

DGO Gold Limited

ACN 124 562 849

Financial Report for the half-year ended 31 December 2020

Contents	Page
Corporate directory	3
Directors' report	4
Auditor's independence declaration	9
Consolidated statement of profit or loss and other comprehensive income	10
Consolidated statement of financial position	11
Consolidated statement of changes in equity	12
Consolidated statement of cash flows	13
Notes to the consolidated financial statements	14
Directors' declaration	23
Independent auditor's review report	24
Resources	26

Corporate directory

Directors:	Mr. E. Eshuys (Executive Chairman) Mr. J. B. Parncutt AO (Executive Director) Mr. M.J. Ilett (Non-Executive Director – retired 31/08/2020) Mr. R. C. Hutton (Non-Executive Director) Ms. K. Law (Non-Executive Director)
Company secretary	Mr. M Ziemer (Chief Operating Officer)
Chief Financial Officer	Mr. A. Cook (appointed 12/02/2021) Ms. C. Jupp (resigned 12/02/2021)
Registered office and principal administrative office:	L9 63 Exhibition St Melbourne Vic 3000 Telephone: + 61 3 9133 6251
Share registry:	Link Market Services Limited Level 15, ANZ Building 324 Queen Street BRISBANE QLD 4000 Postal Address: GPO Box 2537 BRISBANE QLD 4001 Telephone: 1300 554 474 Telephone: + 61 2 8280 7454 (overseas) Facsimile: + 61 2 8280 0303
Auditor:	BDO Audit Pty Ltd Level 10 12 Creek Street BRISBANE QLD 4000 Telephone: + 61 7 3237 5999 Facsimile: + 61 7 3221 9227
Lawyer:	Piper Alderman Level 23 459 Collins St MELBOURNE Vic 3000 Telephone: 61 3 8665 5555
Stock exchange listings:	DGO Gold Limited shares are quoted on ASX Limited (ASX Code: DGO).
Website:	www.dgogold.com.au
ABN:	96 124 562 849
Corporate Governance Statement	https://www.dgogold.com.au

DGO Gold Limited

Directors' report

The Directors of DGO Gold Limited (the Company or "DGO") submit herewith the consolidated financial report of DGO Gold Limited and its controlled entities (the Group) for the half-year ended 31 December 2020. In order to comply with the provisions of the *Corporations Act 2001*, the Directors report as follows:

Directors

The names and details of the Directors of the Company in office during the half-year and until the date of this report are:

Mr. Eduard Eshuys (Executive Chairman)
Mr. J. Bruce Parncutt AO (Executive Director)
Mr. Michael J. Ilett (Non-Executive Director) (Retired 31/08/2020)
Mr. Ross C. Hutton (Non-Executive Director)
Ms. Katina Law (Non-Executive Director)

Principal activities

The principal activity of the Group is to provide participation in a discovery leveraged exposure to gold by investing in listed brownfield explorers that satisfy key selection criteria and building strategic greenfields land positions. Focussing on building a portfolio of Western Australian brownfield discovery opportunities, through strategic equity investment and tenement acquisitions and joint ventures.

Operating results

The Group recorded a net loss after income tax of \$5,937,073 for the half-year ended 31 December 2020 (31 December 2019: net profit after income tax of \$2,510,246). The financial position and performance of the Group was particularly affected by the following events and transactions during the six months to 31 December 2020:

- Non-cash share based payments expense of \$5,220,558 relating to performance rights issued to directors, employees and consultants during the half year.
- Net gain of \$2,218,009 on investments classified as financial assets at fair value through profit or loss.
- Share in net loss on investment in associates of \$1,600,761.

Review of operations

DGO continues to advance its strategy of building a portfolio of strategic investments in the Australian gold exploration sector. Whilst holding projects owned directly by DGO together with stakes in ASX-listed companies with prospective gold exploration projects, the emphasis is on creating wealth for DGO shareholders by capitalising on the substantial difference between the relatively low cost of gold discovery and the significantly higher market valuations applied to growing gold resource inventories.

Brownfield Investments

Investment in De Grey Mining Limited (DGO 15.8%)

At 31 December 2020, DGO held 203,577,703 quoted shares in De Grey Mining Limited (DEG) with a market value of \$206,631,368 based on the closing share price on the ASX of \$1.015 (30 June 2020 167,259,561 shares with a market value of \$151,369,903).

During the period, DGO invested \$22.3 million via a share swap transaction and a placement agreement at \$0.28 per share as approved at the EGM dated 10 July 2020 and a placement at \$1.20 per share in October 2020, maintaining its position as De Grey's largest shareholder with approximately 15.8% of the ordinary shares of De Grey (prior to the exercise of options).

DeGrey continued to announce significant results from Hemi, including extending the mineralisation discovered at Falcon, and further high grade mineralisation at Falcon and Crow. Results for the period including:

- 92m @ 1.3g/t Au from 124m (Falcon Zone, ASX:DEG 13 January 2021)
- 17m @ 12.9g/t Au from 91m (Crow Zone, ASX:DEG 12 November 2020)
- 24.6m @ 2.7g/t Au from 244.36m (Aquila Zone, ASX:DEG 12 November 2020)
- 70.2m @ 1.5g/t Au from 100.9m (Brolga Zone, ASX:DEG 21 December 2020)

Investment in NTM Gold Limited (DGO 19.74%)

At 31 December 2020, DGO held 135,158,073 quoted shares in NTM Gold Limited (NTM) with a market value of \$19,597,920 based on the closing share price on the ASX of \$0.145 (30 June 2020 92,724,200 shares with a market

DGO Gold Limited

value of \$7,417,936). At 31 December 2020, DGO also held 60,000,000 unlisted options in NTM Gold Limited with a fair value of \$4,016,920.

During the period, DGO increased its investment through on-market purchases. DGO is NTM's largest shareholder with approximately 19.74% of the ordinary shares of NTM (prior to the exercise of options).

During the period, NTM announced its intention to merge with Dacian Gold (ASX:DCN) through a Scheme of Arrangement. Under the scheme NTM Shareholders will receive 1 Dacian share for every 2.7 NTM shares. NTM options, of which DGO holds 60 million, will be exchanged for 22.22 million Dacian options exercisable at \$0.27 expiring 31 March 2022. The NTM Board unanimously recommended the Scheme and DGO voted in favour of the Scheme.

