

Notice of Annual General Meeting

DGO Gold Limited

DGO Gold Limited ABN 96 124 562 849

Notice is given that the Annual General Meeting of DGO Gold Limited ABN 96 124 562 849 (**Company**) will be held at:

Location	BDO, Collins Square, Tower Four, Level 18, 727 Collins Street, Melbourne, Victoria 3008
Date	Wednesday, 28 November 2018
Time	1:30pm (Melbourne Time)

Ordinary business

Financial reports

To receive and consider the Company's Financial Reports and the reports of the Directors and the Auditor for the Financial Year ended 30 June 2018.

Resolution 1 – Remuneration Report

To consider and, if in favour, pass the following resolution under section 250R(2) Corporations Act:

1 *'That the Remuneration Report of the Directors for the Financial Year ended 30 June 2018 be adopted.'*

Note: This resolution will be determined under section 250R(2) Corporations Act. Key Management Personnel (as defined in the Corporations Act) whose remuneration details are contained in the remuneration report (and their closely related parties) are restricted from voting on this resolution under section 250R(4) or 250BD Corporations Act. Restrictions also apply to votes cast by proxy unless exceptions apply.

The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to this resolution.

Resolution 2 – Re-election of Mr Michael Ilett as a Director

To consider and, if in favour, pass the following resolution as an ordinary resolution:

2 *'That Mr Michael Ilett who retires by rotation in accordance with Listing Rule 14.4 and rule 16.1 of the Constitution, and being eligible, be re-elected as a Director of the Company.'*

Note: Information about the candidate appears in the Explanatory Memorandum.

The Directors (with Mr Michael Ilett abstaining) unanimously recommend that you vote in favour of this resolution.

Resolution 3 – Election of Mr Bruce Parncutt AO as a Director

To consider and, if in favour, pass the following resolution as an ordinary resolution:

3 *'That Mr Bruce Parncutt AO who retires in accordance with Listing Rule 14.4 and rule 13.2 of the Constitution, and being eligible, be elected as a Director of the Company.'*

Note: Information about the candidate appears in the Explanatory Memorandum.

The Directors (with Mr Bruce Parncutt AO abstaining) unanimously recommend that you vote in favour of this resolution.

Resolution 4 – Election of Mr Darryl Clark as a Director

To consider and, if in favour, pass the following resolution as an ordinary resolution:

- 4 *'That Mr Darryl Clark who retires in accordance with rule 13.2 of the Constitution, and being eligible, be elected as a Director of the Company.'*

Note: Information about the candidate appears in the Explanatory Memorandum.

The Directors (with Mr Darryl Clark abstaining) unanimously recommend that you vote in favour of this resolution.

Special business

Resolution 5 – Approval to issue Performance Rights to the Managing Director, Mr Darryl Clark

To consider and, if in favour, pass the following resolution as an ordinary resolution:

- 5 *'That for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Corporations Act, and for all other purposes, the issue of up to a maximum of 500,000 Performance Rights to Mr Darryl Clark, Managing Director who is a Related Party of the Company, as soon as practicable following the conclusion of the Annual General Meeting, and in any case, by no later than one month after the conclusion of the Annual General Meeting, on the terms set out in the Explanatory Memorandum be approved.'*

Note: Information about the performance rights appears in the Explanatory Memorandum.

The Directors (with Mr Darryl Clark abstaining) unanimously recommend that you vote in favour of this resolution.

Resolution 6 – Approval of additional capacity to issue Shares under Listing Rule 7.1A

To consider and, if in favour, to pass the following resolution as a special resolution:

- 6 *'For the purposes of ASX Listing Rule 7.1A and for all other purposes, the Company having the additional capacity to issue equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 over a 12 month period from the date of the Annual General Meeting, at a price no less than that determined pursuant to Listing Rule 7.1A.3 and otherwise on the terms and conditions set out in the Explanatory Memorandum be approved.'*

The Directors unanimously recommend that you vote in favour of this resolution.

Resolution 7 – Approval to issue Shares and Options to the Managing Director, Mr Darryl Clark

To consider and, if in favour, to pass the following resolution as an ordinary resolution:

- 7 *'That for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Corporations Act, and for all other purposes, the issue of 133,333 fully paid ordinary shares in the Company at an issue price of \$0.75 per share and 133,333 attaching Options to Mr Darryl Clark, Managing Director who is a Related Party of the Company, as soon as practicable following the conclusion of the Annual General Meeting, and in any case, by no later than a month*

after the conclusion of the Annual General Meeting, on the terms set out in the Explanatory Memorandum be approved.'

Note: Information about the proposed issue appears in the Explanatory Memorandum.

The Directors (with Mr Darryl Clark abstaining) unanimously recommend that you vote in favour of this resolution.

BY ORDER OF THE BOARD

Mark Licciardo
Company Secretary

25 October 2018

Notes

- (a) Terms used in this Notice of Meeting which are defined in the Explanatory Memorandum have the meaning given to them in the Explanatory Memorandum.
- (b) Subject to the Corporations Act, including sections 250R and 250BD, a Shareholder who is entitled to attend and cast a vote at the meeting is entitled to appoint a proxy.
- (c) The proxy need not be a Shareholder of the Company. A Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.
- (d) If you wish to appoint a proxy and are entitled to do so, then completed proxy forms (together with any authority under which the proxy was signed or a certified copy of the authority) must be returned by 1:30pm (Melbourne time) on Monday, 26 November 2018 using any of the following methods:
 - i) **by using the pre-addressed envelope provided**
 - ii) **by hand delivery or post to:**
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138; or
Level 12, 680 George Street, Sydney, NSW
 - iii) **by post to:** DGO Gold Limited, C/- Link Market Services Limited, Locked Bag A14, Sydney, NSW 1235, Australia
 - iv) **by fax to:** +61 (0)2 9287 0309
 - v) **online:** www.linkmarketservices.com.au
- (e) The proxy form must be signed by the shareholder or the shareholder's attorney.
- (f) A corporation may elect to appoint a representative in accordance with the Corporations Act in which case the Company will require written proof of the representative's appointment which must be lodged with or presented to the Company before the meeting.
- (g) The Company has determined under regulation 7.11.37 Corporations Regulations that for the purpose of voting at the meeting or an adjourned meeting, securities are taken to be held by those persons recorded in the Company's register of Shareholders as at 7.00pm (Melbourne time) on Monday, 26 November 2018.
- (h) If you have any questions on how to cast your votes call Mr Mark Licciardo on +61 3 8689 9997 during business hours.

Voting exclusion statements

<p>Resolution 1 - Remuneration Report</p>	<p>The Company will disregard any votes cast on this Resolution 1:</p> <ul style="list-style-type: none"> • by or on behalf of a member of the Company’s Key Management Personnel (KMP) whose remuneration details are disclosed in the remuneration report for the year ended 30 June 2018 or their closely related parties, in any capacity; or • as a proxy by a person who is a member of the Company’s KMP at the date of the meeting or their closely related parties. <p>However, a member of the KMP or their closely related parties may cast a vote on Resolution 1 if the vote is cast as proxy for a person who is entitled to vote on Resolution 1:</p> <ul style="list-style-type: none"> • in accordance with the directions on the proxy form that specifies the way the proxy is to vote on the resolution; or • by the Chairman of the Meeting, in accordance with an express authorisation to exercise the proxy even though Resolution 1 is connected with remuneration of a member of the KMP. <p>The Chairman intends to vote all available undirected proxies in favour of Resolution 1.</p> <p>“Key management personnel” and “closely related party” have the same meaning as set out in the Corporations Act 2001 (Cth).</p>
<p>Resolution 5 – Approval to issue Performance Rights to the Managing Director, Mr Darryl Clark</p>	<p>The Company will disregard any votes cast in favour of the resolution by or on behalf of Mr Darryl Clark (being the person who is to receive securities) or any associate of Mr Darryl Clark.</p> <p>However, the Company need not disregard a vote if:</p> <ol style="list-style-type: none"> (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides. <p>However, the Company must also disregard a vote cast by the person chairing the meeting as proxy for a person who is entitled to vote, if the person chairing the meeting is Mr Darryl Clark, or an associate of Mr Darryl Clark, and the proxy does not direct the chairman how to cast the vote.</p> <p>In accordance with section 250BD of the Corporations Act 2001 (Cth), a vote must not be cast on Resolution 5 as a proxy by a member of the KMP at the date of the AGM, or a closely related party of those persons, unless it is cast as proxy for a person entitled to vote in accordance with their directions. This restriction on voting undirected proxies does not apply to the Chairman of the Meeting where the proxy appointment expressly authorises the Chairman of the Meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of the KMP.</p>

