

**This document is important and requires your immediate attention. If you are in any doubt about the contents of this document or the action you should take, you should immediately seek your own independent financial advice from your stockbroker, solicitor or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000.**

If you have sold or transferred all of your ordinary shares in GoldStone Resources Ltd, you should forward this document, together with the accompanying form of proxy, immediately to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee.

**GOLDSTONE RESOURCES LTD**

*(Incorporated in Jersey with company number 71490)*

**Directors:**

Ms Angela List (Non-executive Chairman)  
Ms Emma Priestley (Chief Executive Officer)  
Dr Orrie Fenn (Non-executive Director)  
Mr Richard Wilkins (Non-executive Director)

**Registered Office:**

2nd Floor, International House  
41 The Parade  
St. Helier  
Jersey JE2 3QQ

11 April 2024

*To the holders of Ordinary Shares*

Dear Shareholder

**Notice of Annual General Meeting  
Conditional fundraising  
Gold Loan Standstill Amendment**

**1. Introduction**

The purpose of this letter is to provide you with background to the resolutions (“**Resolutions**”) set out in the Notice of Annual General Meeting attached to this document and to request shareholder support for the Resolutions.

A copy of the Annual Report and Accounts containing the Company’s financial statements for the period ended 31 December 2022 can be found on the Company’s website (<http://www.goldstoneresources.com>).

You will find set out at the end of this document the Notice of Annual General Meeting (“**Notice of AGM**”) convening the 2024 annual general meeting (“**AGM**”) of the Company for 11.00 a.m. on Monday, 29 April 2024 to be held at the offices of Faegre Drinker Biddle and Reath LLP at 7 Pilgrim Street, London EC4V 6LB, for the purposes of considering and, if thought fit, approving the Resolutions.

Resolutions 1 to 5 deal with the business customarily addressed at annual general meetings of the Company, including receiving and adopting the accounts for the financial year ended

December 2022; ratifying and approving the remuneration of directors; the reappointment of certain directors who, having indicated their willingness to be reappointed, are retiring by rotation in accordance with the Company's articles of association; and the reappointment of Moore Stephens as auditors of the Company. These Resolutions will be proposed as ordinary resolutions and, as such, require to be passed by a majority of not less than half of the shareholders who (being entitled to do so) vote in person or by proxy at the AGM.

### ***Subscription***

The Company yesterday announced that it has conditionally raised £1.82 million before expenses by way of a subscription by new and existing investors (the "**Subscription**") for, in aggregate, 182,000,000 new ordinary shares of 1 penny par value each in the capital of the Company ("**Ordinary Shares**") (the "**Subscription Shares**") at a price of 1 penny per share (the "**Subscription Price**").

Participants in the Subscription will also receive, for each Subscription Share, one warrant over a further new Ordinary Share exercisable at a price of 2 pence per share for 24 months from the date of issue (the "**Warrants**"). The net proceeds of the Subscription will be used to partially settle the Company's overdue creditor balances in line with payment plans agreed with the Company's major creditors, to progress the Company's strategy of developing and improving production at its Homase Mine in Ghana and for general working capital purposes.

### ***Amendment Agreement***

The Company further announced that it has entered into an amendment agreement with Asian Investment Management Services Limited ("**AIMSL**"), pursuant to which AIMSL has agreed to accept settlement of interest accrued under the gold loan agreement it entered into with the Company on 19 June 2020, by the issue to AIMSL of 101,803,680 new Ordinary Shares (the "**Conversion Shares**") at the Subscription Price.

The Subscription Shares and the Conversion Shares represent approximately 23% and 13% respectively of the Company's share capital as enlarged by the issue of the Subscription Shares and the Conversion Shares. The issue of the Subscription Shares, the Warrants and the Conversion Shares is conditional, *inter alia*, on the passing of Resolution 6, which provides for an increase in the authorised share capital of the Company from £10,000,000 to £30,000,000, and of Resolution 7, which authorises the Board to issue the Subscription Shares, the Warrants and the Conversion Shares.