NTM continued its discovery program along its Mertondale land position. During the period NTM identified high grade, down plunge extensions to the mineralisation at Hub with results of 5.5m @ 11.7 g/t Au from 529m (ASX:NTM 28 October 2020) and at Gully with results of 3m @ 7.0 g/t Au from 129m (ASX:NTM 13 January 2021)

Investment in Yilgarn Exploration Ventures Pty Ltd (DGO 40.0%)

At 31 December 2020, DGO held 400 shares in Yilgarn Exploration Ventures Pty Ltd, an unlisted company. The market value of the holding is \$2,000,000 (equivalent to cost).

Preliminary results from drilling the machine learning predicted targets at Desdemona North, Darlot North, and Christmas Well were received during the period. No significant gold mineralisation was intersected. Multi-element assays to determine proximity to mineralisation remain outstanding. The geological data generated by drilling is being evaluated.

First pass air core drilling was completed at Providence Bore and Mount Magnet targeting machine learning predicted targets at depth under cover. Results for the Mount Magnet North JV were received subsequent to the end of the reporting period, with shallow gold and multi element geo-chemistry results identifying a mineralisation system up to 2.5km long.

Refer to DGO's ASX announcements on 10 September 2020, 15 February 2021 and 4 March 2021.

Investment in Yandal Resources Limited (DGO 9.53%)

During the period, DGO acquired a 9.53% shareholding in Yandal Resources Limited (YRL) through a placement and on market purchases. The investment is an extension of DGO's brownfield gold discovery strategy.

YRL continued to announce significant, high grade results from a number of prospects including:

- Gordon's Dam: 8m @ 11.0g/t Au from 36m (ASX:YRL 8 October 2020)
- Sim's Find: 8m @ 27.8g/t Au from 12m (ASX:YRL 22 December 2020)
- Flinders Park: 16m @ 4.7g/t Au from 44m (ASX:YRL 22 December 2020)

In addition, YRL increased the strike length of Gordon's Dam to 1.5km (ASX:YRL 15 December 2020), achieved 97% recovery in metallurgical testing on mineralisation from Gordon's Dam (ASX:YRL 8 December 2020), and announced an updated resource for Flushing Meadows of 268Koz (ASX:YRL 4 November 2020).

Refer to DGO's ASX announcement on 20 October 2020.

Brownfield Exploration

Black Flag, Eastern Goldfields, W.A (DGO 100%)

Black Flag is located 20km northwest of Kalgoorlie in Western Australia's Eastern Goldfields.

A program of 15 reverse circulation (RC) holes totalling 2,100m of drilling was completed subsequent to the end of the period at Black Flag, 20km northwest of Kalgoorlie in Western Australia's Eastern Goldfields. The program tested the intersections of north-east, mineralising structures with the contact of an anticlinal structure delineated by porphyry intrusives.

Gold mineralisation is evident in historical wide-spaced air core drilling conducted by Placer Dome Asia Pacific from 2002 to 2006 (WAMEX Open File Reports A67339, A70545 and A72446) and Paddington Gold Mine in 2011 and 2012 (WAMEX Open File Report A94950) including 2m @ 8.2g/t Au from 58m to bottom of hole. Significantly, this result is located approximately 300m north-east of DGO's 2019 intersection of 12m @ 3.2g/t Au from 116m (ASX:DGO 30 January 2020)

The combination of these mineralised intersections, the extensive alteration identified, the area's structural complexity and proximity to both the Zuleika Shear Zone and the Abattoir Fault provides increasing evidence that Black Flag hosts a significant mineralised system.

DGO Gold Limited

The geological data generated by RC drilling is being evaluated.

Refer to DGO's announcement on 27 November 2021.

Lake Randall, Eastern Goldfields, W.A (DGO 70-100%)

DGO holds 230km² of untested, prospective terrain under shallow lake and transported sediment cover 50km east of Kambalda and 7km south of Silverlake Resources' Mt Belches Mining Centre. The Lake Randall target was generated as a result of a comprehensive review for sediment hosted gold mineralisation in the Eastern Goldfields of Western Australia.

A ground gravity survey in late 2019 identified fourteen targets with potential to host granite-associated Granny Smith style, and banded iron formation-associated Mt Belches-style, gold mineralisation beneath the lake sediments. DGO is currently finalising heritage approvals to conduct an aircore drilling program to test these targets.

Refer to DGO's ASX announcement on 28 January 2021.

Greenfield Exploration

Pernatty Lagoon, Stuart Shelf, SA (DGO 80-100%)

The Stuart Shelf contains BHP's world class Olympic Dam copper-gold-uranium mine, and a number of other major copper-gold deposits including Oz Minerals' Prominent Hill and Carrapateena operations.

DGO's stratiform sediment-hosted copper/gold discovery strategy is based on models from the Zambian Copper Belt (ZCB). The targeting program has delineated a ZCB style target at Pernatty in transition zone sediments between the outcropping Woocalla Dolomite and the deeper-basin Tapley Hill shales. The transition zone target is supported by ore grade copper mineralisation of 1.9m @ 1.7% Cu from 185m within a diamond core hole drilled in 1976 immediately east of the target zone (Open file report ENV02703).

During the half year, DGO expanded its land position through an agreement with Investigator Resources Limited to earn up to 80% interest in 5 exploration licences contiguous with DGO's land position by expenditure of \$6.35 million on exploration in stages over 5 years (minimum spend \$350,000 within 12 months). The agreement increased DGO's land position by 72% to 4,353km² covering a total transition zone strike of +100km. During the period DGO conducted a heritage survey with the Kokatha Aboriginal Corporation (KAC). Drill testing the transition zone target commenced in late February 2021.

DGO also continued to progress land access approvals for a drilling program on its 100% owned tenements. During the half year DGO completed a heritage survey with the Kokatha Aboriginal Corporation (KAC), accompanied by Australian Heritage Services and Euro Exploration. Negotiations of a Native Title Mining Agreement with KAC is currently being progressed.

Refer to DGO's ASX announcement on 21 September 2020 and 23 February 2021.

Bryah, Murchison, WA (DGO 70-100%)

Bryah is located 95km southwest of DeGrussa copper-gold mine, adjacent to Judge's Find, an area of known gold nugget occurrences where surface mining for gold has occurred for some time although the source of this alluvial gold is unknown. The area is prospective for sediment-hosted gold which is likely controlled by thrust-fault bounded, anticlinal structures at the contact of the Juderina Sandstone and Johnson Cairn Formation black shales, where EM targets identified by DGO are located.

During the period DGO completed the second phase of drilling to test sediment hosted gold and base metal and DeGrussa style copper/gold mineralisation. The targets resulted from the analysis of multi-element geochemistry from the first phase reverse circulation drilling, soil sampling programs, and geophysical datasets.