<p>Resolution 6 – Approval of additional capacity to issue shares under Listing Rule 7.1A</p>	<p>The Company will disregard any votes cast in favour of Resolution 6 by a person who may participate in the proposed issue of equity securities under the 10% Placement Capacity, and any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity), if this resolution is passed; and any associate of such a person, unless the vote is cast:</p> <ul style="list-style-type: none"> (a) by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides. <p>The Chairman intends to vote all available undirected proxies in favour of Resolution 6.</p> <p><i>Note: In accordance with ASX Listing Rule 14.11.1 and the relevant note under that rule concerning ASX Listing Rule 7.1A, as at the date of this Notice of Meeting it is not known who may participate in the proposed issue (if any). On that basis, no Shareholders are currently excluded.</i></p>
<p>Resolution 7 – Approval to issue ordinary shares and Options to the Managing Director, Mr Darryl Clark</p>	<p>The Company will disregard any votes cast in favour of the resolution by or on behalf of Mr Darryl Clark (being the person who is to receive securities) or any associate of Mr Darryl Clark.</p> <p>However, the Company need not disregard a vote if:</p> <ul style="list-style-type: none"> (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides. <p>However, the company must also disregard a vote cast by the person chairing the meeting as proxy for a person who is entitled to vote, if the person chairing the meeting is Mr Darryl Clark, or an associate of Mr Darryl Clark, and the proxy does not direct the chairman how to cast the vote.</p>

Explanatory Memorandum

DGO Gold Limited ABN 96 124 562 849

DGO Gold Limited

Introduction

This Explanatory Memorandum is provided to the Shareholders of DGO Gold Limited ABN 96 124 562 849 (**Company**) to explain the resolutions to be put to the Shareholders at the Annual General Meeting of the Company to be held at BDO, Collins Square, Tower Four, Level 18, 727 Collins Street, Melbourne, Victoria 3008 on Wednesday, 28 November 2018 at 1:30pm (Melbourne time).

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

Ordinary Business

Financial Statements and Reports

The Corporations Act requires that the Directors' Report, Financial Report and the Auditor's Report be laid before Shareholders at the Annual General Meeting.

The Company's Annual Report (which includes the reports to be laid before the Meeting) was released to ASX on 13 September 2018 and is available on the Company's website (www.dgogold.com.au). Apart from the matters involving remuneration of the Company's Key Management Personnel which is the subject of Resolution 1, a vote of Shareholders on these reports is not required at the Annual General Meeting. However, Shareholders will be given a reasonable opportunity to raise questions and make comments on these reports at the Meeting.

Shareholders may also submit written questions to the Company's auditor, BDO Audit Pty Ltd, if the question is relevant to the content of the Audit Report, or the conduct of its audit of the Company's Annual Report for the year ended 30 June 2018. Relevant written questions for the auditor must be delivered by 5.00pm (Melbourne Time) on Friday, 23 November 2018. Please send any written questions for BDO Audit Pty Ltd to Mr. Tim Mann, BDO Audit Pty Ltd, GPO Box 457, Brisbane Qld 4001 Australia.

Resolution 1: Remuneration report

The Corporations Act requires the Remuneration Report to be put to a vote of Shareholders for adoption. The vote on this resolution is advisory only and does not bind the Directors or the Company. However, the Directors take the vote into account in setting the Company's remuneration strategy.

The Remuneration Report is included in the Directors' Report section of the Company's Annual Report and deals with the remuneration of the Company's Key Management Personnel. The Annual Report is available on the DGO Gold website (www.dgogold.com.au).

The Remuneration Report:

- (a) explains the Board's policy for determining the nature and amount of remuneration of the Company's Key Management Personnel;
- (b) explains the relationship between the Board's remuneration policy and the Company's performance;
- (c) sets out remuneration details for each member of the Company's Key Management Personnel; and
- (d) details and explains any performance conditions applicable to the remuneration of the Company's Key Management Personnel.

A reasonable opportunity will be provided for Shareholders to ask questions about or make comments on the Remuneration Report at the Meeting.

Directors' Recommendation

As the resolution relates to matters including the remuneration of the Directors, the Board, as a matter of corporate governance and in accordance with the spirit of section 250R(4) Corporations Act, makes no recommendation regarding this resolution.

Resolution 2: Re-election of Mr. Michael Ilett as a Director

Rule 16.1 of the Constitution provides that one-third of the Directors (other than the Managing Director) must retire at the end of each Annual General Meeting. In accordance with Listing Rule 14.4 and Rule 16.1 of the Constitution, Mr. Michael Ilett retires at the end of this Meeting. Mr. Ilett, being eligible, presents himself for re-election.

Mr. Michael Ilett BBus (Acc), GradDipAdvAcctg, GradDipCorpGov, MBA, ASIC, CPA, CA (Non-Executive Director)

Mr Michael Ilett, aged 52, is a Chartered Accountant and a member of Chartered Institute of Company Secretaries in Australia. In 2003, Mr Ilett was awarded the MBA Medallion from the Queensland University of Technology and in 2004 was awarded the J.S. Goffage Prize from Chartered Secretaries Australia Limited. Mr Ilett has over 25 years' commercial experience and was the former Company Secretary and Chief Financial Officer for Gold Aura Limited and Union Resources Limited. He has provided a key role in the listing of exploration companies on the ASX, capital raisings, corporate governance, administration and the dual listing of an Australian public company on the Alternative Investment Market (AIM). Mr Ilett was appointed as a Director and a member of the Remuneration and Nomination Committee and Audit Committees on 20 July 2015. Mr Ilett has been the Company Secretary of the Company from 5 April 2007 until his resignation on 31 August 2018.

Directors' Recommendation

The Directors (with Mr Michael Ilett abstaining), unanimously recommend you vote in favour of this resolution.

Resolution 3: Election of Mr. Bruce Parncutt AO as a Director

Rule 13.2 of the Constitution and Listing Rule 14.4 provide that any Director appointed to fill a casual vacancy or as an addition to the Board may not hold office (without being elected) past the next Annual General Meeting of the Company. In accordance with Listing Rule 14.4 and Rule 13.2 of the Constitution, Mr. Bruce Parncutt AO retires at the end of this Meeting. Mr. Parncutt, being eligible, presents himself for election.

Mr. Bruce Parncutt AO BSc, MBA (Non-Executive Director)

Mr Bruce Parncutt, aged 67, is the Chairman of investment banking group Lion Capital, a member of the Australian Ballet Board, The University of Melbourne Campaign Board, and the University of Melbourne Centre for Positive Psychology Strategic Advisory Board, and a Trustee of the Helen MacPherson Smith Trust. His career spans over 40 years in investment management, investment banking and stock broking.

Mr Parncutt was recognised as Officer in the Order of Australia in the 2016 Queen's Birthday Honours List for distinguished service to the community as a philanthropist (particularly in arts and education) and as an advocate and supporter of charitable causes, and to business and commerce.

Mr Parncutt was appointed Non-Executive Director on 23 May 2018 and is a member of the Audit Committee and the Remuneration and Nomination Committee.

Directors' Recommendation

The Directors (with Mr Bruce Parncutt abstaining), unanimously recommend you vote in favour of this resolution.

Resolution 4: Election of Mr. Darryl Clark as a Director

Rule 13.2 of the Constitution provides that any Director appointed to fill a casual vacancy or as an addition to the Board may not hold office (without being elected) past the next Annual General Meeting of the Company. In accordance with Rule 13.2 of the Constitution, Mr. Darryl Clark retires at the end of this Meeting. Mr. Clark, being eligible, presents himself for election.

Mr. Darryl Clark P.Geo., Ph.D., Ph.D.Eco Geo, B.Sc (Hon.), FAusIMM (Managing Director)

Mr Darryl Clark, aged 48, holds a PhD in Economic Geology from the Centre for Ore Deposit Excellence at the University of Tasmania and a Bachelor of Science degree in Economic Geology from James Cook University. He is a highly experienced Geologist with a demonstrated track record of leading the exploration divisions of a number of mining houses. His early career included roles as a resource geologist at Great Central Mines Ltd's Bronzewing goldmine, exploration geologist for Ivanhoe Gold in Mongolia and Senior Project Geologist for AngloGold at Sunrise Dam. He has subsequently held roles as Mongolia country manager for Vale, head of BHP's geosciences division based in Singapore, Vice President of Exploration for Canadian Company Cameco, and most recently CEO and country manager for Cameco in Kazakhstan where he led a team of 680 staff across mining, geology, construction, finance and legal.

Mr Clark was appointed Managing Director on 15 October 2018.

Directors' Recommendation

The Directors (with Mr Darryl Clark abstaining), unanimously recommend you vote in favour of this resolution.

Special Business

Resolution 5: Approval to issue Performance Rights to the Managing Director, Mr. Darryl Clark

The Company is seeking approval for the issue of up to a maximum of 500,000 Performance Rights to the Managing Director, Mr. Darryl Clark, in accordance with Listing Rule 10.11 and Chapter 2E of the Corporations Act.