### ***Director and Senior Management Fee Conversions***

In order to preserve cash within the Company for working capital purposes, certain of the Company's directors and a senior manager have agreed to convert, in aggregate, \$176,125 (approximately £140,900), being 50% of their outstanding fees accrued and unpaid for the period from 1 July 2022 to 31 December 2023, into 14,090,000 new Ordinary Shares at the Subscription Price (the "**Fee Conversion Shares**").

Director	Existing holding of Ordinary Shares	No. of Director Fee Conversion Shares	Resulting holding of Ordinary Shares	Resulting percentage of Enlarged Share Capital
Emma Priestley	5,196,658	6,250,000	11,446,658	1.42
Angela List*	59,920,660	1,760,000	61,680,660	7.67
Richard Wilkins	320,660	1,760,000	2,080,660	0.26

\* Angela List's interest includes that of Nguvu Holdings Limited, a company of which she is a director and major shareholder, which is currently holds an interest in 59,600,000 Ordinary Shares, representing approximately 11.96% of the Company's current issued share capital.

In addition, and within the Fee Conversion Shares, the Company has issued 4,320,000 new Ordinary Shares to a senior manager of the Company.

### ***Adviser Fee Shares***

The Company will also issue 7,500,000 new Ordinary Shares and 7,500,000 warrants over new Ordinary Shares (on the same terms as the Warrants issued pursuant to the Subscription) to an adviser to the Company in lieu of outstanding fees (the “**Adviser Fee Shares**”).

Resolution 8 will authorise the Directors to issue further Ordinary Shares (or grant rights, such as options or warrants, which might convert into Ordinary Shares) up to an aggregate maximum of 249,256,667 Ordinary Shares, representing approximately 50 per cent. of the Company's issued ordinary share capital at the date of this letter. This authority will provide the Board with flexibility as it considers future funding options for the Company, and enable the Company to issue the Fee Conversion Shares and the Adviser Fee Shares. The authority in Resolution 8 would expire on the earlier of (i) the conclusion of the 2025 annual general meeting of the Company and (ii) fifteen months following the date of the AGM. Resolution 8 will also allow the Directors to issue the Fee Conversion Shares and Adviser Fee Shares.

Resolutions 6 to 8 (the “**Special Resolutions**”) will be proposed as special resolutions of the Company and, as such, will require to be passed by a majority of not less than two-thirds of the shareholders who (being entitled to do so) vote in person or by proxy at the AGM.

## **2. Admission and Total Voting Rights**

Application will be made to the London Stock Exchange for the Subscription Shares, the Conversion Shares, the Fee Conversion Shares, and the Adviser Fee Shares (together, the “**Shares**”) to be admitted to trading on AIM (“**Admission**”) at 8.00 a.m. on or around 2 May 2024, subject to the passing of the Special Resolutions at the AGM. The Shares will be issued as fully paid and will rank *pari passu* in all respects with the existing Ordinary Shares, including the right to receive dividends and other distributions declared on or after the date on which they are issued.

Upon Admission, the Company's issued ordinary share capital will consist of 803,907,013

Ordinary Shares with one voting right each (the “**Enlarged Share Capital**”). The Company does not hold any Ordinary Shares in treasury. Therefore, the total number of Ordinary Shares and voting rights in the Company following Admission will be 803,907,013. With effect from Admission, this figure may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or any change to their interest in, the share capital of the Company under the FCA's Disclosure Guidance and Transparency Rules.

### **3. Action to be taken and questions**

A form of proxy is enclosed for use by shareholders at the AGM. You are asked to complete and return the form of proxy in accordance with the instructions printed thereon so as to be received by the Company's registrars, Computershare Investor Services (Channel Islands) Ltd, c/o The Pavilions, Bridgewater Road, Bristol BS99 6ZY, not later than 11.00 a.m. on 25 April 2024.

Completion and return of the form of proxy will not preclude you from attending the AGM and voting in person, if you so wish.

The Board understands that the AGM also serves as a forum for shareholders to raise questions and comments. Therefore, if shareholders do have any questions or comments relating to the business of the meeting that they would like to ask the Board, they are asked to submit those questions in writing via email to [info@goldstoneresources.com](mailto:info@goldstoneresources.com) by no later than 11.00 a.m. on 25 April 2024.