Analysis of the recent drilling results identified 2 target zones within the Juderina Formation where a number of the holes drilled exhibit a composite of base metal concentrations (a combination of copper, lead, zinc, barium and thallium concentrations) increasing with depth. These results are considered to indicate proximity to base metal mineralisation below or along strike of the recent holes.

The results demonstrate strong alteration within the Juderina Formation sediments consistent with proximity to copper-gold mineralisation. A third phase of drilling using a diamond drill rig will test the identified targets. This program commenced in the final week of February 2021.

Refer to DGO's ASX announcements on 5 October 2020, 28 January 2021 and 23 February 2021.

Yerrida, Murchison, WA (DGO 100%)

Yerrida is located in the Yerrida Basin, 75 kilometres south of the DeGrussa copper-gold mine. DGO's detailed data review and analysis has confirmed that the Yerrida Basin is prospective for both DeGrussa style copper-gold mineralisation and stratiform sediment-hosted copper deposits analogous to the world-class Zambian Copper Belt.

During the period DGO completed a follow-up drilling program testing VHMS targets identified in August 2020. The August drilling identified broad zones of alteration and anomalous Zn, Cu, Sb and Ag including 132m @ 1.3g/t Ag intersected proximal to the prospective black shale/mafic contact, representing a possible halo to VHMS mineralisation. In addition, gold mineralisation up to 2m @ 9.2g/t Au was intersected in quartz veining on mafic contact with shales.

The geological data generated by air core drilling is being evaluated.

Refer to DGO's ASX announcement on 27 November 2020.

Mallina, Pilbara, WA (DGO 100%)

Gold occurrences in this region are commonly sediment or intrusion hosted and associated with anticlinal axes, particularly where they intersect major structures. DGO's Mallina tenements adjoin De Grey's Mallina Gold Project and share a similar geological and structural setting. De Grey's Mallina Gold Project hosts substantial structurally controlled gold resources including the intrusion related gold at Hemi, 75km east-northeast of DGO's Scottie Well prospect.

DGO holds over 30kms of strike length of a major ENE-trending structure that parallels the Mallina Shear Zone (for comparison De Grey hold 200km of structures; ASX:DEG 11/11/2019). The intersection of both intrusives and anticlines with the structure in DGO's land is associated with a signature geochemical anomaly that defines the Scottie Well target.

During the period, DGO completed an aircore drilling program at Scottie Well, largely at 320m spacing on 1 to 2 km spaced lines, to evaluate the gold and arsenic in soil anomalies coincident with previously reported gold nuggets and magnetic and electromagnetic anomalies, which broadly correspond with the interpreted position of the ENE shear. This program was successful in identifying significant geochemical anomalies in elements such as gold (up to 0.7g/t), arsenic (up to 1200ppm), and antimony (up to 73ppm), particularly on the eastern and western most lines.

Analysis of De Grey's announced Hemi results show that gold mineralisation in this region occurs at depths greater than DGO has drilled and that the current size of Hemi could fit between DGO's first pass line spacing. Future work programs are waiting on heritage and regulatory approvals.

Refer to DGO's ASX announcement on 4 June 2020.

Tom Price, Pilbara, WA (DGO 80-100%)

DGO's land position covers a large, 70 km long regional anticlinal structure, with the Pyradie Formation outcropping in the central zone of the structure and interpreted to lie below younger units on the limbs. Previous exploration of the structure identified anomalous gold mineralization up to 2.8 g/t gold in rock chip samples of siliceous chert units assigned to the Pyradie Formation (IGO ASX announcement 28 July 2003).

During the period DGO was focused on seeking land access approvals for future work programs.

Deleta, Eastern Goldfields, W.A (DGO 100%)

Interpretation of historical geochemical datasets has identified gold and arsenic soil anomalies associated with structures within the Deleta Greenstone Belt to the west of the Yamarna Belt. DGO is progressing heritage approvals in preparation for additional soil sampling and drilling programs to evaluate the under-explored Deleta targets.

Traditional Owners

DGO acknowledges the traditional custodians of the land where we operate. Consistent with our Heritage and Community Policy, we endeavour to engage early, engage often and engage well with the Traditional Owners of the land where we conduct our exploration activities. DGO has native title agreements in place with six Traditional Owner groups.

Events subsequent to reporting date

NTM announced a merger with Dacian Gold Limited (ASX:DCN) on 16 November 2020. At a meeting held on 3 March 2021, shareholders approved by an overwhelming majority, the proposed merger. NTM Gold has applied to the Supreme Court of Western Australia for approval of the scheme at a hearing held on 5 March 2021. The Court approved the Scheme and NTM Gold has lodged the order of the Court with ASIC on 8 March 2021 and the Scheme became legally effective on that date.

NTM Shareholders are to receive 1 DCN share for every 2.7 NTM shares held at the Scheme Record Date. In conjunction, NTM Options to be exchanged for new Dacian Options at the 2.7 exchange ratio and on equivalent

DGO Gold Limited

terms. DGO is expected to hold 6.17% of the issued shares in DCN plus options to increase the holding to approximately 8.9% of DCN. The market value of DGO's holding in NTM at 12 March 2021 is \$18.92 million

The Company has committed to an investment in Yilgarn Exploration Ventures Pty Ltd (YEV) of \$4.0 million, which is payable in instalments - the first instalment of \$2.0 million was paid at the time of acquisition of the investment (16 July 2020), with the remaining \$2.0 million payable within 12 months of initial investment date. As at 31 December 2020, the Group has a commitment to pay the remaining instalment – due before 16 July 2021. On 1 March 2021 \$500,000 of this remaining \$2.0 million commitment was paid to YEV.

Auditor's independence declaration

The auditor's independence declaration is included on page 9 of the Half-Year Financial Report.

Signed in accordance with a resolution of directors made pursuant to s.306 (3)(a) of the *Corporations Act 2001*.

On behalf of the Directors,



Eduard Eshuys
Executive Chairman
Melbourne, 15 March 2021

DECLARATION OF INDEPENDENCE BY CAMERON HENRY TO THE DIRECTORS OF DGO GOLD LIMITED

As lead auditor for the review of DGO Gold Limited for the half-year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of DGO Gold Limited and the entities it controlled during the period.