The proposed terms of the Performance Rights are set out in Appendix A. In summary, each Performance Right granted to Mr Clark will be capable of being exercised into one fully paid ordinary share only if:

- (a) one of the following events occurs:
- (i) the 90 day volume weighted average price of Shares on the ASX exceeds \$2.00 (subject to certain adjustments) per Share within the period from issue until 30 November 2021
 - (ii) On or before 30 November 2021 a takeover bid is made for the Shares at a price or value which exceeds \$2.00 (subject to certain adjustments) and the bidder confirms that the takeover bid is unconditional;
 - (iii) on or before 30 November 2021 a court orders a meeting to be held in relation to a proposed scheme of arrangement in relation to the Company at a price or value which exceeds \$2.00 (subject to certain conditions) per Share and Shareholders approve the scheme resolution by the requisite majority; and
- (b) Mr Clark continues to be a director of the Company.

The number of Shares that may be issued on exercise and the price for Shares required to meet the condition in (a)(i) may be adjusted if there is a reorganisation of the Company's Share capital.

Reason for seeking shareholder approval

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits a public company from giving a Financial Benefit to a Related Party of the public company unless providing the benefit falls within a prescribed exception to the general prohibition. Relevantly, there is an exception if the company first obtains the approval of its shareholders in a general meeting in circumstances where certain requirements specified in Chapter 2E in relation to the convening of that meeting have been met.

A "Related Party" is defined widely in section 228 of the Corporations Act and includes, relevantly, a director (or proposed director) of a public company and any entity that is controlled by a director of the public company.

A "Financial Benefit" for the purposes of the Corporations Act has a very wide meaning. It includes the public company paying money or issuing securities to the Related Party.

The Managing Director is a Related Party and the proposed issue of Performance Rights to the Managing Director is a Financial Benefit.

Accordingly, the Company seeks Shareholder approval for the issue of the Performance Rights to the Managing Director under Chapter 2E Corporations Act.

Listing Rule 10.11

Listing Rule 10.11 requires that an entity must obtain the approval of shareholders to issue securities to a Related Party and in doing so must provide the information specified in Listing Rule 10.13, unless an exception applies.

Listing Rule 7.1 prohibits a listed company, except in certain cases, from issuing in any 12-month period new Equity Securities equivalent in number to more than 15% of the total number of ordinary securities on issue at the beginning of the twelve month period (15% Capacity) without the prior approval of a majority of disinterested shareholders, or the issue otherwise comes within one of the exceptions to Listing Rule 7.1.

However, under Listing Rule 7.2 (Exception 14), if approval is given under Listing Rule 10.11, approval will not be required under Listing Rule 7.1. Therefore, the approval of the issue of the Performance Rights to the Managing Director by Shareholders under Resolution 5, if passed, will not count towards the Company's 15% Capacity under Listing Rule 7.1.

Resolution 5, if passed, will involve the issue of Performance Rights to the Managing Director, Mr. Darryl Clark, being a Related Party of the Company.

Specific information – Sections 219(1)(a) and 219(1)(b) Corporations Act

For the purposes of Chapter 2E of the Corporations Act the following Related Party and benefit information is provided to Shareholders.

The Related Party to whom Resolution 5 would permit the financial benefit to be give pursuant to section 219(1)(a) Corporations Act is Mr. Darryl Clark who is the Managing Director of the Company and, therefore, a Related Party. The nature of the benefit pursuant to section 219(1)(b) of the Corporations Act for Mr. Darryl Clark is 500,000 Performance Rights on the terms set out in Appendix A.

Directors' Recommendations (section 219(1)(c))

The Directors (with Mr. Darryl Clark abstaining) recommend that shareholders vote in favour of Resolution 5. The Directors (with the exception of Mr. Darryl Clark) have formed the view that Resolution 5 be put to the shareholders for the following reasons:

- (a) the grant of the Performance Rights as proposed to Mr. Darryl Clark will provide him with reward and incentive for future services he will provide to the Company to further the progress of the Company;
- (b) the Performance Rights are not intended as a substitute for salary or wages or as a means for compensation for past services rendered; and
- (c) in the Company's circumstances as they existed as at the date of this Explanatory Memorandum, the Directors (with the exception of Mr. Darryl Clark) considered that the incentive provided a cost effective and efficient incentive as opposed to alternative forms of incentives (e.g. cash bonuses, increased remuneration).

However, it must be recognised that there will be a potential opportunity cost to the Company, as if the vesting conditions in the Performance Rights are met there will be a dilutionary impact on the voting power of the issued Shares on the exercise of the Performance Rights.

As Mr. Darryl Clark is interested in the outcome of Resolution 5, he accordingly makes no recommendation to Shareholders in respect of this resolution.

Directors' Interest and other remuneration (section 219(1)(d))

Mr. Darryl Clark has a material personal interest in the outcome of Resolution 5 as it is proposed that Performance Rights will be issued to him.

Other than Performance Rights proposed to be issued to Mr. Darryl Clark pursuant to Resolution 5, Mr. Darryl Clark shall receive a base remuneration of \$250,000 per annum from the Company for his service as a Managing Director.

At the date of this Notice of Meeting, excluding the Performance Rights to be issued to Mr. Darryl Clark pursuant to Resolution 5, Mr. Darryl Clark holds 6,666 shares in the Company.

Valuation of Performance Rights

The Performance Rights are not currently quoted on the ASX and as such have no readily ascertainable market value. The Performance Rights each grant the holder on exercise of each Performance Right a right to one Share in the Company for no consideration. Accordingly, Performance Rights may have a present value at the date of their grant, which will depend on the prevailing market price of a Share, and the likelihood of the vesting conditions being able to be satisfied.

As the Performance Rights will not be listed on the ASX and will not be tradeable, the market value of the Performance Rights cannot be readily determined from any sales data. The Company considers that an option pricing model is best suited and necessary for the purpose of giving shareholders guidance in this Explanatory Memorandum as to the possible value of the Performance Rights to be issued.

Various factors may impact upon the value of the Performance Rights including:

- (a) the period outstanding before the expiry date of the Performance Rights;
- (b) the underlying price or value of the securities into which they may be converted;
- (c) the relevant conditions that are required to be met before the Performance Rights can be exercised;
- (d) the proportion of the issued capital as expanded consequent upon the exercise of the Performance Rights and the issue of the resultant Shares (i.e. whether or not the Shares that might be acquired upon exercise of the Performance Rights represent a controlling or other significant interest);
- (e) the vesting period and relevant conditions affecting the certainty of vesting; and
- (f) the value of the resultant Shares on the exercise of the Performance Rights.

There are various formulae which can be applied to determining the theoretical value of the Performance Rights under an option pricing model (including the formula known as the Black-Scholes Model valuation formula and the Monte Carlo simulation). For the purpose of giving Shareholders guidance in this Explanatory Memorandum as to the possible value of the Performance Rights, the Monte Carlo simulation valuation methodology was adopted by the Company and the Company has consequently prepared a valuation of the Performance Rights on this basis and in accordance with AASB 2 Share Based Payments.

The value of a Performance Right calculated by the Monte Carlo simulation is a function of the relationship between a number of variables, being the price of the underlying Share at the time of issue, the exercise price, the time to expiry, the risk-free interest rate, the volatility of the Company's underlying Share price and expected dividends. Inherent in the application of the Monte Carlo simulation are a number of inputs, some of which must be assumed. The data relied upon in applying the Monte Carlo simulation in respect of the Performance Rights for the purpose of this Explanatory Memorandum includes:

- (a) the exercise price of each Performance Right being nil;

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- (b) a grant date market price of Shares of \$0.70 (being the trading price of the Shares on the close of trading on 4 October 2018 being the last day prior to the valuation being carried out);
 - (c) a volatility measure of 90%;
 - (d) on or before 30 November 2021 the 90 day volume weighted average price of Shares on the ASX exceeds \$2.00 (subject to certain adjustments) per Share;
 - (e) a risk-free interest rate of 2.4%; and
 - (f) a dividend yield of 0%.

Based on this valuation of the Performance Rights, the value of the Performance Rights proposed to be issued to Mr. Darryl Clark is \$231,950.

The above valuation assumes a grant date market price of \$0.70. However, the directors agreed, subject to obtaining shareholder approval, to grant the Performance Rights on 27 August 2018. The market price at the close of trading on that day was \$0.65 and the terms of the Performance Rights were set based on the market price on that day. Assuming a grant date market price of \$0.65, as well as the other inputs set out above, the value of the Performance Rights proposed to be issued to Mr. Darryl Clark is \$206,850.

Other information that is reasonably required by Shareholders to make a decision and that is known to the Company or any of its Directors (section 219(1)(e) and 219(2))

There is no other information known to the Company or any of its Directors save and except as follows:

(a) Market price movements

The Performance Rights valuation noted above is based on a market price per Share of \$0.70 being the closing trading price on 4 October 2018 (which is the trading date immediately before the valuation was carried out). There is a possibility that the market price of the Company's Shares will change up to the date of the General Meeting.

(b) Trading history

In the 12 months prior to 4 October 2018, the Company's trading history is as follows:

- (i) the lowest trading price was \$0.548 on 7 March 2018;
- (ii) the highest trading price was \$2.354 on 9 November 2017; and
- (iii) the volume weighted average price per Share over the 12-month period prior to 4 October 2018 was \$1.148.

The trading price of the Shares on the close of trading on 4 October 2018 being the last day prior to the valuation being carried out was \$0.70.

