

DGO Gold Limited

12 October 2015

Share purchase plan

Dear Shareholder,

On behalf of the board of DGO Gold Limited ACN 124 562 849 (ASX:DGO) (**DGO Gold** or **Company**), we are pleased to offer you the opportunity to purchase up to \$15,000 in additional shares in DGO Gold under this share purchase plan (**SPP**).

The SPP will be available to shareholders who were on the Company register at 7.00pm (Sydney time) on 9 October 2015 (**Record Date**), and have a registered address in Australia or New Zealand (**Eligible Shareholders**).

The SPP gives Eligible Shareholders the opportunity to purchase additional shares in DGO Gold at \$0.25 per share, which represents a discount of approximately 16.67% to the last closing price of DGO shares on 17 September 2015 (being the last day on which sales in DGO Gold shares were recorded) prior to the share consolidation which took effect on 24 September 2015. There are no transaction costs or brokerage costs to participating shareholders.

Company update

The Company is on a new journey with the focus on the discovery of sediment hosted gold deposits within Australia.

The world's largest gold deposits, including Witwatersrand, South Africa, The Carlin Trend deposits Nevada, USA and Sukoi Log in Eastern Russia are sediment hosted.

The Company's quest for the discovery of sediment hosted gold deposits is supported by the research conducted at the Australian Research Council Centre of Excellence in Ore Deposits at the University of Tasmania (**CODES**) for over a decade.

The research led by distinguished Professor Ross Large has identified the geological times during the earth's long history when gold levels in the earth's oceans were at a peak.

The specific research conducted by post doctoral-researchers including Dr Daniel Gregory identified from the Geoscience Australia (Australian Federal Government Agency) database the sedimentary basins and sedimentary rocks in Australia with the geological age that coincide with the peak gold times elsewhere on earth.

The CODES research identified 10 high priority targets sedimentary basins and rocks of favourable age. The extension of the research is that the sediments of including the Black Flag Group part of the Kalgoorlie Sequence of the Eastern Goldfields Superterrane, Kalgoorlie Australia's largest gold endowment.

To date the Company has made applications for 658 square kilometres of exploration licences covering some of the high priority targets identified by the CODES research in Western Australia and South Australia. Research is continuing to identify other areas to build up the land portfolio.

The Company's exploration strategy going forward is in the first instance to compile and assess all past exploration data and integrate this with research data and government geological geophysical and geochemical data to identify drill targets at shallow depths but generally would expect the targets to be under shallow cover.

DGO Gold Limited

To fund this change of direction, DGO Gold sold its Drummond Basin assets to GBM Resources Limited (**GBZ**) earlier this year for total consideration of \$850,000 and 50 million shares in GBZ which represented 8.96% of its issued capital.

The GBZ shares are in escrow until 13 April 2016 but have a value of \$1.4 million based on the closing price of shares in GBZ immediately prior to the Record Date.

The Company is expecting an R&D tax refund based on the research expenditure including the funding of the research at CODES during the 2015 financial year.

Participating in the SPP

The recent share consolidation highlighted that there are relatively large numbers of shareholders with unmarketable parcels of shares.

The board has decided to proceed with offering the SPP to Eligible Shareholders providing shareholders with an opportunity to increase their shareholding to a marketable parcel (that is, valued at \$500) and allowing all Eligible Shareholders to participate in the future direction of the Company.

This funds received will allow us to continue to pursue the acquisition of or for joint venturing into exploration land which meets the sediment hosted gold deposit priority criteria.

Included with this letter is the following material which aims to address any questions you may have about the SPP:

- 1 an investment overview, which includes details on pricing, the timetable, intended use of funds and key risks of an investment in the Company;
- 2 SPP terms; and
- 3 an application form.

Information about DGO Gold is available at www.dgogold.com, which should be considered in conjunction with the Company's continuous disclosure to ASX.

The SPP will close on 30 October 2015 at 5.00pm (Brisbane time). If you wish to participate in the SPP your application must be received by the closing date. DGO Gold reserves its right to close the SPP early.

If you have any questions about the SPP, please call Link Market Services on 1300 554 474 or the Company Secretary on (+61) 7 3381 5368 between 8:30am and 5:30pm (Brisbane time), Monday to Friday.

The board members will be applying for shares under the SPP.

I look forward to your participation and support to bolster our sediment hosted gold deposit strategy.