Cameron Henry
Director

BDO Audit Pty Ltd

Brisbane, 15 March 2021

Consolidated statement of profit or loss and other comprehensive income for the half-year ended 31 December 2020

	Note	Consolidated	
		Half-year ended	
		31 Dec 2020	31 Dec 2019
		\$	\$
Revenue			
Interest income		3,344	8,090
Other Income		50,000	119,138
Net gains/(losses) on financial assets at fair value through profit or loss	6	2,218,009	3,743,458
Administration expenses		(790,631)	(187,864)
Consultants and contractor expenses		(275,009)	(80,844)
Depreciation expenses		(89,285)	(78,402)
Employee benefits expenses		(66,078)	(103,089)
Finance cost		(16,466)	(110,437)
Share based payments expenses	9	(5,220,558)	(305,011)
Exploration and evaluation expenditure		(149,638)	(250,582)
Share in net loss of investment in associate	7	(1,600,761)	(244,211)
Profit/(Loss) before income tax		(5,937,073)	2,510,246
Income tax expense		-	-
Net profit/(loss) for the half-year		(5,937,073)	2,510,246
Other comprehensive income, net of tax		-	-
Total comprehensive income/(loss) for the half-year		(5,937,073)	2,510,246
Profit/(Loss) per share			
Basic and diluted earnings/(loss) per share (cents per share)	10	(8.07)	7.37

Notes to the consolidated financial statements are included on pages 15 to 23.

Consolidated statement of financial position as at 31 December 2020

	Note	Consolidated	
		31 Dec 2020 \$	30 June 2020 \$
Current assets			
Cash and cash equivalents		15,880,802	11,544,067
Trade and other receivables		155,978	367,822
Total current assets		16,036,780	11,911,889
Non-current assets			
Financial assets at fair value through profit or loss	6	8,640,176	2,032,431
Investment in associates	7	66,133,472	37,908,851
Property, plant and equipment		155,859	98,170
Rights of use assets		256,764	314,307
Exploration and evaluation assets	5	7,224,329	4,823,239
Total non-current assets		82,410,600	45,176,998
Total assets		98,447,380	57,088,887
Current liabilities			
Trade and other payables		493,602	767,495
Lease Liabilities		130,286	106,316
Provisions		64,320	50,469
Total current liabilities		688,208	924,280
Non-current liabilities			
Lease Liabilities		173,770	240,761
Total non-current liabilities		173,770	240,761
Total liabilities		861,978	1,165,041
Net assets		97,585,402	55,923,846
Equity			
Issued capital	8	122,096,415	76,841,403
Reserves		7,249,466	4,905,849
Accumulated losses		(31,760,479)	(25,823,406)
Total equity		97,585,402	55,923,846

Notes to the consolidated financial statements are included on pages 15 to 23.

Consolidated statement of changes in equity for the half-year ended 31 December 2020

	Issued capital	Accumulated losses	Share-based payments reserve	Option Reserve	Total
Consolidated	\$	\$	\$	\$	\$
Balance at 1 July 2019	35,866,880	(25,735,785)	745,999	-	10,877,094
Profit for the half-year	-	2,510,246	-	-	2,510,246
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the half-year	-	2,510,246	-	-	2,510,246
<i>Transactions with owners in their capacity as owners:</i>					
Share based payments expense (Note 9)	-	-	305,011	-	305,011
Issue of shares (Note 8)	2,000,000	-	-	-	2,000,000
Share issue costs (Note 8)	(94,603)	-	-	-	(94,603)
	1,905,397	-	305,011	-	2,210,408
Balance at 31 December 2019	37,772,277	(23,225,539)	1,015,010	-	15,597,748
Balance at 1 July 2020	76,841,403	(25,823,406)	592,109	4,313,740	55,923,846
Net Loss for the half-year	-	(5,937,073)	-	-	(5,937,073)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the half-year	-	(5,937,073)	-	-	(5,937,073)
<i>Transactions with owners in their capacity as owners</i>					
Transfer from reserves for Performance Rights exercised	3,907,383	-	(3,907,383)	-	-
Share based payments expense (Note 9)	-	-	4,700,057	520,501	5,220,558
DEG/DGO Share Swap (Note 8)	4,191,782	-	-	1,030,442	5,222,224
Issue of shares (Note 8)	39,028,002	-	-	-	39,028,002
Share issue costs (Note 8)	(1,872,155)	-	-	-	(1,872,155)
Balance at 31 December 2020	122,096,415	(31,760,479)	1,384,783	5,864,683	97,585,402

Notes to the consolidated financial statements are included on pages 15 to 23.

Consolidated statement of cash flows for the half-year ended 31 December 2020

	Note	Consolidated	
		Half-year ended	
		31 Dec 2020	31 Dec 2019
		\$	\$
Cash flows from operating activities			
Payments to suppliers and employees		(1,508,862)	(344,190)
Interest received		3,345	17,255
Other income		50,000	63,636
Payments for exploration and evaluation activities		(41,102)	(29,326)
Net cash used in operating activities		(1,496,619)	(292,625)
Cash flows from investing activities			
Receivables and deposits		15,291	-
Proceeds from sale of investments	6	539,814	-
Payments for property plant and equipment		(98,589)	(148,567)
Payments for exploration and evaluation assets	5	(2,236,541)	(1,570,838)
Payments for financial assets at fair value through profit or loss	6	(4,929,562)	(4,335,391)
Payments for investment in associates		(24,553,419)	-
Net cash used in investing activities		(31,263,006)	(6,054,796)
Cash flows from financing activities			
Proceeds from issue of equity securities	8	39,028,002	2,000,000
Payments for share issue costs	8	(1,872,155)	(106,223)
Principal paid on lease liabilities		(43,021)	(20,861)
Interest paid on lease liabilities		(16,466)	(11,525)
Proceeds from loans payable		-	2,500,000
Net cash generated from financing activities		37,096,360	4,361,391
Net decrease in cash and cash equivalents		4,336,735	(1,986,030)
Cash and cash equivalents at the beginning of the period		11,544,067	4,803,007
Cash and cash equivalents at the end of the period		15,880,802	2,816,977

Notes to the consolidated financial statements are included on pages 15 to 23.

**Notes to the consolidated financial statements
for the half-year ended 31 December 2020**

Note	Contents	Page No.
1	Significant accounting policies	15
2	Segment information	15
3	Critical accounting judgements	15
4	Results for the period	16
5	Exploration and evaluation assets	16
6	Financial assets	16
7	Investment in associates	17
8	Issued capital	19
9	Share-based payments	20
10	Earnings/(Loss) per share	21
11	Dividends	21
12	Contingent liabilities	21
13	Fair value measurement	21
14	Events subsequent to reporting date	22

1. Significant accounting policies

(a) Basis of preparation of half-year report

This general purpose interim financial report for the half year ended 31 December 2020 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2020 and any public announcements made by DGO Gold Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies and methods of computation applied in this interim financial report are consistent with those applied in the previous financial year and the corresponding interim reporting period. There have been no new or amended standards applicable to the Group since the last reporting date.

