

Quarterly Activities Report Quarter ended 31 March 2017

Highlights

- ✓ DGO entered in to a JV over the Lake Randall tenement, considered **prospective for sediment hosted and vein array gold mineralisation in high strain zones** under shallow surficial lake cover to the south of the Randalls Gold Mining Centre.
- ✓ Comprehensive geophysical review of the Ora Banda tenements **has identified an extension of the regionally significant Slippery Gimlet / Ora Banda Fault coincident with a moderate tenor auger geochemical anomaly**. A submission has been lodged for co-funded RC drilling to evaluate this target.
- ✓ South Australian Cobalt strategy focused on the **prospective Tapley Hill Formation organic rich black shale** in settings that correlate with the Central African Copper Belt mineralisation model developed by CODES resulted in the application for 4,160km² in the Adelaide Fold belt and Stuart Shelf.
- ✓ The Company now holds tenure (under joint venture, application or grant) covering 7,371km² across Western Australia, in the Eastern Goldfields, Yerrida Basin and the Pilbara, and in South Australia, in the Adelaide Fold Belt and Stuart Shelf.

Corporate Activities:

- ✓ DGO elected to proceed with the TasEx Joint Venture over E51/1590, having met the Minimum Expenditure requirement by the first anniversary date, and is in the process of issuing fully ordinary DGO shares, subject to execution of a 12 month voluntary escrow agreement, as consideration for reimbursement of TasEx's previous exploration expenditure (being \$48,767).

EXPLORATION ACTIVITIES

LAKE RANDALL JOINT VENTURE

DGO Gold Limited (“DGO”) entered in to a joint venture with a private consortium, Romardo Pty Ltd (“Romardo”), over the **Lake Randall area in the Eastern Goldfields of Western Australia**. Lake Randall consists of an exploration licence application, ELA15/1573, covering an area of 53km², located about 10km south south west of the Randalls Gold Mine and 80km south east of Kalgoorlie (see Figure 1). Lake Randall is considered prospective for **sediment hosted and vein array gold mineralisation** in high strain zones adjacent to small granites proximal to regional scale faulting.

The joint venture is consistent with, and part of, the Company’s ongoing greenfield exploration strategy focusing on exploring for gold deposits in sedimentary basins of the “right” age for the occurrence of sediment hosted gold mineralisation as indicated by the research by CODES at the University of Tasmania.

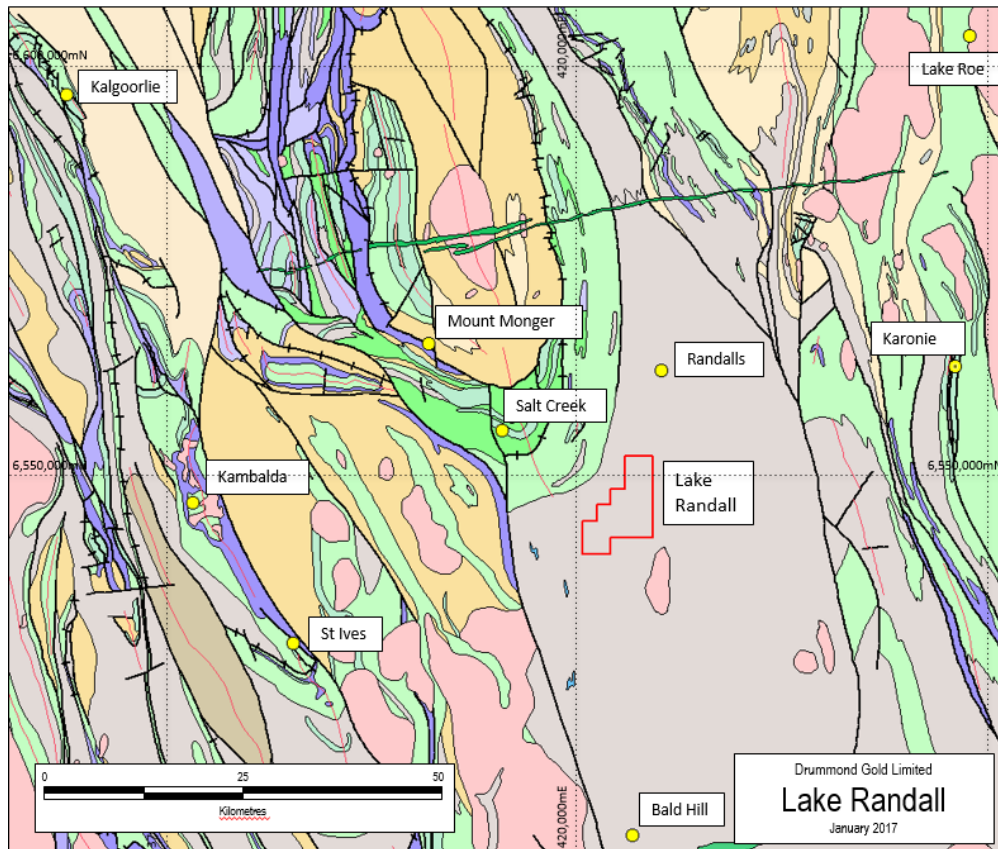


Figure 1: Lake Randall, Exploration Licence Application Location

Review of open file gravity, aeromagnetics and geology data has identified regional scale faulting to the immediate west of the exploration licence application with major strike slip NNE trending faults and shorter low displacement NW – SE trending faults within the tenement (see Figure 2). The gravity data indicates the presence of small buried granites within this interpreted high strain zone proximal to a major bend in the strike slip faults. The exploration licence application predominantly covers gypsum dunes, sand and salt lake sediments overlying meta sediments.