Yours faithfully



Eduard Eshuys
Chairman
DGO Gold Limited

DGO Gold Investment overview

Offer details

Issue Price	\$0.25 per share
Application Amount	Minimum of \$500 (Minimum Application Amount) with staged increments of \$500 up to a maximum of \$15,000
Record Date	7.00pm (Sydney time) on 9 October 2015
Closing Date	5.00pm (Brisbane time) on 30 October 2015
Allotment Date	5 November 2015
Holding Statement Despatch Date	6 November 2015
Quotation Date	6 November 2015

Intended use of funds

The proceeds raised from this SPP will be used:

- 1 for general working capital; and
- 2 to explore sediment hosted gold deposits consistent with the Company's renewed exploration strategy.

Risks

Before making an investment decision, you should read the SPP terms set out below.

DGO Gold considers that the major risks associated with an investment in the Company include that the market price of shares in the Company may rise and fall between the Announcement Date and the Allotment Date.

By making an application under the offer and applying for shares under the SPP, each Eligible Shareholder acknowledges that an investment in shares is speculative.

The board recommends that you obtain your own financial advice in relation to the Offer and consider price movements of shares in the Company prior to making an application under this Offer.

DGO Gold's business is also subject to general risk factors.

Past performance is not necessarily a guide to future performance of the Company.

DGO Gold share purchase plan terms

How do I accept

To participate, you should either:

- (a) return your application form, together with a cheque; or
- (b) pay the Application Amount via BPAY, so that payment is received by **5.00pm (Brisbane time) on 30 October 2015**.

BPAY instructions are set out on the application form. If you use BPAY, you do not need to return your application form. Please make sure you use the specific biller code and unique reference number on your personalised application form. Your financial institution may implement earlier cut-off times for electronic payment. You should take this into consideration when making payment.

If paying by cheque, use the reply paid envelope or deliver it to the address on the application form. Applications received after the Closing Date will not be accepted.

Funds received for applications by cheque or BPAY will be regarded as applications for the maximum number of shares that those funds will pay for in full.

Importantly, while participation in the plan is optional, once applications are submitted, they cannot be withdrawn.

The Company's market price may vary at any time during the offer period and the Company's shares may trade at a price that is lower than the Issue Price.

By accepting the SPP offer, you accept the risk that the market price of the Company's shares may fall below the Issue Price between the date of this offer and the Allotment Date, in which case you may have been able to buy the shares at a lower price than the Issue Price.

By making an application, you represent to the Company the matters set out under the heading 'Your representations' in these terms and in the application form.

How many shares

Eligible shareholders will receive the number of shares equal to the Application Amount (subject to any scale-back) divided by the Issue Price. Fractions will be rounded down. Any difference (where that amount is less than \$2) will be retained by the Company.

The Issue Price does not exceed the limit prescribed by the ASX Listing Rules and ASIC Class Order 09/425.

Shares issued under the SPP may be sold or transferred on ASX at any time after the Quotation Date.

Eligibility to participate

Participation in the SPP is optional. The offer is open to all shareholders with a registered address in Australia or New Zealand as at the Record Date.

Multiple holdings

If you are the only registered holder of Company shares, but you receive more than one offer under the SPP (for example, due to multiple registered holdings), you may only apply in total for a maximum of \$15,000 worth of shares.

Joint holders

If you are a joint holder of Company shares, that holding is considered to be a single registered holding for the purpose of the SPP. You are entitled to participate in the SPP for that single holding only. If you are a joint holder and you receive more than one offer under the SPP, you may only apply in total for a maximum of \$15,000 worth of shares.

Trustee or nominee

If you are noted on the Company's share register as a trustee or nominee for a named beneficiary, you may only apply for one maximum parcel of shares for each named beneficiary. If the Company's share registry does not record a named beneficiary for your trustee or nominee holding, the rules for multiple single holdings apply.

Custodians

If you are a custodian within the definition of 'custodian' in ASIC Class Order 09/425 (as varied) and hold Company shares for one or more persons (each a **Participating Beneficiary**), or for another custodian of Company shares, you may apply for up to a maximum of \$15,000 worth of shares for each Participating Beneficiary, subject to providing the Company a 'custodian certificate' in addition to the application form, which certifies matters required by ASIC Class Order 09/425 (as varied).

Please contact the share registry to obtain the form of the custodian certificate.

Directors

Directors of the Company who are Eligible Shareholders may participate in the SPP.

Scale-back

The Company may, in its absolute discretion, scale-back applications under the SPP.