(b) New and amended standards adopted by the Group

There have been no new or amended standards that have become applicable to the Group for the current reporting period and there have been no standards that require retrospective adjustments.

(c) Going concern

The Group generated a net loss of \$5,937,073 for the half-year ended 31 December 2020. As at 31 December 2020, the Group has cash reserves of \$15,880,802 and its statement of financial position showed a net current asset surplus of \$15,348,572

The ability of the Group to continue as a going concern is principally dependent upon one or more of the following:

- the successful exploration and subsequent exploitation of the Group's tenements
- the ability of the Group to sell its investments in shares traded on the ASX to fund its continued operations, and
- the ability of the Group to raise additional capital in the future.

The directors believe that the going concern basis of preparation is appropriate due to the following reasons:

- The directors believe there is sufficient cash available for the Group to continue operating over the next 12 months from the date of signing of these financial statements;
- It is expected that the Group will be able to fund its future activities through further issuances of equity securities;
- The directors believe they would be able to sell its investments in shares and options if required to fund the Company's continued operation over the next 12 months. It is noted the market value of the Group's holding in De Grey Mining Limited is approximately \$206 million at 31 December 2020.

Should the Group be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements.

This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities and appropriate disclosures that may be necessary should the Group be unable to continue as a going concern.

2. Segment information

The Group operates predominantly in the evaluation and exploration of mineral deposits in sediment hosted gold deposits in Australia to invest in listed brownfield explorers and exploration tenements. All significant operating decisions are based upon analysis of the consolidated entity as one segment. The financial results from the segment are equivalent to the financial statements of the consolidated entity as a whole. The Group does not have any products/services that derives revenue.

3. Critical accounting judgments

In the application of the Group's accounting policies management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements (apart from those involving estimations, which are dealt with below), that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Impairment of assets and exploration and evaluation expenditure

The Group determines whether non-current assets should be assessed for impairment based on identified impairment triggers. At each reporting date, the management assesses the impairment triggers based on their knowledge and judgement. For the half year ended 31 December 2020, the Group has determined an amount of \$396,696 as the impaired loss on the carrying value of assets.

Assessment of significant influence

Although the Group holds less than 20% of voting rights over De Grey Mining Limited and NTM Gold Limited, the Group concluded that it has the power to participate in the financial and operating policy decisions of these investments and it was therefore determined that the Group has significant influence under accounting standards. Additional information is disclosed in note 7.

4. Results for the period

The Group recorded a net loss after tax of \$5,937,073 for the half-year ended 31 December 2020 (31 December 2019: net profit after tax of \$2,510,246). The financial position and performance of the Group was particularly affected by the following transactions during the six months to 31 December 2020:

- Non-cash share based payments expense of \$5,220,558 relating to performance rights issued to directors, employees and consultants during the half year.
- Net gain of \$2,218,009 on investments classified as financial assets at fair value through profit or loss
- Share in net loss of associates of \$1,600,761.

5. Exploration and evaluation assets

Gross carrying amount balance:

	31 Dec 2020	30 June 2020
	\$	\$
Balance at the beginning of the period	4,823,239	1,335,012
Exploration expenditure incurred during the financial period (i)	2,236,541	3,786,457
Research and development tax refund	-	(298,230)
Other	164,549	-
Balance at end of the period	7,224,329	4,823,239

- (i) The above amounts represent capitalised costs of exploration areas of interest carried forward as an asset. The ultimate recoupment of the exploration and evaluation expenditure in respect to the areas of interest carried forward is dependent upon the discovery of commercially viable reserves and the successful development and exploitation of the respective areas or alternatively the sale of the underlying areas of interest for at least their carrying value. Details of the current holdings in tenements are contained in the unaudited additional information section of this report.

6. Financial assets at fair value through profit or loss

	31 Dec 2020	30 June 2020
	\$	\$
Quoted shares - Jindalee Resources Ltd (i)	-	32,000
Quoted shares - Kairos Minerals Ltd (ii)	-	430,000
Quoted shares - Dacian Gold Ltd (iv)	615,000	-
Quoted shares - Yandal Resources Ltd (iii)	3,840,039	-
Total equity securities	4,455,039	462,000
Unlisted options - NTM Gold Ltd	4,016,920	1,426,540
Unlisted options – Jindalee Resources Ltd (i)	79,919	143,891
Listed options – Kairos Minerals (ii)	88,298	-
Total derivative financial assets	4,185,137	1,570,431
Total financial assets held at fair value through profit or loss (FVPL)	8,640,176	2,032,431

(i) Investment in Jindalee Resources Ltd (ASX:JRL)

On 11 January 2019, the Company acquired 100,000 quoted shares in Jindalee Resources Limited for consideration of \$28,000. The shares include the following two options for every share held: 200,000 options with an exercise price of \$0.50 and expiry date of 30 June 2022.

On 26 October 2020 and 2 November 2020, the Company disposed of all shares in Jindalee Resources Limited for net return of \$63,270. The Company continues to hold the above options.

(ii) Investment in Kairos Minerals Ltd (ASX:KAI)

On 25 May 2020, the Company acquired 10,000,000 quoted shares in Kairos Minerals Limited for consideration of \$110,000. The shares included one listed option for every two shares held for 5,000,000 options with an exercise price of \$0.025 and an expiry date of 31 December 2021. On 29 July 2020 a further 1,500,000 shares were acquired through a rights issue for consideration \$16,500. The shares included one listed option for every two shares held for 750,000 options with an exercise price of \$0.025 and an expiry date of 31 December 2021. A total of 11,500,000 shares and 5,750,000 options were held.

In November 2020, the Company disposed of all shares in Kairos Minerals Limited for net return of \$476,544. The Company continues to hold the above options.

(iii) Investment in Yandal Resource Limited (ASX:YRL)

On 16 October 2020 and 21 October 2020 the Company acquired 8,056,000 quoted shares in Yandal Resources Limited for consideration of \$4,026,550. In November 2020 and December 2020, a further 874,324 quoted shares were purchased for consideration of \$358,447. A total of 8,903,324 shares are held by the Company.

