

16 September 2020

DGO Gold Placement to raise \$28.5M

Key Points

- Share placement priced at \$3.45 per share, representing a 4.7% discount to the last closing price and a 9.1% discount to the 10-day VWAP
- The \$28.5m raised will be used to acquire additional shares in De Grey Mining's (ASX: DEG) recent share placement, fund the commitment to Yilgarn Exploration and ongoing exploration of DGO's greenfield targets.

DGO Gold Limited (ASX: DGO) is pleased to announce that it has received firm commitments for \$28.5 million worth of shares in a placement at \$3.45 per share ("Placement").

DGO will invest \$12 million of the proceeds in De Grey Mining Limited ("De Grey") via De Grey's recently announced share placement. Up to a further \$8 million will be allocated in ongoing greenfield exploration of DGO's own assets and \$2 million is earmarked for investment in Yilgarn Exploration Venture Pty Ltd.

The Placement was well supported by existing institutional and private shareholders. The Company is also pleased to welcome several new Australian and international institutional shareholders.

"We are encouraged by the strong support for this raising," DGO Executive Chairman Eduard Eshuys said. "Existing holders and new investors have endorsed our greenfield and brownfield exploration strategy as well as the proposed follow-on investment of \$12 million in De Grey shares. Across our investee companies and our own tenements over the next 6 months DGO will have between 8 -12 drill rigs operating on a consistent basis."

Coinciding with the Placement, Mr Eshuys completed a partial sell down of 650,000 shares at the same price as the Placement. The majority of these proceeds will be used by Mr Eshuys to fund tax liabilities in relation to the issue of DGO performance rights.

Joint Lead Managers to the Placement were Bell Potter Securities Limited, Canaccord Genuity and MST Financial Services Pty Ltd.

Approved for release to ASX by the Board of DGO Gold Ltd.

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