(c) Opportunity Costs

The opportunity costs and benefits foregone by the Company issuing the Performance Rights is the potentially dilutionary impact on the issued share capital of the Company. To the extent that the dilutionary

impact caused by the issue of the Performance Rights will be detrimental to the Company, this is considered to be more than offset by the advantages accruing from the Company securing the services of an experienced and skilled Managing Director on appropriate incentive terms.

(d) Taxation Consequences

No stamp duty will be payable in respect of the grant of the Performance Rights. No GST will be payable by the Company in respect of the grant of the Performance Rights (or if it is then it will be recoverable as an input credit).

AASB 2 – Share Based Payment, requires that reporting entities must recognise services acquired in a share-based payment transaction as the services are received. The issue of Performance Rights is in return for services provided to the Company therefore these services are to be recognised.

The value of the services acquired by the Company is to be measured at the fair value of the equity instrument granted, where fair value of the services provided cannot be estimated reliably. As the issue of Performance Rights is in consideration of future services, the fair value of the services cannot be reliably measured. As such, the value of the Performance Rights to be issued needs to be used as the reliable measurement of the services provided.

(e) Dilutionary Effect and Directors' holdings

The effect that the vesting of the Performance Rights may have on the interests of Mr Clark, relative to other members' interests, is set out in the following table. The table assumes no further issues of shares in, or reconstruction of the capital of, the Company during the time between issue and exercise of the Performance Rights.

Tables showing dilution in shareholding as a result of exercise of Performance Rights if approval is granted under Resolution 5

Prior to approval being granted

	Number of Shares	Percentage of Shares on issue
Shares currently on issue as at the date of this notice	25,141,544	100.00%
Shares currently held by Mr. Darryl Clark	6,666	0.027%
Shares currently held by other Shareholders	25,134,878	99.973%

If approval is granted to issue the Performance Rights, and the Performance Rights are exercised

	Number of Shares	Percentage of Shares on issue
Shares on issue following exercise of Performance Rights	25,641,544	100.00%
Shares held by Mr. Darryl Clark	506,666	1.976%
Shares held by other Shareholders	25,134,878	98.024%

If approval is granted to issue the Performance Rights, and the Performance Rights are exercised, and approval is granted to issue Shares and Options under Resolution 7, and the Options are exercised

	Number of Shares	Percentage of Shares on issue
Shares on issue following issue of Shares and exercise of Options and Performance Rights	25,908,210	100.00%
Shares held by Mr Darryl Clark	773,332	2.985%
Shares held by other Shareholders	25,134,878	97.015%

Note: Performance rights and Options were granted to a number of other parties pursuant to approval granted at the general meeting of the Company held on 27 September 2018. The above tables do not take into account other Shares that may be issued by the Company pursuant to those performance rights or Options or otherwise.

Save as set out in this Explanatory Memorandum, the Directors are not aware of any other information that will be reasonably required by Shareholders to make a decision in relation to the benefits contemplated by Resolution 5.

Specific information - Listing Rule 10.13

For the purposes of Listing Rule 10.13, the following information is provided:-

(a) The related party:

Mr. Darryl Clark

(b) The maximum number of securities issued:

500,000 Performance Rights

- (c) The Performance Right will, subject to Shareholder approval, be issued as soon as possible after the general meeting but in any event within one month following the Meeting.
- (d) The Performance Rights will be issued for nil consideration and expire on the earlier of:
- (i) 1 December 2021 if a Conversion Trigger (as defined in Appendix A) has not occurred by 30 November 2021;
 - (ii) the date the Director ceases to be a Director if a Conversion Trigger has not occurred before that date;
 - (iii) an earlier date in the event of a takeover bid or scheme of arrangement for the Company is successful at a price equal to or less than \$2.00 (subject to certain adjustments).
 - (iv) 10 business days after receiving a notice that a Conversion Trigger has occurred, and not electing to exercise the Performance Right;
 - (v) 10 December 2022.

There are no funds being raised by the issue of the Performance Rights to the Directors.

Resolution 6: Approval of additional capacity to issue shares under Listing Rule 7.1A

ASX Listing Rule 7.1 allows the Company to issue a maximum of 15% of its capital in any 12 month period without requiring shareholder approval. Under Listing Rule 7.1A, eligible entities (companies that are outside the S&P/ASX 300 index and have a market capitalisation of \$300 million or less) can issue a further 10% of share capital in a 12 month period following the annual general meeting on a non-pro-rata basis if shareholder approval is obtained at the Company's Annual General Meeting.

The Company is an eligible entity for the purposes of Listing Rule 7.1A.

The number of equity securities which may be issued or the Company may agree to issue, under the approval sought by resolution 6 is calculated in accordance with the following formula prescribed in Listing Rule 7.1A.2:

$$(A \times D) - E$$

Where:

A is the number of fully paid shares on issue 12 months before the date of issue or agreement:

- (i) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (ii) plus the number of partly paid shares that became fully paid in the 12 months;
- (iii) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the Company's 15% placement capacity without shareholder approval; and
- (iv) less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating the Company's 15% placement capacity.

D is 10%

E is the number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

The actual number of Shares the Company will have capacity to issue under Listing Rule 7.1A may vary and will be determined at the date of issue in accordance with Listing Rule 7.A.2 (as illustrated in the table below). Additional disclosure obligations are imposed when the special resolution is proposed, when securities are issued and when any further approval is sought. For the purposes of Listing Rule 7.3A the Company provides the following information:

<p>Minimum price at which the equity securities may be issued</p>	<p>The issue price of each share must be no less than 75% of the volume weighted average price for the shares calculated over the 15 trading days on which trades in that class were recorded immediately before:</p> <ul style="list-style-type: none"> (a) the date on which the price, at which the securities are to be issued, is agreed; or (b) if the securities are not issued within five trading days of the date in paragraph (a), the date on which the securities are issued.
<p>Risk of economic and voting dilution</p>	<p>An issue of shares under Listing Rule 7.1A involves the risk of economic and voting dilution for existing ordinary security holders. The risks include:</p> <ul style="list-style-type: none"> (a) the market price for shares may be significantly lower on the issue date than on the date of the approval under Listing rule 7.1A; and (b) the equity securities may be issued at a price that is at a discount to the market price for the shares on the issue date. <p>Under Listing Rule 7.3A.2, a table describing the notional possible dilution, based upon various assumptions as stated, is set out below.</p>
<p>Date by which the Company may issue the securities</p>	<p>The period commencing on the date of the annual general meeting (to which this notice relates) at which approval is obtained and expiring on the first to occur of the following:</p> <ul style="list-style-type: none"> (a) the date which is 12 months after the date of the annual general meeting at which approval is obtained; and (b) the date of the approval by holders of the Company's ordinary securities of a transaction under Listing Rules 11.1.2 or 11.2. <p>The approval under Listing Rule 7.1A will cease to be valid if holders of the Company's ordinary securities approve a transaction under Listing Rules 11.1.2 or 11.2.</p>
<p>Purposes for which the equity securities may be issued, including whether the Company may issue them for non-cash consideration</p>	<p>It is the Board's current intention that any funds raised under an issue of securities will be applied towards the identification and evaluation of opportunities with potential for gold, working capital purposes and the Company's exploration on the Yandan Gold Mine Pty Ltd Tenements. The Company reserves the right to issue shares for non-cash consideration, including for payment of service or consultancy fees and costs.</p>

Details of the Company's allocation policy for issues under approval	<p>The Company does not currently know the nature of the capital raising which may be conducted under Listing Rule 7.1A (if any). No allocation policy has therefore been determined. The Company's allocation policy will be dependent on the prevailing market conditions at the time of any proposed issue pursuant to Listing Rule 7.1A. The identity of the allottees will be determined on a case-by-case basis having regard to factors including but not limited to the following:</p> <ul style="list-style-type: none"> (a) any alternative methods of raising funds that are available to the Company and the Company's determination regarding the best method for raising funds; (b) the effect of the issue of the Listing Rule 7.1A shares on the control of the Company; (c) the financial situation of the Company; and (d) advice from corporate, financial and broking advisers (if applicable). <p>The allottees under the Listing Rule 7.1A facility have not been determined as at the date of this notice of meeting but may include existing substantial shareholders and new shareholders who are not related parties or associates of a related party of the Company.</p>
Previous approvals under Listing Rule 7.1A	<p>Approval was previously obtained at the previous AGM held on 16 November 2017.</p>

Information under Listing Rule 7.3A.6(a)

The table below shows the total number of equity securities issued in the past 12 months preceding the date of the AGM and the percentages those issues represent of the total number of equity securities on issue at the commencement of the 12 month period.