Interpretation of the regional magnetics indicates that the cover in the area of the exploration licence application is very shallow, with no significant magnetic “noise” masking the underlying structures.

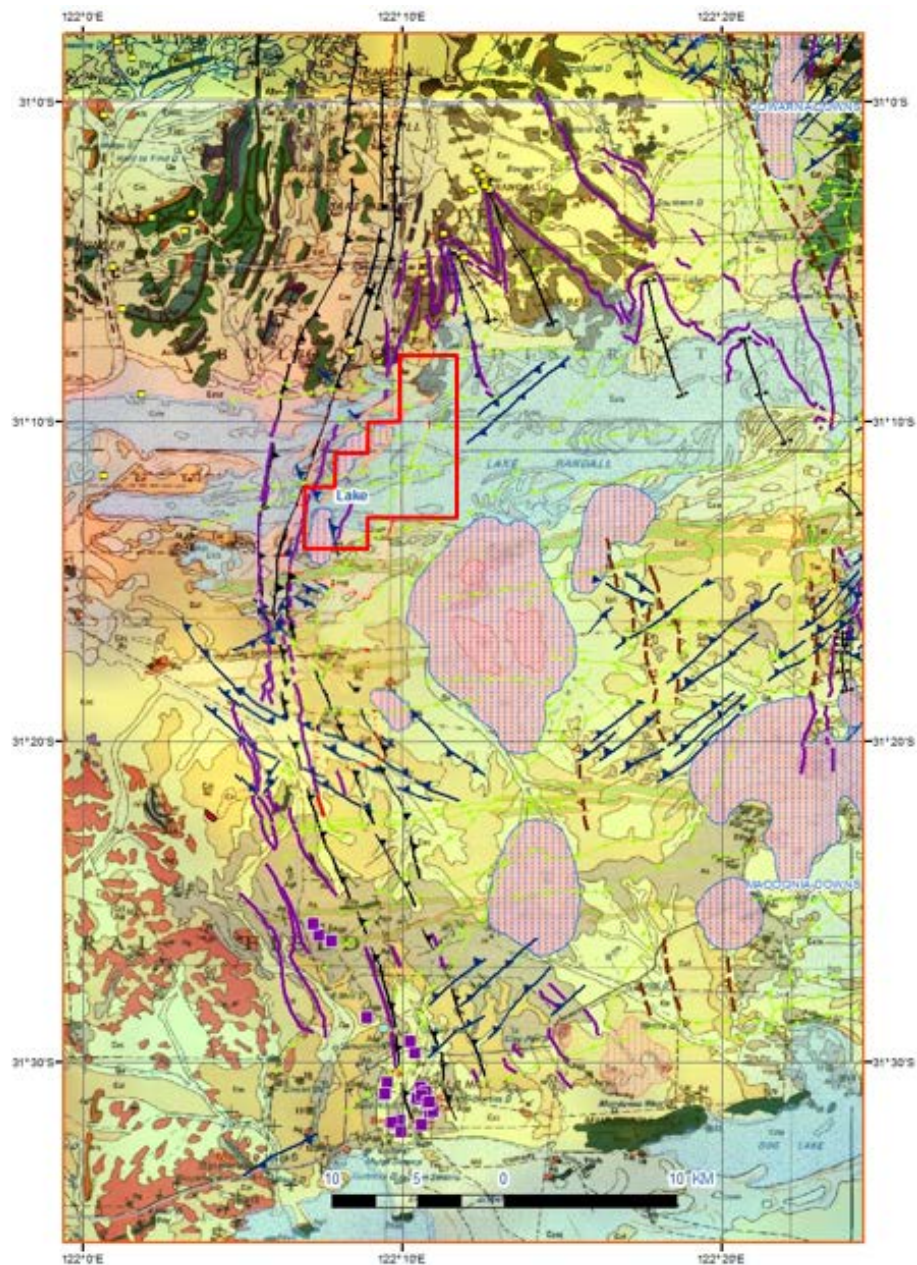


Figure 2: Lake Randall, Structural Interpretation over GSWA Geology

A review of drilling completed in the area by previous explorers, as per the Department of Mines and Petroleum WAMEX database, indicates that there has been no drilling completed on the exploration licence application (see Figure 3). This can be partly explained by the shallow cover masking any potential surface geochemistry and restricting an enhanced appreciation of the underlying geology.

