

DGO Gold Limited

ABN 96 124 562 849

Principal office:

27 General Macarthur Place
Redbank Qld 4301
Australia

Postal address:

P.O. Box 294
Carole Park Qld 4300
Australia

Telephone: + 61 7 3381 5368

Facsimile: + 61 7 3381 5365

Email: ilettdgogold.com.au

Website: www.dgogold.com.au

15 March 2017

Company Announcements Office
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Sirs,

Sediment Hosted Copper-Cobalt exploration licence applications in South Australia

DGO Gold Limited ("DGO") has lodged applications for five (5) exploration licences in South Australia covering a combined area of 4,160 km² on the Stuart Shelf and the Adelaide Fold Belt. The exploration licence applications are **prospective for sediment hosted (Central African Copper Belt style) copper-cobalt mineralisation**.

- DGO assisted by research from CODES at UTAS has identified areas on the Stuart Shelf and the Adelaide Fold Belt **prospective for sediment hosted copper – cobalt mineralisation under recent sedimentary cover**.
- The stratigraphic setting of the Tapley Hill Formation organic rich black shale has been determined to **correlates with the copper-cobalt mineralisation model developed for the Central African Copper Belt** by CODES.
- Two exploration licence applications on the Stuart Shelf are located to the south / south west of the Mt Gunson copper – cobalt mine, which hosts JORC 2012 compliant copper cobalt resources within the Tapley Hill Formation.
- All exploration licence applications contain outcrop, or interpreted extensions, of the Tapley Hill Formation under cover, folded / faulted stratigraphy and copper occurrences on or adjacent to the application areas.
- Review of open file geophysical and geological data underway to assist in determining the depth of cover in the prospective areas and to identify potential drill targets to be tested upon grant of the tenements.

DGO Gold Limited (“DGO”) has lodged applications for five (5) exploration licences in South Australia, covering a combined area of 4,160 km², that are considered prospective for sediment hosted (Central African Copper Belt style) copper – cobalt mineralisation. Two exploration licence applications (Bookaloo North and Bookaloo South) are located on the Stuart Shelf, 30km south west and 45km south respectively of the Mt Gunson copper – cobalt mine. The other three exploration licence applications (Blinman, Carrieton and Wirrabara) are located on the Adelaide Fold Belt.

Research by CODES at the University of Tasmania, including the assessment of increased cobalt in pyrite in rocks of the same age as those present in the Stuart Shelf and Adelaide Fold Belt and the identification of the prospective Tapley Hill Formation (shale), guided DGO in identifying areas prospective for copper – cobalt mineralisation under recent sedimentary cover.

The Tapley Hill Formation is an organic rich black shale which typically overlies sandstones / clastic sediments above the basement, a setting which correlates with the copper-cobalt mineralisation model developed in the Central African (Zambia – DRC) Copper Belt by CODES.

