



DGO Gold Limited

ABN 96 124 562 849

Level 9, 63 Exhibition Street
Melbourne VIC 3000
Australia

Telephone: + 61 3 9133 6251
Facsimile: + 61 3 9691 6899
Email: admin@dgogold.com.au
Website: www.dgogold.com.au

12 March 2020

DGO Gold increases its holding in De Grey Mining Ltd

Key Points

- **DGO Gold increases its holding in De Grey Mining Ltd from 10.7% to approximately 16.4% of issued capital.**
- **This will be achieved in two ways:**
 - 1) **The exercise of all the options DGO Gold holds in De Grey to acquire 22.5m De Grey shares.**
 - 2) **The acquisition of 41m De Grey shares in exchange for DGO shares and options.**

DGO Gold Limited (DGO) announces its intention to increase its holding of shares in De Grey Mining (De Grey) from its current holding of 10.7% to approximately 16.4%.

DGO Gold has advised De Grey of its intention to exercise all the options DGO holds in De Grey with immediate effect. This will involve payment to De Grey of \$4.75 million as follows:

10 million options exercisable at 10c	\$1.0m
12.5 million options exercisable at 30c	\$3.75m
Total consideration	\$4.75m

In addition, DGO has entered into agreements with 3 vendors for the purchase of a total of 40.9 million shares in De Grey in return for the issue of 6.5 million DGO shares and 3.3 million DGO options. The options will have an exercise price of \$2.50 and expiry date of 30 June 2022. The 3 vendors, Ginga Pty Ltd and its associated entity Thirty Sixth Vilmar Pty Ltd, Regal Funds Management Pty Ltd and Andama Holdings Pty Ltd, are existing substantial shareholders in DGO.

The placement of DGO Gold shares and options to complete the acquisition of De Grey shares will require the approval of DGO shareholders under ASX listing rule 10.11. A general meeting of shareholders will be called as soon as practical.

For personal use only

***DGO Executive Chairman, Eduard Eshuys, commented** “DGO Gold is pleased to be able to show its commitment to De Grey and the Mallina Gold Province project. We will continue to work closely with the Board of De Grey to maximise long term value for all shareholders.”*



Eduard Eshuys
Executive Chairman

DGO GOLD

DGO's strategy is to build a portfolio of Western Australian gold discovery opportunities primarily through strategic equity investment and also through tenement acquisition and joint ventures. DGO seeks to identify and invest in gold discovery opportunities that meet three key criteria:

Low-finding cost – Brownfield gold discovery opportunities where finding costs are assessed to be comparable to the brownfields average of \$20 per ounce.

Potential for scale – Initial resource potential of greater than 3 million ounces, required to support successful development.

Upside Optionality – Potential for long term resource growth well beyond 3 million ounces and potential for upside surprise via either a world class discovery (+5 million ounces) or substantial high grade mineralization.

DGO holds strategic gold and copper/gold exploration land positions in Western Australia and South Australia where it would expect to participate as a funded joint venture partner or shareholder by way of equity exchange.

The Company's exploration strategy is led by veteran gold geologist, Executive Chairman, Eduard Eshuys, supported by a specialist consultant team comprising, Professor Ross Large AO, former head of the Centre for Ore Deposits and Earth Sciences (CODES), Professor Neil Phillips, former head of Minerals at CSIRO and a specialist in Witwatersrand basin gold mineralization, Dr Stuart Bull, a sedimentary basin and Zambian Copper Belt specialist, and Barry Bourne of Terra Resources, a highly experienced mineral exploration geophysicist.

For personal use only