

DGO Gold Limited

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29 May 2017

DGO Gold announces partially underwritten 1-for-2 entitlement offer to raise approximately \$724,666

Capital raising overview

- 1 for 2 non-renounceable entitlement offer to raise approximately \$724,666.
- Offer price of \$0.25 per new share, a 26.47% discount to the weighted average closing price for the five trading days to 26 May 2017.
- Partially underwritten by Ginga Pty Ltd to an amount of \$400,000.
- The two largest shareholders being Lion Nominees Pty Ltd and Cairnglen Investments Pty Ltd have separately committed to take up their full entitlements totalling approximately \$284,965.

DGO Gold Limited (ASX: DGO) is undertaking a partially underwritten non-renounceable entitlement offer to raise approximately \$724,666.

Entitlement Offer overview

DGO intends to conduct a 1 for 2 non-renounceable entitlement offer of fully paid ordinary shares in DGO Gold (**New Shares**) to raise approximately \$724,666 before offer costs (**Entitlement Offer**).

The offer price for the Entitlement Offer will be \$0.25 (**Offer Price**).

Under the Entitlement Offer, eligible shareholders will be able to subscribe for 1 new ordinary share in DGO Gold for every 2 existing shares (and 1 free new option for every New Share issued with an exercise price of \$0.40 per new option and exercisable on or before three years from the date the option is issued) held at 7.00pm (Sydney time) on 1 June 2017 (**Record Date**) at the Offer Price (**Entitlements**).

The Entitlement Offer is partially underwritten by Ginga Pty Ltd as trustee for the Thomas G Klinger Family Trust up to an amount of \$400,000 (1,600,000 New Shares).

The two largest shareholders being Lion Nominees Pty Ltd and Cairnglen Investments Pty Ltd have separately committed to take up their full entitlements (being 561,500 New Shares (\$140,375) for Lion Nominees Pty Ltd and 578,363 New Shares (\$144,590) for Cairnglen Investments Pty Ltd).

The purpose of the capital raising is to provide working capital, complete further exploration activities and research and development in sediment hosted gold, copper and cobalt mineralisation and to undertake proof of concept drilling.

The Entitlements are non-renounceable and will not be tradeable on ASX or otherwise transferable. Shareholders who do not take up their Entitlements will not receive any value in respect of those Entitlements that they do not take up. Shareholders who are not eligible to receive Entitlements will not receive any value in respect of the Entitlements they would have received had they been eligible.

The Entitlement Offer will include a top up facility under which eligible shareholders who take up their full Entitlement will be invited to apply for additional shares in the Entitlement Offer from a pool of those not taken up by other eligible shareholders. There is no guarantee that applicants under this top up facility will receive all or any of the shares they apply for under the facility.

DGO Gold will notify shareholders as to whether they are eligible to participate in the Entitlement Offer. Eligible shareholders will receive an information booklet including a personalised entitlement and acceptance form which will provide further details of how to participate in the Entitlement Offer.

A prospectus in relation to the Entitlement Offer has been lodged with ASX and will be dispatched with an entitlement and acceptance form to eligible shareholders in accordance with the timetable below.

Placement

Following completion of the Entitlement Offer, the Company intends to undertake a placement to issue shares and attaching options:

- to the underwriter up to an amount of \$400,000 to the extent shares are not issued to the underwriter as a result of a shortfall arising from the Entitlement Offer; and
- to two of the Company's major shareholders, Cairnglen Investments Pty Ltd and Lion Nominees Pty Ltd, up to an amount of \$62,500 each,

(the **Placement**).

Securities issued under the Placement will be issued at the same price and on the same terms as the New Shares and options issued under the Entitlement Offer.

To the extent that shareholder approval is required for the issue of some or all of the shares and options to be issued under the Placement, the Placement will occur in two tranches so that:

- that number of shares and options utilising the Company's existing placement capacity under the Listing Rules will be issued by no later than 30 June 2017; and
- the balance of placement shares and options will be issued within two business days after shareholder approval is obtained.

Capital structure

The capital structure of DGO Gold following the issue of New Shares assuming the maximum number of New Shares is issued under the Entitlement Offer will be as follows:

Shares on issue as at 29 May 2017 (announcement of the Entitlement Offer)	5,797,268
Maximum number of options to be issued under the Entitlement Offer	2,898,665
Maximum number of New Shares to be issued under the Entitlement Offer	2,898,665
Shares on issue after the Entitlement Offer (before the exercise of any options)	8,695,933

The New Shares will be fully paid and rank equally with existing DGO Gold Shares.

The Company currently has no existing options on issue.

Key dates¹

Activity	Date
Announcement of the Entitlement Offer	29 May 2017
Mailing of the Entitlement Offer details	30 May 2017
Ex date	31 May 2017
Record Date for Entitlement Offer (7.00pm (Sydney time))	1 June 2017
Prospectus and Entitlement & Acceptance Form despatched	6 June 2017
Entitlement Offer opens	6 June 2017
Closing date for acceptances under Entitlement Offer (5.00pm (Sydney time))	16 June 2017
New Shares quoted on deferred settlement basis	19 June 2017
Company notifies ASX of under subscriptions	21 June 2017
Allotment of New Shares under the Entitlement Offer	22 June 2017
Despatch of holding statements for New Shares issued under the Entitlement Offer	23 June 2017
Normal ASX trading for New Shares issued under the Entitlement Offer commences	26 June 2017

For further information, please contact:

Should you have any queries in relation to the Entitlement Offer, please do not hesitate to contact the share registry on 1300 407 677 (within Australia) or +61 1300 407 677 (outside Australia) between 8.30am and 5.00pm (Sydney time) Monday to Friday during the offer period.

Yours sincerely



Eduard Eshuys
Executive Chairman
DGO Gold Limited

¹All dates are indicative only and subject to change. DGO Gold reserves the right to withdraw the Entitlement Offer or vary the timetable without notice.

Important information

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States, or in any other jurisdiction in which such an offer would be illegal. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933 (the 'US Securities Act'), or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States, unless the securities have been registered under the US Securities Act or an exemption from the registration requirements of the US Securities Act is available. This document may not be distributed or released in the United States.