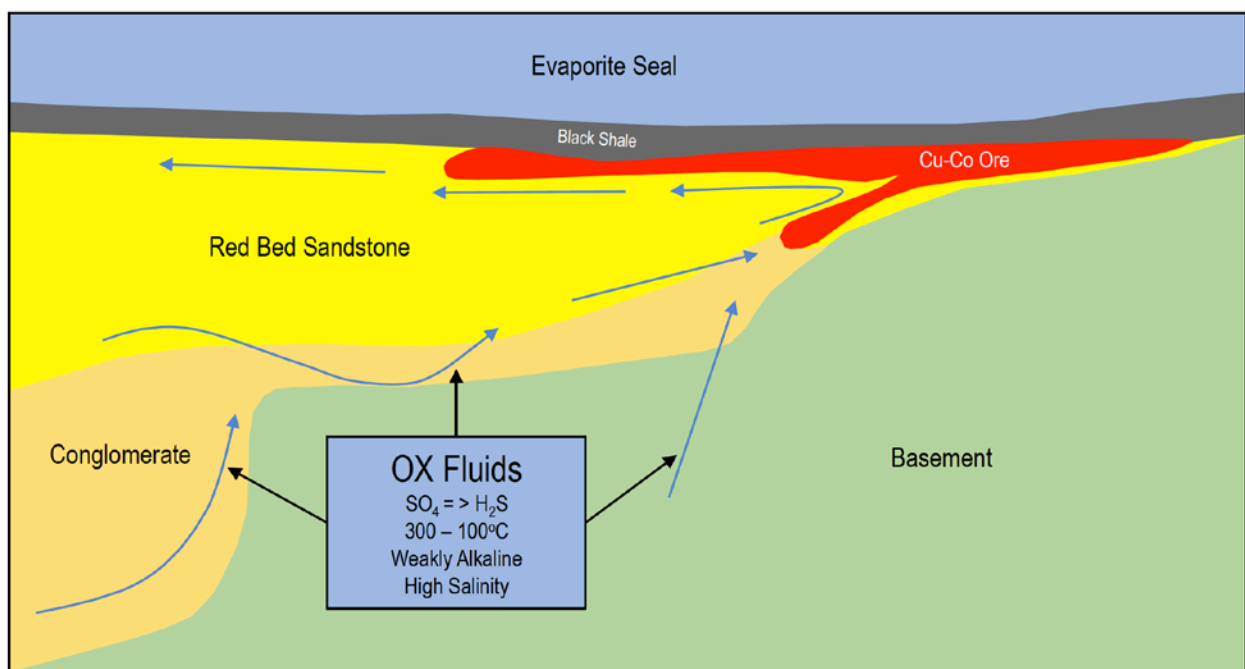


Figure 1: CODES Central African Copper Belt Model

The Mt Gunson copper – cobalt mine, located about 135km north of Port Augusta, is a historic mining centre with production of approximately 145,000 tonnes of copper and a current JORC 2012 compliant resource of 20.8Mt at 1.0% Cu and 0.05% Co (see Torrens Mining Limited website <http://torrensmining.com.au>). This resource is within two deposits, MG14 and Windabout, hosted within the Tapley Hill Formation dolomitic black shale which unconformably overlies the Pandurra Formation “Redbed” clastic sediments (“basement high”).

A folded sequence of Tapley Hill Formation sediments in contact with the Pandurra Formation outcrop to the immediate east of, and trend in to, the Bookaloo North application with the south limb extending in to the south east portion and the north limb extending across the north east portion. Copper prospects and occurrences have been identified to the east of Bookaloo North adjacent to the area of outcropping Tapley Hill Formation sediments. The Bookaloo South application covers an area of outcropping Pandurra Formation of red bed clastic sediments with the prospective margins of the overlying Tapley Hill Formation under cover in the eastern and western portions of the exploration licence application.