(iv) Investment in Dacian Gold Limited (ASX:DCN)

On 18 November 2020 and 19 November 2020, the Company acquired 1,500,000 quoted shares in Dacian Gold Limited for consideration of \$526,452. The Company continues to hold the shares.

The table below details the unrecognised amount for unlisted options as at 31 December 2020:

	Fair Value at 31 Dec 2020	Un-recognised amount	Fair value recognised at 31 Dec 2020
Unlisted options – NTM Gold Ltd	4,087,530	(70,610)	4,016,920
Unlisted options – Jindalee Resources Limited (i)	83,496	(3,577)	79,919
Listed options – Kairos Minerals Limited (ii)	97,749	(9,451)	88,298
Total derivative financial assets	4,268,775	(83,638)	4,185,137

The table below details the unrecognised amount for unlisted options as at 30 June 2020:

	Fair Value at 30 June 2020	Un-recognised amount	Fair value recognised at 30 June 2020
Unlisted options – NTM Gold Ltd	1,525,379	(98,839)	1,426,540
Unlisted options – Other	148,661	(4,770)	143,891
Total derivative financial assets	1,674,040	(103,609)	1,570,431

Classification

Equity securities have been designated at fair value through profit or loss and subsequently measured at each reporting date based on the quoted share price. The unlisted options which do not meet the criteria for amortised cost or FVOCI (Fair Value through Other Comprehensive Income) are measured at FVPL (Fair Value through Profit or Loss). During the half year ending 31 December 2020, a net gain on equity securities and unlisted options amounting to \$2,218,009 (2019 net gain: \$3,743,458) has been recognised in profit or loss.

7. Investment in associates

Set out below are the associates of the group as at 31 December 2020 which, in the opinion of the directors, are material to the group. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

	Principal place of business country of incorporation	Proportion of ownership held as at 31 Dec 2020	30 June 2020
De Grey Mining Limited (i)	Australia	15.80%	14.27%
NTM Gold Limited (ii)	Australia	19.74%	13.56%
Yilgarn Exploration Ventures Pty Ltd (iii)	Australia	40.00%	-

Assessment of Significant Influence

The group has assessed that it obtained significant influence over three companies during the half year ended 31 December 2020:

DGO Gold Limited
Notes to the consolidated financial statements
31 December 2020

(i) *De Grey Mining Limited*

De Grey Mining Limited ("DEG") is an Australian based Exploration company that is listed on the Australian Securities Exchange ("ASX"). At 30 June 2020 the Group held 14.27% of DEG. During the six months ended 31 December 2020 the Group acquired a further 1.53% through participation in a placement completed by DEG for \$17,104,999. This brought DGO's total holding to 15.80% as at 31 December 2020.

Following the original placement of shares in DEG to DGO, DGO nominated two directors to the Board of DEG. Consequently at the date of completion of the placement it was determined that DGO had the ability to participate in the financial and operating policy decisions of DEG. It was therefore determined that DGO has significant influence under accounting standards from that date. DGO's representatives on the DEG board Edward Eshuys and Bruce Parncutt AO remain as directors at the date of this report.

(ii) *NTM Gold Limited*

NTM Gold Limited ("NTM") is an Australian based Exploration company that is listed on the Australian Securities Exchange ("ASX"). At 30 June 2020 the Group held 13.56% of NTM. During the six months ended 31 December 2020 the Group acquired a further 6.18% for \$5,463,556. This brought the DGO's total holding to 19.74% as at 31 December 2020. The Group also holds options that are exercisable at any point and give it the right to subscribe for additional share capital that would bring its holding to 25.95%.

Under the subscription agreement DGO has a right (but not an obligation) to nominate one director to the Board of NTM when it's holding exceeds 10%. DGO's holding increased above 10% on 14 August 2019 and, accordingly, the Group determined that it had the ability to participate in the financial and operating policy decisions of NTM from that date. It was therefore determined that DGO has significant influence under accounting standards from that date. DGO's representative Edward Eshuys remains a director of NTM as at the date of this report.

(iii) *Yilgarn Exploration Pty Ltd*

Yilgarn Exploration Ventures Pty Ltd (YEV) is an unlisted, Australian based Exploration company. The Company invested \$2 million in YEV on 16 July 2020 with a further \$2 million committed to be invested within 12 months from the date of signing to hold 40% of YEV. Under the subscription agreement DGO has the right to nominate one Director to the Board of YEV.

The principal activity of De Grey Mining Limited (DEG), NTM Gold Limited (NTM) and Yilgarn Exploration Pty Ltd (YEV) was exploration and development activities of mining tenements. These are strategic investments as it advances the Group's strategy of building a portfolio in the West Australian gold exploration sector.

a) Summarised financial information

The tables below provide summarised financial information for those associates that are material to the group. The group did not have any immaterial associates.

As at 31 December 2020	DEG	NTM	YEV
	\$	\$	\$
Current assets	105,168,346	3,315,143	243,626
Non-current assets	75,942,569	15,776,213	38,017
Current liabilities	4,212,648	978,363	256,017
Non-current liabilities	1,359,904	59,756	11,346
Equity	175,538,363	18,053,237	14,280
Group's share in equity (DEG 15.80%; NTM 19.74%; YEV 40.00%)	27,735,061	3,563,709	5,712
Goodwill	27,419,742	6,174,524	1,234,724
Group's carrying amount of the investments	55,154,803	9,738,233	1,240,436
		31 Dec 2020	30 June 2020
		\$	\$
Total carrying amount of investment in associates		66,133,472	37,908,851
		DEG	NTM
		\$	\$
For the half-year ended 31 December 2020			
Revenues	16,636	50,000	119,357
Interest income	159,230	5,567	-
Expenses	(3,587,824)	(1,411,245)	(2,104,770)
Profit before tax	(3,411,958)	(1,355,678)	(1,985,413)
Income tax expense	-	-	-
Profit for the half-year	(3,411,958)	(1,355,678)	(1,985,413)
Other comprehensive income	-	-	-
Total comprehensive income for the half-year	(3,411,958)	(1,355,678)	(1,985,413)
Group's share of profit/(loss) for the half-year	(538,986)	(267,610)	(794,165)

	31 Dec 2020	31 Dec 2019
	\$	\$
Total Group's share of profit/(loss) for the half-year	(1,600,761)	(244,211)

Commitments and contingent liabilities in respect of associates

The total investment in Yilgarn Exploration Ventures Pty Ltd (YEV) of \$4.0 million is payable in instalments - the first instalment of \$2.0 million was paid at the time of acquisition of the investment (16 July 2020), with the remaining \$2.0 million payable within 12 months of initial investment date. As at 31 December 2020, the Group has a commitment to pay the remaining instalment – due before 16 July 2021. On 1 March 2021 \$500,000 of this remaining \$2.0 million commitment was paid to YEV.