Factors that the Company may take into account in determining any scale-back include:

- (a) compliance with regulatory requirements;
- (b) the amount applied for by each shareholder;
- (c) the number of shares held at the Record Date; and
- (d) if the shareholder remains on the register at the Closing Date.

The Company may scale-back applications below the Minimum Application Amount. Scale-back decisions are made by the board and are final.

If a scale-back occurs, the difference between the value of the shares allotted and the Application Amount paid to the Company (only where the amount is greater than \$2 will be refunded by cheque and mailed to you as soon as practicable following the Allotment Date. Any scale-back will be announced on the Allotment Date. No interest will be paid on any Application Amount paid or refunded.

ASX quotation

After shares are issued and allotted under the SPP, the Company will apply to ASX for quotation of the shares on the Official List and send an allotment notice or holding statement to each eligible shareholder's registered address.

No costs

Eligible shareholders may subscribe without incurring brokerage costs, commission or other transaction costs.

The Company's rights

The Company may reject any application for shares under the SPP if:

- (a) it considers that the application does not comply with these terms;
- (b) you are not an eligible shareholder;
- (c) a cheque is returned unpaid;
- (d) the application form has not been properly completed; or

- (e) there are grounds for believing that the applicant is not acting in good faith.

The Company may modify, suspend or cancel the SPP at any time. If the Company does this it will notify ASX. If the SPP is cancelled the Application Amount will be refunded without interest. Neither the Company nor the board accepts or assumes any liability to shareholders because of the variation, suspension or termination of the SPP.

The Company may settle, at its discretion in any manner it deems fit, any anomalies or disputes in connection with the SPP and that decision is conclusive and binding on all applicants. The Company reserves the right to waive strict compliance with these terms.

Your representations

By completing and returning the application form or by making a BPAY payment, you:

- (a) certify to the Company that you are an eligible shareholder;
- (b) authorise the Company (and its officers and agents) to correct any error in, or omission from, your application form;
- (c) accept the risks of the delivery of any refund to you;
- (d) acknowledge that the Company may at its discretion determine that your application form is valid, even if the application form is invalid;
- (e) irrevocably and unconditionally agree to these terms; and
- (f) acknowledge that the Company is not liable for any exercise of its discretions referred to in these terms.

Other information

The Offer is non renounceable, which means that you cannot transfer your right to purchase shares under the SPP to anyone else. Shares issued under the SPP will rank equally in all respects with existing fully paid shares.

This document is not an offer of securities in any place outside Australia or New Zealand and does not take into account your individual investment objectives, financial situation or particular needs. An investment in the Company is speculative. Therefore, you should obtain independent financial and taxation advice before making an investment decision.

DGO Gold Limited

ABN 96 124 562 849
(formally Drummond Gold Limited)

All Registry communications to:
Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia
Telephone: +61 1300 554 474
ASX Code: DGO
Website: www.linkmarketservices.com.au

SRN/HIN:

Entitlement Number:

Record Date: 9 October 2015

Offer Opens: 14 October 2015

Issue Price per Share: A\$0.25

Offer Closes
5:00pm (Brisbane Time): 30 October 2015

SHARE PURCHASE PLAN ("SPP") APPLICATION FORM

How do I apply for Shares under this offer?

- Carefully read the SPP Terms and Conditions accompanying this form.
- Decide on the amount you wish to apply for.
- Pay for the Shares in accordance with the instructions outlined in the Terms and Conditions Booklet and further important instructions on the reverse of this form.
 - Option 1: Paying by BPAY®.
 - Option 2: Paying by Cheque, Bank Draft or Money Order.
- Payments must be in Australian dollars.

PAYMENT OPTIONS

Option 1: Paying by BPAY®

If paying by BPAY®, you do **NOT** need to complete or return the Acceptance Slip attached to this Application Form below. Payment must be received by the Registry by BPAY® by 5:00pm (Brisbane Time) on 30 October 2015. By paying by BPAY®, you will be deemed to have completed an Application Form for the number of Shares the subject of your Application Payment.

If you make a payment by BPAY® and DGO Gold Limited receives an amount which is not between 2,000 Shares (A\$500) and 60,000 Shares (A\$15,000). DGO Gold Limited will round down the number of Shares applied for to the maximum number of Shares you can apply for. Your payment must be for a minimum of 2,000 Shares (A\$500).



Billers Code: 757526

Ref:

Telephone & Internet Banking – BPAY®

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account.
More info: www.bpay.com.au

® Registered to BPAY Pty Ltd ABN 69 079 137 518

Option 2: Paying by Cheque, Bank Draft or Money Order

If paying by cheque, bank draft or money order, complete and return the Acceptance Slip attached to this Application Form with your Application Payment.