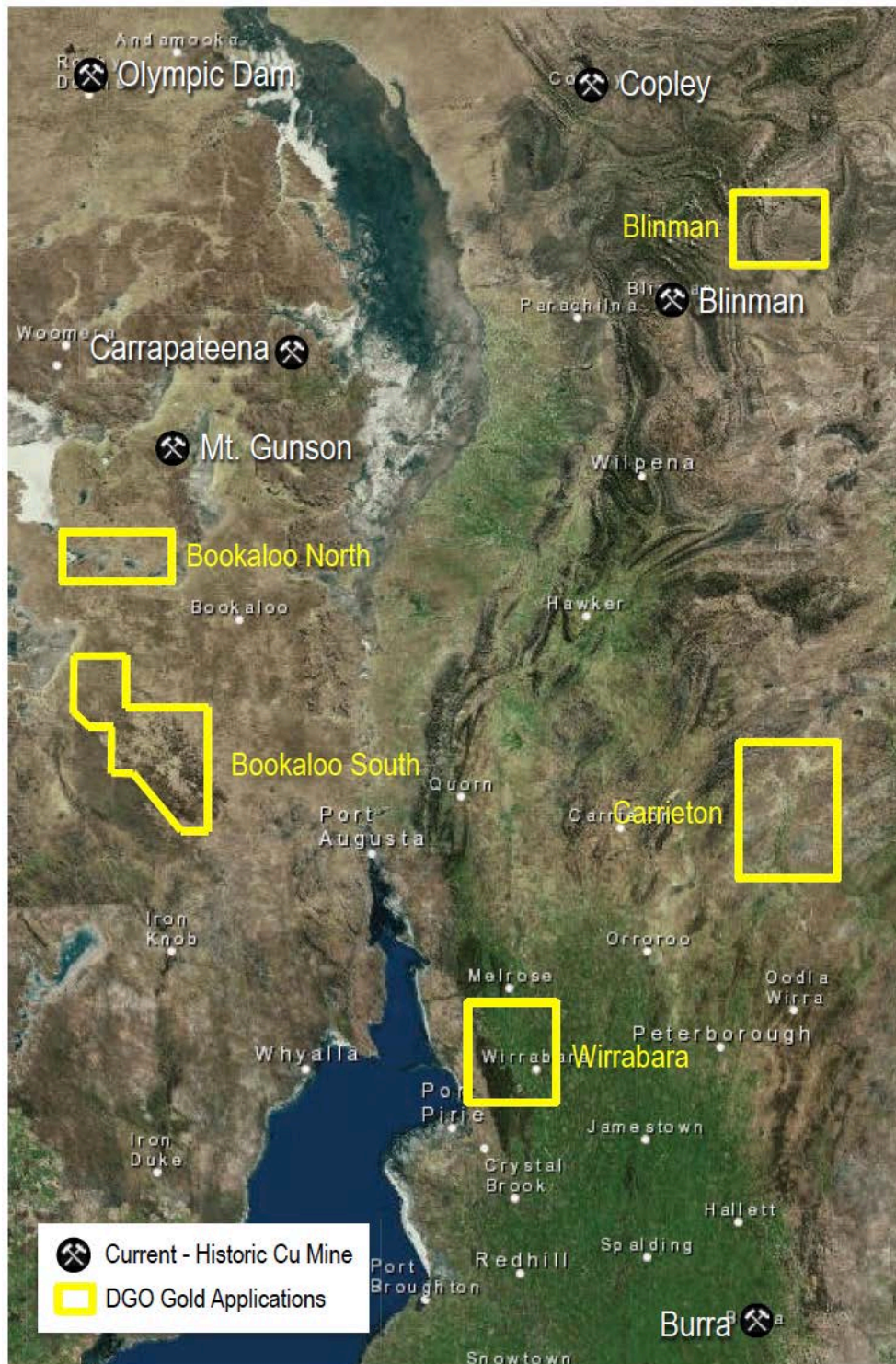


Figure 2: Exploration Licence Applications Location Diagram

The three exploration licence applications on the Adelaide Fold Belt are located:

- 15km north east of the historic Blinman copper mine (Blinman),
- 50km north of Peterborough and adjacent to DGO's Dawson exploration licences (Carrieton), and
- 25km north east of Port Pirie (Wirrabara).

The historic Blinman copper mine, which operated between 1862 and 1907, and a number of related copper occurrences are associated with the Tapley Hill Formation which occurs in an apparent domal structures. The **Blinman** application, which includes a number of copper occurrences, covers an interpreted tight domal structure with limited outcrop of the Tapley Hill Formation at the “core”. This represents a stratigraphic target where the base of the Tapley Hill Formation has not been exposed.

Carrieton contains approximately 90km of strike of the Tapley Hill Formation which is mostly under cover and has been interpreted to have been subjected to complex folding. There are two (2) known copper occurrences within the exploration licence application.

There are nine (9) known copper occurrences and approximately 60km of strike of the Tapley Hill Formation within **Wirrabara**. The Tapley Hill Formation has been folded within the exploration licence application area, with a broad syncline and a tight anticline, and a syn-sedimentary fault located in the north east of the area all favourable mineralisation structures.

Review of open file exploration data, including previous drilling, gravity and aeromagnetics data will be conducted to assist in the determination of the depth of cover in the prospective areas and to identify potential drill targets to be tested upon grant of the tenements.

Please contact the Company if you have further queries in relation to this transaction.

Yours faithfully
DGO GOLD LIMITED

A handwritten signature in black ink, appearing to read 'E. Eshuys', written over a light yellow rectangular background.

EDUARD ESHUYS
CHAIRMAN