8. Issued capital

	Period ended 31/12/20	Year ended 30/06/20
	\$	\$
Fully paid ordinary shares	122,096,415	76,841,403
Fully paid ordinary shares		
Balance at beginning of financial year	76,841,403	35,866,880
Issue of shares under private placements	28,502,002	2,000,000
Issue of shares under private placements	10,500,000	9,613,500
Issue of shares under private placements	-	2,617,000
Issue of shares under private placements	-	7,383,000
Issue of shares under private placements	-	1,073,000
Issue of shares in exchange for DEG shares	4,191,782	4,640,000
Issue of shares in exchange for DEG shares	-	12,848,706
Issue of shares under option conversion	26,000	329,157
Issue of shares under option conversion	-	73,573
Share issue costs	(1,872,155)	(714,331)
Issue of shares for the exercise of performance rights	3,907,383	1,110,917
Balance at end of financial year	122,096,415	76,841,403

	Period Ended 31/12/20	Year Ended 30/06/20
	No.	No.
Number of shares on issue		
Balance as at beginning of the year	58,570,538	32,529,695
Issue of shares under private placements	8,261,450	2,666,667
Issue of shares under private placements	3,500,000	7,121,111
Issue of shares under private placements	-	1,635,625
Issue of shares under private placements	-	4,614,375
Issue of shares under private placements	-	794,815
Issue of shares in exchange for DEG shares	1,293,760	1,600,000
Issue of shares in exchange for DEG shares	-	3,648,404
Issue of shares under option conversion	26,000	836,273
Issue of shares under option conversion	-	73,573
Issue of shares for the exercise of performance rights	1,900,000	3,050,000
Balance as at the end of the year	73,551,748	58,570,538

	Period Ended 31/12/20	Year Ended 30/06/20
	No.	No.
Number of \$0.40 options (now \$0.3936) on issue		
Balance as at beginning of the year	5,902	842,175
Issue of options under private placements	-	-
Exercise of options	-	(836,273)
Expiry of Options	(5,902)	-
Balance as at the end of the year	-	5,902

	Period Ended 31/12/20	Year Ended 30/06/20
	No.	No.
Number of \$1 options on issue		
Balance as at beginning of the year	9,968,556	10,042,129
Issue of options under private placements	-	-
Exercise of options	(26,000)	(73,573)
Balance as at the end of the year	9,942,556	9,968,556

Number of \$4.50 options on issue

Balance as at beginning of the year	-	-
Issue of options under private placements	505,000	-
Exercise of options	-	-
Balance as at the end of the year	505,000	-

Period Ended 31/12/20 No.	Year Ended 30/06/20 No.
-	-
505,000	-
-	-
505,000	-

Number of \$2.50 options on issue

Balance as at beginning of the year	2,624,202	-
Issue of options under DEG Share Swap Agreement	-	2,624,202
Issue of options under private placements	646,880	-
Exercise of options	-	-
Balance as at the end of the year	3,271,082	2,624,202

Period Ended 31/12/20 No.	Year Ended 30/06/20 No.
2,624,202	-
-	2,624,202
646,880	-
-	-
3,271,082	2,624,202

Share Issues during the half-year

On 7 July 2020, the Company issued 1,293,760 fully paid ordinary shares in exchange for 8,086,000 De Grey Mining Limited shares as announced to the ASX on 12 March 2020.

During the half year, 26,000 options with an exercise price of \$1.00 were exercised, raising \$26,000.

On 10 July 2020, DGO issued 50,000 fully paid ordinary shares in exchange for 50,000 performance rights that had vested.

On 10 August 2020, DGO issued 1,600,000 fully paid ordinary shares in exchange for 1,600,000 performance rights that had vested.

On 21 September 2020, the Company issued 8,261,450 fully paid ordinary shares at an issue price of \$3.45 with total proceeds of \$28,502,002 before issue costs of \$1,375,685.

On 5 October 2020, DGO issued 250,000 fully paid ordinary shares in exchange for 250,000 performance rights that had vested.

On 2 December 2020, 4,500 options with an exercise price of \$1.00 were exercised, raising \$4,500.

On 22 December 2020, the Company issued 3,500,000 fully paid ordinary shares at an issue price of \$3.00 with total proceeds of \$10,500,000 before issue costs of \$425,481.

On 24 December 2020, 500 options with an exercise price of \$1.00 were exercised, raising \$500.

Share options on issue as at 31 December 2020

A total of 9,942,556 options exercisable at \$1.00 on or before 31 December 2021 are on issue.

A total of 505,000 options exercisable at \$4.50 on or before 31 July 2022 are on issue.

A total of 3,271,082 options exercisable at \$2.50 on or before 30 June 2022 are on issue.

9. Share-based payments / Performance Rights

During the half year, the Company issued Performance Rights and Options as follows:

- Series D Performance Rights
 - approved at the Annual General Meeting on 30 November 2020
 - 1,000,000 performance rights
 - Exercisable at \$nil consideration on or before 30 June 2023
 - The performance rights will vest if the following conditions are met:
 - on or before 30 June 2023 the 30 day volume weighted average price of Shares on the ASX exceeds \$7.00 (subject to certain adjustments) per Share (**Market Condition**), or
 - on or before 1 December 2023 a takeover bid is made for the Shares at a price or value which exceeds \$3.50 (subject to certain adjustments) and the bidder confirms that the takeover bid is unconditional (**Takeover Condition**); or
 - on or before 31 December 2023 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 \$3.50

9. Share-based payments / Performance Rights (continued)

- (subject to certain conditions) per Share and Shareholders approve the scheme resolution by the requisite majority; and
- the employee continues to be a director of the Company
 - The fair value of these performance rights at grant date was \$67,311. The fair value at grant date is estimated using a Monte Carlo Simulation, taking into account the terms and conditions upon which the performance rights were granted. The contractual life of each performance right granted is two years and ten months. There is no cash settlement of the performance rights.
 - The fair value of the Series C performance rights was estimated on the date of grant using the following assumptions:
 - Dividend yield: 0%
 - Expected volatility: 88.470%
 - Risk-free interest rate: 0.11%
 - Expected life of share options: 4 years
 - Weighted average share price: \$2.90

On 21 July 2020, the Group received commitments from a number of key shareholders to participate in possible future capital raising, in aggregate an amount of \$12 million. The commitments were subject to a future capital raising being undertaken at a price no higher than a 20% discount to the 10 day volume weighted average DGO Gold share price at the time the capital raising is announced, and are for a term of four months, expiring on 20 November 2020. In exchange for their commitment, committing shareholders were paid a commitment fee of 50,000 unlisted DGO Gold options per \$1 million of commitment being exercisable at \$4.50 per share with an expiry date of 31 July 2022.

