold Limited, hereby nominates BDO Audit (Qld) Pty Ltd for appointment as auditor of the Company at the 2011 Annual General Meeting.

Yours sincerely



William Gregory Runge
Director, Pinegold Pty Ltd