- Complete the number of Shares you wish to apply for at the Issue Price of A\$0.25 per Share.
- Enter your cheque, bank draft or money order details. The amount of your Application Payment should be equal to the amount applied for in section A of the Acceptance Slip multiplied by the Issue Price of A\$0.25 per Share. Cheques, bank drafts or money orders must be drawn on an Australian branch of a financial institution in Australian currency, made payable to "DGO Gold Limited" and crossed "Not Negotiable". Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. If you provide a cheque, bank draft or money order for an amount that is not equal to your application amount DGO Gold Limited will round down the number of Shares that you are applying for equal to your payment. Your payment must be for a minimum of 2,000 Shares (A\$500) and maximum of 60,000 Shares (A\$15,000).
- Enter your contact telephone number at which we may contact you regarding your application for Shares, if necessary.

THIS IS A PERSONALISED FORM FOR THE SOLE USE OF THE SHAREHOLDER AND HOLDING RECORDED ABOVE.

DGO Gold Limited

ABN 96 124 562 849
(formally Drummond Gold Limited)

Please detach and enclose with payment

SRN/HIN:

Entitlement Number:



A I/We wish to purchase the number of Shares set out below

B Payment amount
(Multiply the number in section A by A\$0.25)

A\$

C Make your cheque, bank draft or money order payable to "DGO Gold Limited" and crossed "Not Negotiable"

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	A\$ <input type="text"/> .00

D Telephone Number – Business Hours Telephone Number – After Hours Contact Name

<input type="text"/>	<input type="text"/>	<input type="text"/>
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IMPORTANT INFORMATION

1. This is an important document which requires your immediate attention. If you are in any doubt as to how to deal with this Application Form, please consult a professional adviser.
2. If you do not wish to purchase additional Shares under this SPP, there is no need to take action.
3. Please ensure you have read and understood the SPP Terms and Conditions and this Important Information, before you make the Application Payment by BPAY® or you submit your Acceptance Slip with your Application Payment.
4. This SPP is non-renounceable. Applications can only be accepted in the name printed on the Application Form.
5. If you are a custodian, trustee or nominee within the definition of "custodian" in ASIC Class Order [CO 09/425] you must complete and submit an additional Schedule that contains additional certifications and details that must be provided ("the Schedule") before your Application will be received. The Schedule can be obtained by contacting the DGO Gold Limited SPP Offer Information Line. Applications received by custodians that are not accompanied by the Schedule will be rejected.
6. For applicants that are not required to complete the Schedule, by submitting the Acceptance Slip (with a cheque, bank draft or money order) or making payment by BPAY®, you certify that the aggregate of the Application Payment paid by you for:
 - the parcel of New Shares indicated on this Application Form or BPAY® payment; and
 - any other Shares applied for by you, or which you have instructed a Custodian to acquire on your behalf under the SPP or any other similar arrangement in the 12 months prior to the date of submission of the Acceptance Slip or payment by BPAY® does not exceed A\$15,000.
7. DGO Gold Limited reserves the right to make amendments to this Application Form where appropriate.
8. Applicants are not assured of receiving the Shares for which they have applied as DGO Gold Limited may scaleback applications in its discretion.

How to Lodge your Acceptance Slip and Application Payment

A reply paid envelope is enclosed for you to return your Acceptance Slip and Application Payment. No postage stamp is required if it is posted in Australia.

Acceptance Slip and the payment for New Shares must be received by the Registry no later than the closing date shown overleaf. If paying by BPAY® you do not need to complete or return the Application Form. You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry by the close of the offer.

Mailing Address	or	Hand Delivery
DGO Gold Limited		DGO Gold Limited
C/- Link Market Services Limited		C/- Link Market Services Limited
GPO Box 3560		1A Homebush Bay Drive
Sydney NSW 2001		Rhodes NSW 2138 (Please do not use this address for mailing purposes)

Make sure you send your Acceptance Slip and Application Payment allowing enough time for mail delivery, so Link Market Services Limited receives them no later than 5:00pm (Brisbane Time) on 30 October 2015. Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. DGO Gold Limited reserves the right not to process any Acceptance Slips and Application Payments received after the Closing Date.

If you require information on how to complete this Acceptance Slip please contact DGO Gold Limited on +61 3381 5368 between 8:30am and 5:30pm (Brisbane Time) Monday to Friday.