The fair value of the 600,000 options issued for this standby equity commitment at the date of issue was \$520,501.

For the half-year ended 31 December 2020, the Group has recognised \$5,220,558 of share-based payment expense in the Consolidated statement of profit or loss and other comprehensive income (2019: \$305,011).

10. Earnings/(Loss) per share

	Half-year 31 Dec 2020 cents per Share	Half-year 31 Dec 2019 cents per Share
Basic and diluted net earnings/(loss) per share	(8.07)	7.37

The net earnings/(loss) and weighted average number of ordinary shares used in the calculation of the basic loss per share and diluted loss per share are as follows:-

	Half-year 31 Dec 2020 \$	Half-year 31 Dec 2019 \$
Net profit/(loss) used in calculating basic and diluted earnings per share	(5,937,073)	2,510,246

	Half-year 31 Dec 2020 Number	Half-year 31 Dec 2019 Number
Weighted average number of fully paid ordinary shares used for the purposes of calculating basic and diluted earnings/(loss) per share	73,551,748	34,072,038

11. Dividends

There were no dividends paid or proposed during the current or previous financial period.

12. Contingent liabilities

There has been no change to contingent assets and contingent liabilities during the half year period.

13. Fair value measurement

Fair value measurements recognised in the consolidated statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, Grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

31 December 2020	Level 1	Level 2	Level 3	Total
	\$	\$	\$	

Financial assets at FVPL

- Quoted Shares	4,455,039	-	-	4,455,039
- Unlisted options	-	4,185,137	-	4,185,137
	4,455,039	4,185,137	-	8,640,176

30 June 2020	Level 1	Level 2	Level 3	Total
	\$	\$	\$	

Financial assets at FVPL

- Quoted Shares	462,000	-	-	462,000
- Unlisted options	-	1,570,431	-	1,570,431
	462,000	1,570,431	-	2,032,431

There were no transfers between levels during the financial half-year.

Valuation techniques used to determine fair values (Level 2)

The unlisted options were valued using an option-pricing model. The key inputs used in the valuations were, dividend yield, expected volatility, risk-free interest rate, expected life of share options and exercise price.

14. Events subsequent to reporting date

NTM announced a merger with Dacian Gold Limited (ASX:DCN) on 16 November 2020. At a meeting held on 3 March 2021, shareholders approved by an overwhelming majority, the proposed merger. NTM Gold applied to the Supreme Court of Western Australia for approval of the scheme at a hearing held on 5 March 2021. The Court approved the Scheme and NTM Gold has lodged the order of the Court with ASIC on 8 March 2021 and the Scheme became legally effective on that date.

NTM Shareholders are to receive 1 DCN share for every 2.7 NTM shares held at the Scheme Record Date. In conjunction, NTM Options to be exchanged for new Dacian Options at the 2.7 exchange ratio and on equivalent terms. DGO is expected to hold 6.17% of the issued shares in DCN plus options to increase the holding to approximately 8.9% of DCN. The market value of DGO's holding in NTM at 12 March 2021 is \$18.92 million

The Company has committed to an investment in Yilgarn Exploration Ventures Pty Ltd (YEV) of \$4.0 million which is payable in instalments. The first instalment of \$2.0 million was paid at the time of acquisition of the investment (16 July 2020), with the remaining \$2.0 million payable within 12 months of initial investment date. As at 31 December 2020, the Group has a commitment to pay the remaining instalment – due before 16 July 2021. On 1 March 2021 \$500,000 of this remaining \$2.0 million commitment was paid to YEV.

Directors' declaration

In the opinion of the directors:

- a) the accompanying financial statements and notes comply with the *Corporations Act 2001*, including:
 - (i) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the consolidated entity's financial position at as 31 December 2020 and of its performance for the half year ended on that date; and

- b) at the date of this declaration there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors made pursuant to section 303(5) of the *Corporations Act 2001*.



Eduard Eshuys
Executive Chairman

Melbourne, 15 March 2021

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of DGO Gold Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of DGO Gold Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of statement of accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2020 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2020 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'Cameron Henry'. Above the signature, the letters 'BDO' are written in a simple, blocky font.

Cameron Henry
Director

Brisbane, 15 March 2021

Unaudited additional information - as at 15 March 2021
Resources

DGO's tenements cover a total of 9,978km² (granted, under application or joint venture/option) across Western Australia Australia covering some of the high priority targets identified by the CODES research.

See *Table 1* for a full listing of tenements.

Table 1: DGO Tenement Holdings as at 15 March 2021

Project	Location	Tenement Number	Interest at Beginning of Quarter	Interest at End of Quarter
Lake Randall	WA	E15/1573 ¹	30	30
		E25/584	100	100
Black Flag	WA	E24/197,	100	100
		P24/4986-4992	100	100
Mallina	WA	E47/3327-3329	100	100
		E47/4315, 4316 ³	100	100
Tom Price	WA	E47/3898, 3900 ²	100	100
Bryah	WA	E51/1590 ⁴	80	80
		E51/1729	100	100
Yerrida	WA	E51/1725, 1726, 1730	100	100
		E51/1748-1753	100	100
		E51/1833, 1897, 1920, 1921	100	100
		E51/1952 ³	100	100
		E51/2023 ²	0	100
Deleta	WA	E38/3343, 3344	100	100
		E38/3547 ²	0	100
Pernatty Lagoon	SA	EL 6145, 6302, 6030, 6436, EL 6303, 6473, 6474, 6507	100	100
		EL 6583 ³	100	100
		ELA 2020/158 ²	100	100
		EL 5704, 5705, 5706, 5738 ⁵ EL 6402 ⁵	0	0
			0	0
			0	0

¹ Farm-in and Joint Venture with Romardo Gold WA Pty Ltd – DGO earning up to 70%

² Tenement application – on grant 100% DGO

³ Tenements granted during the quarter

⁴ Farm-in and Joint Venture with TasEx Geological Services Pty Ltd – DGO earning 90%

⁵ Farm-in and Joint Venture with Investigator Resources Limited – DGO earning 80%