Equity securities on issue at the commencement of the 12 month period	<p>10,561,374 Shares 4,168,736 Options exercisable at \$0.40 on or before June 2020.</p>
Equity securities issued in the prior 12 month period	<p>14,580,170 Shares (of which 3,288,041 Shares were issued upon exercise of Options at \$0.40 per Share) 10,042,129 Options exercisable at \$1.00 on or before 31 December 2021. 2,850,000 performance rights.</p>

Percentage those issues represent of total number of equity securities on issue at commencement of 12 month period	138.05% in the case of Shares 260.12% in the case of all securities
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Information under Listing Rule 7.3A.6(b)

The tables below set out specific details for each issue of equity securities that has taken place in the 12 month period preceding the date of the Annual General Meeting:

For personal use only

Date of issue	23 October 2018
Number issued	(a) 163,208 Shares (b) 163,208 Unquoted Exercisable Options
Class and type of equity security	(a) Shares (b) Unquoted Exercisable Options
Summary of terms	(a) Rank equally with Company's existing Shares (b) The options- - have an exercise price of \$1.00; - will expire on 31 December 2021; and - may be exercised immediately upon their issue. Shares issued upon exercise of the options will rank pari passu with all other Shares on issue in the Company.
Names of persons who received securities or basis on which those persons were determined	163,208 Shares and 163,208 Options were issued to Lion Nominees Pty Ltd
Price	(a) \$0.75 per Share (b) Nil consideration and exercisable at \$1.00 per Share as the result of the exercise of the Options.
Discount to market price (if any)	N/A
Total consideration received	\$122,406
Amount of cash consideration spent	Nil
Use of cash consideration	(a) exploration expenditure; (b) general working capital; and (c) offer costs.
Intended use for remaining amount of cash (if any)	Remaining cash is to be applied towards the identification and evaluation of opportunities with potential for gold, working capital purposes and the Company's exploration on the Yandan Gold Mine Pty Ltd Tenements.

Date of issue	4 October 2018
Number issued	(a) 3,333,334 Shares (b) 3,333,334 Unquoted Exercisable Options
Class and type of equity security	(a) Shares (b) Unquoted Exercisable Options
Summary of terms	(a) Rank equally with Company's existing Shares (b) The options- - have an exercise price of \$1.00; - will expire on 31 December 2021; and - may be exercised immediately upon their issue. Shares issued upon exercise of the options will rank pari passu with all other Shares on issue in the Company.
Names of persons who received securities or basis on which those persons were determined	(a) 2,666,667 Shares and 2,666,667 Options were issued to Costa Asset management Pty Ltd as trustee for The Costa Asset management Unit Trust (b) 666,667 Shares and 666,667 Options were issued to Caroline House Superannuation Fund Pty Ltd as trustee for The Caroline House Superannuation Fund.
Price	(a) \$0.75 per Share (b) Nil consideration and exercisable at \$1.00 per Share as the result of the exercise of the Options.
Discount to market price (if any)	0.05(7.14%)
Total consideration received	\$2,500,000.50
Amount of cash consideration spent	Nil
Use of cash consideration	(a) exploration expenditure; (b) general working capital; and (c) offer costs.
Intended use for remaining amount of cash (if any)	Remaining cash is to applied towards the identification and evaluation of opportunities with potential for gold, working capital purposes and the Company's exploration on the Yandan Gold Mine Pty Ltd Tenements.

Date of issue	4 October 2018
Number issued	2,850,000
Class and type of equity security	Performance rights
Summary of terms	<p>The terms of the performance rights were set out in the Company's notice of general meeting dated 2 August 2018, for the meeting held on 27 September 2018.</p> <p>Each performance right entitled the holder to one ordinary fully paid Share in the Company for nil consideration on exercise if:</p> <p>one of the following events occurs:</p> <ul style="list-style-type: none"> (i) the 90 day volume weighted average price of Shares on the ASX exceeds \$2.00 (subject to certain adjustments) per Share within the period from issue until 31 July 2021 (ii) On or before 31 July 2021 a takeover bid is made for the Shares at a price or value which exceeds \$2.00 (subject to certain adjustments) and the bidder confirms that the takeover bid is unconditional; (iii) on or before 31 July 2021 a court orders a meeting to be held in relation to a proposed scheme of arrangement in relation to the Company at a price or value which exceeds \$2.00 (subject to certain conditions) per Share and Shareholders approve the scheme resolution by the requisite majority; and (iv) The holder continued to be a director of, employee of or engaged by the Company (as relevant). <p>The number of Shares that may be issued on exercise and the price for Shares required to meet the condition in (a)(i) may be adjusted if there is a reorganisation of the Company's Share capital.</p>

Names of persons who received securities or basis on which those persons were determined	(a) 1,000,000 received by Mr Eduard Eshys (b) 250,000 received by Mr Michael Ilett (c) 1,000,000 received by Mr Bruce Parncutt AO (d) 250,000 received by Mr Ross Hutton (e) 50,000 received by Professor Ross Large (f) 50,000 received by Dr Stuart Bull (g) 50,000 received by Mr Barry Bourne (h) 50,000 received by Dr Neil Phillips (i) 50,000 received by Ms Cindie Jupp (k) 50,000 received by Mr Gregory Marks (l) 50,000 received by Mr David Hamlyn
Price	Nil
Discount to market price (if any)	N/A
Total consideration received	N/A
Amount of cash consideration spent	N/A
Use of cash consideration	N/A
Intended use for remaining amount of cash (if any)	N/A
Date of issue	6 July 2018
Number issued	(a) 6,545,587 (b) 6,545,587
Class and type of equity security	(a) Fully Paid Ordinary Shares (b) Unquoted Exercisable Options
Summary of terms	(a) Rank equally with Company's existing shares (b) The options- - have an exercise price of \$1.00; - will expire on 31 December 2021; and - may be exercised immediately upon their issue. Shares issued upon exercise of the options will rank pari passu with all other fully paid ordinary shares on issue in the Company.
Names of persons who received securities or basis on which those persons were determined	Eligible participants under the Entitlement offer dated 24 May 2018.

Price	(a) \$0.75 under a pro-rata non-renounceable rights issue (b) Nil consideration and exercisable at \$1.00 per share as the result of the exercise of the Options.
Discount to market price (if any)	\$0.01 (1.32%)
Total consideration received	\$4,909,190.25
Amount of cash consideration spent	\$4,332,746.25
Use of cash consideration	(a) to fund the transaction with De Grey Mining Limited as announced to ASX on 22 May 2018; (b) exploration expenditure; (c) general working capital; and (d) offer costs.
Intended use for remaining amount of cash (if any)	Remaining cash is to applied towards the identification and evaluation of opportunities with potential for gold, working capital purposes and the Company's exploration on the Yandan Gold Mine Pty Ltd Tenements.

Date of issue	8 June 2018
Number issued	3,288,041
Class and type of equity security	Fully Paid Ordinary Shares
Summary of terms	Rank equally with Company's existing shares
Names of persons who received securities or basis on which those persons were determined	Option holders
Price	\$0.40 per share
Discount to market price (if any)	\$0.417 (51.04%)
Total consideration received	\$1,315,216.40
Amount of cash consideration spent	\$1,315,216.40
Use of cash consideration	Proceeds of the funds raised through exercise of the options will be used to provide working capital, complete further exploration activities and research and development in sediment

	hosting deposits and fund the investment in De Grey Mining Ltd.
Intended use for remaining amount of cash (if any)	N/A

Date of issue	4 April 2018
Number issued	1,250,000
Class and type of equity security	Fully Paid Ordinary Shares
Summary of terms	Rank equally with Company's existing shares
Names of persons who received securities or basis on which those persons were determined	A range of sophisticated and professional investors
Price	\$0.80 per share
Discount to market price (if any)	\$1.793 (69.147%)
Total consideration received	\$1,000,000
Amount of cash consideration spent	\$1,000,000
Use of cash consideration	(a) to provide working capital, (b) to complete further exploration activities; (c) research and development in sediment hosted gold and cobalt mineralisation; and (d) to undertake drilling.
Intended use for remaining amount of cash (if any)	N/A

Information under Listing Rule 7.3A.2

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated under the formula in Listing Rule 7.1A (2) as at the date of this notice.

The table shows two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting.

The table below also shows two examples where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the market price on 4 October 2018 being the last trading day before the valuation was undertaken.

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$ 0.350 50% decrease in Issue Price	\$ 0.700 Issue Price	\$ 1.400 100% increase in Issue Price
Current Variable A 25,141,544	10% Voting dilution	2,514,154	2,514,154	2,514,154
	Funds raised	\$879,954	\$1,759,908	\$3,519,816
50% increase in current Variable A 37,712,316	10% Voting dilution	3,771,232	3,771,232	3,771,232
	Funds raised	\$1,319,931	\$2,639,862	\$5,279,725
100% increase in current Variable A 50,283,088	10% Voting dilution	5,028,309	5,028,309	5,028,309
	Funds raised	\$1,759,908	\$3,519,816	\$7,039,633

*Note: Current variable A refers to the calculation required by Listing Rule 7.1A.2 which, in the Company's case, equates to the current issued share capital of the Company.

The above table has been prepared on the assumptions set out below.