Only questions from registered shareholders of the Company will be accepted and not all questions may be able to be answered by the Board.

### **4. Recommendation**

The Directors believe that the Resolutions are in the best interests of the Company and its shareholders as a whole. **In the event the Special Resolutions are not passed at the AGM, the Board would, in light of the Company's significant overdue creditor balances, likely have to file for insolvency of the Company under Jersey law.**

The Directors therefore strongly recommend that shareholders vote in favour of the Resolutions, as they intend to do in respect of their own beneficial shareholdings. The Directors note that the Company has received irrevocable undertakings to vote in favour of the Special Resolutions from Paracale Gold Limited and AIMSL in respect of their holdings of, in aggregate, 247,656,575 Ordinary Shares representing approximately 49.7% of the Company's current issued share capital.

Yours sincerely



**ANGELA LIST**

*Non-executive Chair*



- 2.1 2,626,922,726 ordinary shares of £0.01 each; and
- 2.2 414,530,304 deferred shares of £0.009 each,  
having the rights and being subject to the restrictions set  
out in the Articles of Association of the Company."

#### **Resolution 7**

THAT the directors be and are hereby authorised to allot Ordinary Shares, or grant rights to subscribe for or convert any security into Ordinary Shares, as if Article 4(2)(a) of the Articles of Association did not apply to such allotment or grant, provided that this power shall only apply to the allotment of:

- (a) up to an aggregate maximum of 182,000,000 Ordinary Shares in connection with the conditional fundraising more particularly described in the circular to shareholders dated 11 April 2024 (the "**Subscription Shares**"); and
- (b) warrants to subscribe for a further 182,000,000 Ordinary Shares to be issued to the subscribers for the Subscription Shares; and
- (c) 101,803,680 Ordinary Shares to Asian Investment Management Services Limited ("**AIMSL**") in settlement of accrued interest payable to AIMSL up to 31 December 2023 pursuant to the terms of a gold loan agreement dated 19 June 2020.

#### **Resolution 8**

THAT the directors be and are hereby authorised to allot Ordinary Shares, or grant rights to subscribe for or convert any security into Ordinary Shares, as if Article 4(2)(a) of the Articles of Association did not apply to such allotment or grant, provided that this power:

- (a) shall only apply to the allotment of up to an aggregate maximum of 249,256,667 Ordinary Shares, representing approximately 50 per cent. of the Company's issued ordinary share capital at the date of notice of this Resolution; and
- (b) shall expire on the earlier of the conclusion of the annual general meeting of the Company and the date 15 months following the date this Resolution was passed, save that the Company may, before such expiry, make an offer or agreement which could or might require the allotment of Ordinary Shares or the grant of rights to subscribe for or convert any security into Ordinary Shares after such expiry pursuant to any such offer or agreement as if the power conferred hereby had not expired.

## **BY ORDER OF THE BOARD**

11 April 2024

### **NOTES:**

1. A member of the Company is entitled to appoint a proxy or proxies to attend, speak and vote at the meeting in his or her stead. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. A member may not appoint more than one proxy to exercise rights attached to any one share. A proxy does not need to be a member of the Company.
2. Completion and return of a form of proxy does not preclude a member from attending and voting at the meeting in person should he or she so wish.
3. The proxy must be completed and returned so as to reach the Company's registrars, Computershare Investor Services (Channel Islands) Ltd, c/o The Pavilions, Bridgewater Road, Bristol BS99 6ZY (together with a letter or power of attorney or other written authority, if any, under which it is signed or a notarially certified or office copy of such power or written authority) not later than 48 hours before the time fixed for holding the meeting or any adjournment thereof.
4. To be entitled to attend and vote at the meeting or any adjournment thereof (and for the purpose of the determination by the Company of the number of votes they may cast) members must be entered in the Register of Members at 11.00 (close of business) (BST) on the day which is two days before the date of the meeting, being Thursday 25 April 2024.