- The Company issues the maximum number of Shares available under the 10% Listing Rule 7.1A approval.
- No options are exercised to convert into Shares before the date of the issue of the Shares available under Listing Rule 7.1A.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of share issue under Listing Rule 7.1A, based on that shareholder's holding at the date of the meeting.
- The table shows only the effect of issues of equity securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- The issue of Shares under Listing Rule 7.1A consists only of ordinary shares in the Company.
- The issue price is \$0.70, being the closing price of the shares on ASX on 4 October 2018.

Listing Rule 7.1A requires resolution 6 to be passed as a special resolution. A special resolution needs approval by at least 75% of the votes cast by Shareholders entitled to vote on this resolution.

Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour this resolution.

Resolution 7: Approval to issue shares and options to the Managing Director, Mr. Darryl Clark

The Company is seeking approval for the issue of 133,333 Shares in the Company, at an issue price of \$0.75 each, and 133,333 free attaching Options to subscribe for an additional share, at an exercise price of \$1.00.

The Options will have an expiry date of 31 December 2021, and will be on the following terms:

Exercise of Options	<p>Each Option is exercisable immediately on issue. The Options may be exercised at any time before their expiry date, by delivering a duly completed form of notice of exercise together with a cheque for the exercise price. DGO Gold will issue one Share for each Option exercised.</p> <p>The holder may only exercise a minimum of 10,000 Options on any particular occasion, unless the holder has, in total, less than 10,000 Options, in which case they must exercise all their Options at the same time.</p> <p>The exercise of each Option is subject to compliance with the Corporations Act (in particular, the requirements of Chapter 6 of the Corporations Act).</p>
Transfer and security interest	<p>The holder may only:</p> <p>(a) create a security interest in; or</p> <p>(b) transfer, assign, dispose or otherwise deal with, Options, or any interest in the Options, with the prior written consent of the Board.</p>
Terms of Shares issued	<p>Any Shares issued as a result of exercising an Option will be issued on the same terms and rank in all respects on equal terms, with existing Shares.</p>
Quotation of Shares issued	<p>Application for official quotation of Shares allotted and issued as a result of the exercise of the Options will be made within three Business Days from the date of issue of the Shares.</p>
Expiration of Options	<p>Each Option will expire on 31 December 2021</p>
Issue price of Options	<p>No issue price is payable for the Options.</p>
Exercise price of Options.	<p>\$1.00 upon exercise to acquire each Share.</p>
Option register	<p>Options will be registered in the name of the holder in an option register maintained by the share registry. The share registry will issue holding statements that evidence the number of Options held. No option certificates will be issued.</p>
Reconstruction of capital	<p>If there is a reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of DGO Gold:</p> <p>(a) the number of Options or the exercise price of the Options or both will be adjusted as specified in Listing Rule 7.22 as it applies at the time of the reorganisation; and</p>

	(b) in all other respects the terms for the exercise of the Options will remain unchanged.
No adjustment for pro rata share issues	There will be no adjustment to the terms of the Options if there is a pro rata issue of Shares.
Adjustment for issue of bonus shares	If there is a bonus issue of Shares, the number of Shares issued upon exercise of the Options will be adjusted as specified in Listing Rule 6.22.3.
New issues of Shares	The Options do not confer a right to participate in new issues of Shares unless the Options have been exercised on or before the record date for determining entitlements to the issue.
Notice of adjustments	DGO Gold will give written notice to the Option holder of any adjustment of the exercise price of the Options and any increase or decrease in the number of Options.
Dividend rights	While they remain unexercised, the Options will not give a holder an entitlement to receive any dividends declared and paid by DGO Gold for Shares.
Applicable law	Each Option is issued subject to: (a) the Corporations Act; (b) the Listing Rules; and (c) the Company's constitution.
Quotation	The Company will not apply to ASX for official quotation of any of the Options.

Reason for seeking shareholder approval

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits a public company from giving a Financial Benefit to a Related Party of the public company unless providing the benefit falls within a prescribed exception to the general prohibition. Relevantly, there is an exception if the company first obtains the approval of its shareholders in a general meeting in circumstances where certain requirements specified in Chapter 2E in relation to the convening of that meeting have been met.

A "Related Party" is defined widely in section 228 of the Corporations Act and includes, relevantly, a director (or proposed director) of a public company and any entity that is controlled by a director of the public company.

A "Financial Benefit" for the purposes of the Corporations Act has a very wide meaning. It includes the public company paying money or issuing securities to the Related Party.

The Managing Director is a Related Party and the proposed issue of Shares and Options to the Managing Director is a Financial Benefit.

Accordingly, the Company seeks shareholder approval for the issue of the Shares and Options to the Managing Director under Chapter 2E Corporations Act.

Listing Rule 10.11

Listing Rule 10.11 requires that an entity must obtain the approval of shareholders to issue securities to a Related Party and in doing so must provide the information specified in Listing Rule 10.13, unless an exception applies.

Listing Rule 7.1 prohibits a listed company, except in certain cases, from issuing in any 12-month period new Equity Securities equivalent in number to more than 15% of the total number of ordinary securities on issue at the beginning of the twelve month period (15% Capacity) without the prior approval of a majority of disinterested shareholders, or the issue otherwise comes within one of the exceptions to Listing Rule 7.1 (15% Rule).

However, under Listing Rule 7.2 (Exception 14), if approval is given under Listing Rule 10.11, approval will not be required under Listing Rule 7.1. Therefore, the issue of the Shares and Options to the Managing Director under Resolution 7, if passed, will not count towards the Company's 15% Capacity under Listing Rule 7.1.

Resolution 7, if passed, will involve the issue of Shares and Options to the Managing Director, Mr. Darryl Clark being a Related Party of the Company.

Specific information – Sections 219(1)(a) and 219(1)(b) Corporations Act

For the purposes of Chapter 2E of the Corporations Act the following Related Party and benefit information is provided to shareholders.

The Related Party to whom Resolution 7 would permit the financial benefit to be give pursuant to section 219(1)(a) Corporations Act is Mr. Darryl Clark who is the Managing Director of the Company and therefore, a Related Party. The nature of the benefit pursuant to section 219(1)(b) Corporations Act for Mr. Darryl Clark is 133,333 Shares and 133,333 Options on the terms set out above.

Directors' Recommendations (section 219(1)(c))

The Directors (with Mr. Darryl Clark abstaining) recommend that shareholders vote in favour of Resolution 7, because the Directors (with the exception of Mr. Darryl Clark) believe that the ownership of equity interests in the Company by Mr Clark will align his interests with that of other shareholders.

However, it must be recognised that there will be a potential opportunity cost to the Company, due to the dilutionary impact of the issue of Shares on the exercise of the Options where the strike price of the Option is below the market value of a Share.

As Mr. Darryl Clark is interested in the outcome of Resolution 7, he accordingly makes no recommendation to Shareholders in respect of this resolution.

Directors' Interest and other remuneration (section 219(1)(d))

Mr. Darryl Clark has a material personal interest in the outcome of Resolution 7 as it is proposed that Shares and Options will be issued to him.

At 4 October 2018, Mr. Darryl Clark held 6,666 shares in the Company.

Valuation of Shares

The Company intends to apply for the Shares issued to Mr Clark to be quoted on the ASX. The value of the Shares will be the prevailing market value at the time of their issue. As at 4 October 2018 the market price of a Share was \$0.70. This is \$0.05 per share lower than the price Mr. Darryl Clark has agreed to pay for the Shares, resulting in the Company receiving a premium of \$6,667.00 for the issue of the 133,333 Shares based on the price of a Share at 4 October 2018.

Valuation of Options

The value of Shares on the close of trading on 4 October 2018 was \$0.70.

There are various formulae which can be applied to determining the theoretical valuation of the Options (including the formula known as the Black-Scholes Model and the Monte-Carlo simulation. The Company has undertaken a valuation of the Options, for the purposes of providing the guidance to shareholders in this Explanatory Memorandum to decide whether or not it is in the Company's best interest to pass Resolution 7, using The Black-Scholes Model.

The value of an option calculated by the Black-Scholes Model is a function of the relationship between a number of variables, being the price of the underlying Share at the time of issue, the exercise price, the time to expiry, the risk-free interest rate, the volatility of the Company's underlying Share price and expected dividends.

Inherent in the Black-Scholes model are a number of inputs, some of which must be assumed. The data relied upon in applying the Black-Scholes Model in respect of the Options includes:

- (a) the exercise price of each Option being \$1.00;
- (b) a grant date market price of Shares of \$0.70 (being the trading price of the Shares on the close of trading on 4 October 2018 being the last day prior to the valuation being carried out);
- (c) vesting and expiry date of 31 December 2021;
- (d) a volatility measure of 90%;
- (e) a risk-free interest rate of 2.4%; and
- (f) a dividend yield of 0%.

Based on this valuation of the Options, the value of the 133,333 Options proposed to be issued to Mr. Darryl Clark is \$48,448.

Other information that is reasonably required by Shareholders to make a decision and that is known to the Company or any of its Directors (section 219(1)(e) and 219(2))

There is no other information known to the Company or any of its Directors save and except as follows:

- (g) Market price movements

The Options valuation noted above is based on a market price per Share of \$0.70 which is the closing trading price on 4 October 2018 which is the trading date immediately before the valuation was carried out. There is a possibility that the market price of the Company's shares will change up to the date of the Annual General Meeting.

(h) Opportunity Costs

The opportunity costs and benefits foregone by the Company issuing the Options is the potentially dilutionary impact on the issued share capital of the Company on their exercise. To the extent that the dilutionary impact caused by the exercise of the Options will be detrimental to the Company, this is considered to be more than offset by the advantages accruing from the Company in ensuring that Mr Clark's interests are aligned with the Company.

(i) Dilutionary Effect and Directors' holdings

The effect that the issue of the Shares and exercise of the Options will have on the interests of Mr Clark, relative to other members' interests, is set out in the following table. The table assumes no further issues of shares in, or reconstruction of the capital of, the Company during the time between issue and exercise of the Options.

Tables showing dilution in shareholding as a result of issue of Shares and exercise of Options if approval is granted under Resolution 7

Prior to approval being granted

	Number of Shares	Percentage of Shares on issue
Shares currently on issue as at the date of this notice	25,141,544	100.00%
Shares currently held by Mr Darryl Clark	6,666	0.027%
Shares currently held by other Shareholders	25,134,878	99.973%

If approval is granted to issue the Shares and Options under Resolution 7, and the Options are exercised and approval is granted to issue Performance Rights under Resolution 5, and those Performance Rights are exercised

	Number of Shares	Percentage of Shares on issue
Shares on issue after issue of Shares exercise of all Options	25,408,210	100.00%
Shares held by Mr Darryl Clark	273,332	1.076%
Shares held by other Shareholders	25,134,878	98.924%

If approval is granted to issue the Shares and Options under Resolution 7, and the Options are exercised and approval is granted to issue Performance Rights under Resolution 5, and those Performance Rights are exercised

	Number of Shares	Percentage of Shares on issue
Shares on issue following issue of Shares and exercise of Options and Performance Rights	25,908,210	100.00%
Shares held by Mr Darryl Clark	773,332	2.985%
Shares held by other Shareholders	25,134,878	97.015%

Note: Performance rights and Options were granted to a number of other parties pursuant to approval granted at the general meeting of the Company held on 27 September 2018. The above tables do not take into account other Shares that may be issued by the Company, pursuant to those performance rights or Options or otherwise.

Save as set out in this Explanatory Memorandum, the Directors are not aware of any other information that will be reasonably required by Shareholders to make a decision in relation to the benefits contemplated by Resolution 7.

Specific information - Listing Rule 10.13

For the purposes of Listing Rule 10.13, the following information is provided:-

(a) The related party:

Mr. Darryl Clark

(b) The maximum number of securities issued:

133,333 Shares

133,333 Options

(c) The Shares and Options will, subject to Shareholder approval, be issued as soon as possible after the Annual General Meeting but in any event within one month following the Meeting.

(d) The Shares will be issued for \$0.75 per share (being a total consideration of \$99,999.75).

(e) The Options will be issued for nil consideration and expire on 31 December 2021 in accordance with their terms outlined above.

(f) The funds raised from the issue of the Shares will be used for general working capital, costs of the issue and for completing further exploration activities that focus on the discovery of sediment hosted gold deposits in Australia.

Enquiries

Please direct any enquiries in relation to the Meeting, the resolutions or this Explanatory Memorandum to Mr Mark Licciardo, Company Secretary at:

Postal Address:

Mertons Corporate Services Pty Ltd
Level 7, 330 Collins Street, Melbourne VIC 3000

Telephone: + 61 03 8689 9997

Facsimile: + 61 03 9602 4709

Email: markl@mertons.com.au

Definitions

A number of capitalised terms are used throughout this notice of meeting and explanatory memorandum. Capitalised terms in this notice of meeting have the same meaning given to them in the Corporations Act (unless otherwise defined below). Except to the extent the context otherwise requires:

Term	Definition
Annual General Meeting or Meeting	means the annual general meeting of the Company contemplated by this Notice.
ASIC	means the Australian Securities & Investments Commission.
Associate	Has the meaning given in sections 12 and 16 of the Corporations Act. Section 12 is to be applied as if paragraph 12(1)(a) included a reference to the Listing Rules and on the basis that the Company is a “designated body” for the purposes of that section. A related party of a Director or officer of the Company is to be taken to be an associate of the Director or officer unless the contrary is established.
ASX	means ASX Limited ACN 008 624 691.
BDO	means BDO Audit Pty Ltd.
Board	means the board of Directors of the Company.
Closely Related Party	has the meaning set out in the Corporations Act.
Company	means DGO Gold Limited ACN 124 562 849.
Constitution	means the Constitution of the Company.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Corporations Regulations	means the <i>Corporations Regulations 2001</i> (Cth).
Directors	means the Directors of the Company.
Explanatory Memorandum	means the Explanatory Memorandum attached to the Notice of Meeting.
Key Management Personnel	means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).
Listing Rules	means the official listing rules of ASX.
Notice or Notice of Meeting	means the General Meeting of Shareholders contemplated by this Notice.
Remuneration Report	means the section of the Directors’ Report for the 2018 Financial year that is included under section 300A(1) Corporations Act.
Share	means a fully paid ordinary share in the Company.
Shareholders	means the holders of shares in the Company from time to time.

Appendix A

Terms of Performance Rights proposed to be issued to Directors

The following are the terms of issue of the Performance Rights.

1 Definitions

ASX means ASX Limited or, as the context requires, the financial market known as the Australian Securities Exchange operated by it.

Business Day means a day on which Banks are open for business in Melbourne other than a Saturday, a Sunday or a public holiday.

Company means DGO Gold Limited (ACN 124 562 849).

Group means the Company and its subsidiaries.

Change in Control Expiry Event means:

- (a) a takeover bid is made for the Shares at a price or value which is equal to or less than the Target Price per Share and the bidder becomes entitled to compulsorily acquire the Shares; or
- (b) a court orders a meeting to be held in relation to a proposed scheme of arrangement in relation to the Company at a price or value which is equal to or less than the Target Price per Share and Shareholders approve the scheme resolutions by the requisite majority.

Conversion Date means ten Business Days after the Company receives the Conversion Election Notice.

Conversion Rate means the rate of conversion of each Performance Right into Shares, being 1 Share for 1 Performance Right held, as adjusted under Condition 3.5.

Conversion Trigger means the earliest to occur of:

- (a) the 90 day volume weighted average price exceeds the Target Price per Share within the period from issue until 30 November 2021;
- (b) a takeover bid is made for the Shares at a price or value which exceeds the Target Price per Share and the bidder confirms that the takeover bid is unconditional; and
- (c) if a court orders a meeting to be held in relation to a proposed scheme of arrangement in relation to the Company at a price or value which exceeds the Target Price per Share and shareholders approve the scheme resolution by the requisite majorities.

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

Expiry Date means, the earlier of:

- (a) 1 December 2021, if a Conversion Trigger has not occurred before that date; or;
- (b) the date on which the Holder ceases to be a director of the Company if a Conversion Trigger has not occurred before that date;

- For personal use only
- (c) the date on which a Change of Control Expiry Event occurs;
 - (d) if a Conversion Trigger set out in paragraph (b) or (c) of the definition of 'Conversion Trigger' has occurred, the date determined by the Company's board and notified to the Holder in a Conversion Election Notice which must be no less than 10 Business Days after the date of the Conversion Election Notice; and
 - (e) 10 December 2022.

Holder means a registered holder of a Performance Right.

Listing Rules means the ASX Listing Rules.

Performance Right means, at any time, so many of these Performance Rights created and issued by the Company under these Conditions of Issue as are outstanding.

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

Target Price per Share means, \$2.00 per Share as adjusted under Condition 3.5.

2 General Terms of Issue

Terms of Issue

2.1 Each Performance Right shall:

- (a) potentially convert in the manner and at the times provided by Condition 3 into Shares; and
- (b) lapse on the Expiry Date if it has not been subject to Conversion by then.

Status

2.2 The Performance Rights:

- (a) do not (unless and until a Conversion Trigger has occurred, the Holder has exercised the Performance Right and Shares are issued) confer on Performance Right Holders any right as a member or shareholder of the Company, including voting rights; and
- (b) confer on Performance Right Holders a right to be given copies of documents sent by the Company to shareholders (whether in connection with a general meeting of Shareholders or otherwise).

2.3 Each Holder by accepting an issue of Performance Rights:

- (a) agrees to be bound by these Conditions;
- (b) acknowledges that it has contractual rights as set out in these conditions but that the Performance Rights do not (unless and until a Conversion Trigger has occurred, the Holder has exercised the Performance Right and Shares are issued) confer any right as a member or shareholder of the Company; and
- (c) acknowledges the possibility that the Performance Rights may expire and will not be capable of exercise.

3 Conversion to shares

- 3.1 The Company must, if a Conversion Trigger occurs give notice in writing to each Holder (other than where the Holder's Performance Rights have expired) (**Conversion Election Notice**).
- 3.2 Upon receipt of a Conversion Election Notice each Holder shall have a right to elect to convert each Performance Right to Shares at the Conversion Rate provided that the Expiry Date has not occurred by giving notice in writing to the Company at any time prior to the Expiry Date. (**Election Notice**). The Holder may, in its Election Notice, provide details of its nominee that is to be issued Shares on conversion of the Performance Rights, provided that, the nominee covenants with the Company on the same terms as the Holder provides any such covenant under these Conditions or otherwise reasonably required by the Company's board of directors.
- 3.3 Upon receipt of an Election Notice the Company shall issue the Shares arising from Conversion as soon as reasonably practicable and in any event no later than ten Business Days after receipt of the Election Notice.
- 3.4 If a Holder has not given a valid Election Notice prior to the Expiry Date each Performance Right will automatically expire and any entitlement to exercise the Performance Right and convert to Shares shall cease on the Expiry Date.

Adjustment of Conversion Rate and/or Target Price per Share

- 3.5 If the Company reorganises its capital, the Conversion Rate and Target Price per Share will be adjusted in accordance with the Listing Rules applicable at the time of the reorganisation, and so that Holders will not receive a benefit that holders of Shares do not receive. Unless the Listing Rules require otherwise, the Conversion Rate and Target Price per Share must be adjusted as follows:

Reduction in capital:

- (a) If the issued capital of the Company is reduced, the Target Price per Share will be reduced by the same amount as the amount of issued capital reduced on each Share (subject to any provisions with respect to the rounding of entitlements as may be sanctioned by the meeting of the members of the Company approving the reduction of capital) but in all other respects the terms of the Performance Rights will remain unchanged, including the Conversion Rate;

Consolidation of capital:

- (b) If the issued capital of the Company is consolidated, the Conversion Rate will be reduced in the same proportion and manner as the issued capital is so consolidated (subject to any provisions with respect to the rounding of entitlements as may be sanctioned by the meeting of the members of the Company approving the consolidation of capital) and the Target Price per Share will be increased in inverse proportion to the consolidation of issued capital, but in all other respects the terms of the Performance Rights will remain unchanged; and

Subdivision of Capital:

- (c) If the issued capital of the Company is subdivided, the Conversion Rate will be increased in the same proportion and manner as the issued capital is so subdivided (subject to any provisions with respect to the rounding of entitlements as may be sanctioned by the

meeting of the members of the Company approving the subdivision of capital) and the Target Price per Share will be decreased in inverse proportion to the subdivision of issued capital but in all other respects the terms of the Performance Rights will remain unchanged.

Conversion to Shares

- 3.6 Subject to these conditions of issue, the Company covenants with each Performance Right Holder that, subject to the issue of Shares being consistent with any applicable law or the Listing Rules, it will issue Shares for the Performance Rights at the Conversion Rate on the Conversion Date.
- 3.7 Any Shares issued upon conversion of Performance Rights will rank in all respects equally with the then existing Shares of the Company and will rank for dividends declared by the Company on its Shares after the Conversion Date of the Performance Rights. Prior to conversion, the Performance Rights do not confer any entitlement to a dividend.
- 3.8 After the issue of such Shares, if the Company is listed on the ASX, the Company will apply for quotation of such Shares on the ASX to allow them to be traded.

Costs of Conversion and listing

- 3.9 Except as otherwise stated in these Conditions, the Company will pay the expenses (but excluding any taxes or stamp duties for which the holders of Shares would ordinarily be liable) of the issue of, and all expenses of obtaining a listing for, Shares issued on Conversion.

Conversion Right warranties

- 3.10 The Company must, whilst the Performance Rights have neither expired nor converted into Shares:
- (a) **Listing:** subject to Condition 3.3, use its best endeavours to promptly give to the Holders notice of any delisting of the Shares (as a class) by the ASX, or any other stock exchange on which they are listed from time to time;
 - (b) **Conversion to ordinary Shares:** ensure that all Shares issued upon conversion of a Performance Right will be duly and validly issued, fully paid and registered in the name of the Holder or its nominee set out in the Holder's Election Notice; and
 - (c) **Consents:** use reasonable endeavours to obtain, as and when required, and having once obtained, maintain, all necessary governmental and regulatory consents to enable the Company to allot and issue the Shares to be issued upon conversion of the Performance Rights, other than any approval or consent required in respect of section 606 Corporations Act or the *Foreign Acquisitions and Takeovers Act 1975* (Cth) which shall be the sole responsibility of the Holder.

Bound by Constitution

- 3.11 Each Holder acknowledges that on the issue of Shares on the Conversion Date, the Holder or its nominee will be bound by the Constitution of the Company in so far as it relates to Shares.

External Administration

- 3.12 If the Company becomes an externally-administered body corporate (within the meaning of the Corporations Act) and notwithstanding any other provision of these Conditions, the Performance Rights will expire (and any entitlement to Conversion shall thereupon cease without conferring any

right to participate in the surplus profit or assets of the Company).

4 Title to Performance Rights

4.1 Except as ordered by a court of competent jurisdiction or as required by law, the Company:

- (a) may treat the registered holder of any Performance Right as the absolute owner (notwithstanding any notice of ownership or writing on the Performance Right or any notice of previous loss or theft or of any trust or any other interest);
- (b) is not required to obtain any proof of ownership and is not required to verify the identity of the registered holder; and
- (c) is not required to recognise or give effect to any legal or equitable interest in any Performance Right not entered on the Register notwithstanding that the Issuer may have actual or constructive notice thereof.

5 Non transferability

5.1 The Performance Rights will not be listed and are not transferable.

5.2 Any person becoming entitled to Performance Rights in consequence of the death or bankruptcy of any holder of such Performance Rights, may, upon producing evidence of the Holder's title as the Directors shall think sufficient, be registered as the holder of such Performance Rights.

6 Non-Redeemable

6.1 The Performance Rights are not redeemable in any circumstance by the Company.

7 Notices

7.1 A notice given to a Holder pursuant to a provision of these Conditions shall be in writing or electronic form and may be given to a Holder by being delivered to him by e-mail, facsimile, or posted in a pre-paid envelope and addressed to the address appearing in the register or to such other address as he has notified the Company in writing.

7.2 A notice given to any one of joint Performance Right Holders is sufficient notice to all of those joint Performance Right Holders.

8 Conditions Binding on Parties and Successors

8.1 These Conditions shall be binding on the Company and the Holders and all persons claiming through or under them respectively. These Conditions shall be governed by and construed in accordance with the laws of Queensland.

9 Amendment

9.1 These Conditions may only be amended if the board of the Company determines that such amendment is necessary to:

- (a) enable the Company to comply with the Listing Rules, Corporations Act or other Australian law; or
- (b) to correct any manifest error or mistake,

and the board of the Company provides notice to each Holder accordingly.

10 Attorney

- 10.1 Each Holder in consideration of the grant of the Performance Right shall be deemed to have irrevocably appointed the Company and each of its directors severally as its attorney to complete and executed any documents which give effect to these conditions and to do all acts or things on behalf of or in the name of the Holder which may be convenient or necessary for the purposes of giving effect to the provisions of these conditions, and each Holder shall be deemed to covenant to ratify and confirm any act or thing done pursuant to this power and shall release the Company and each of its directors from any liability whatsoever arising from the exercise of the power conferred by this condition and shall indemnify and hold harmless the Company and each of its directors in respect thereof.

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 **ONLINE**
www.linkmarketservices.com.au

 **BY MAIL**
DGO Gold Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

 **BY FAX**
+61 2 9287 0309

 **BY HAND**
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138; or
Level 12, 680 George Street, Sydney NSW 2000

 **ALL ENQUIRIES TO**
Telephone: +61 1300 554 474

PROXY FORM

I/We being a member(s) of DGO Gold Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **1:30pm (AEDT) on Wednesday, 28 November 2018 at the offices of BDO, Collins Square, Tower Four, Level 18, 727 Collins Street, Melbourne, Victoria 3008 (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolution 1: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 1, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an .

Resolutions

Resolutions	For	Against	Abstain*	For	Against	Abstain*
1 Remuneration Report	<input type="checkbox"/>					
2 Re-election of Mr Michael Ilett as a Director	<input type="checkbox"/>					
3 Election of Mr Bruce Parncutt AO as a Director	<input type="checkbox"/>					
4 Election of Mr Darryl Clark as a Director	<input type="checkbox"/>					
5 Approval to Issue Performance Rights to the Managing Director, Mr Darryl Clark	<input type="checkbox"/>					
6 Approval of additional capacity to issue Shares under Listing Rule 7.1A	<input type="checkbox"/>					
7 Approval to issue Shares and Options to the Managing Director, Mr Darryl Clark	<input type="checkbox"/>					

 * If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

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STEP 1

STEP 2

STEP 3

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

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.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may 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.

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's share registry or you may copy this form and return them both together.

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.

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 shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge 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.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **1:30pm (AEDT) on Monday, 26 November 2018**, 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:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MAIL

DGO Gold Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138
or
Level 12
680 George Street
Sydney NSW 2000

* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**