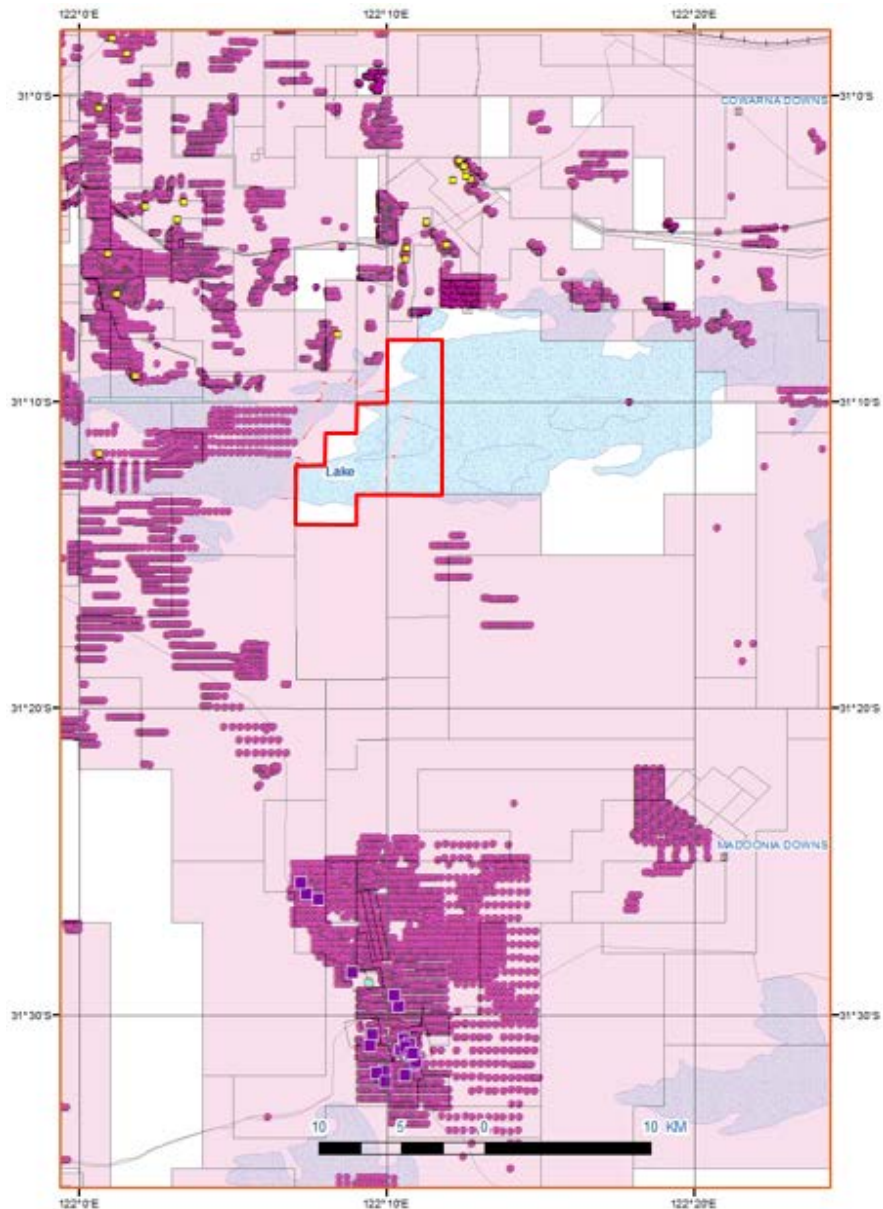


Figure 3: Lake Randall, Open File Drill Data

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 by Dr. Douglas Haynes. Douglas Haynes has 45 years of highly successful experience in metalliferous minerals exploration, first with WMC Resources in junior and senior roles, then with BHP (BHP Billiton), and subsequently as an independent consultant managing Douglas Haynes Discovery Pty Ltd. Douglas Haynes has collaborated in the discovery of a major gold deposit in the East Yilgarn Craton; and in the discovery of a major base metal deposit, Kamo a copper, West of Kolwezi (DRC); Olympic Dam copper-uranium-gold and the Wirrda Well copper-gold deposits, South Australia (1973-1977), the Yandan epithermal gold deposit, Queensland (1984), the Nifty copper deposit, Western Australia (1979), and through mentoring, the Ernest Henry copper-gold deposit, Queensland (1987).

YERRIDA BASIN - SEDIMENT HOSTED GOLD MINERALISATION

DGO's exploration licences in the **Yerrida Basin 100 kilometers north of Meekatharra**, cover an area of 1,550km². The holdings have been divided in to the **Johnson Cairn Target** in the west and the **Maralooou Target** in the east (see Figure 4). This area is prospective for sediment hosted gold and base metal (Cu, Co, Zn, Ni) mineralization (Juderina, Johnson Cairn and Maralooou Formations) based on the long term research by Codes at the University of Tasmania

The base of the Maralooou Formation has been identified as a high priority target due to its stratigraphic and lithological similarity to the host sequence of the high grade copper mineralisation at the Monty and Degruessa deposits. Past exploration activity has also identified base metal occurrences, including Cu, Pb, Zn, Co, Ni, plus precious metal occurrences within the Maralooou Formation.

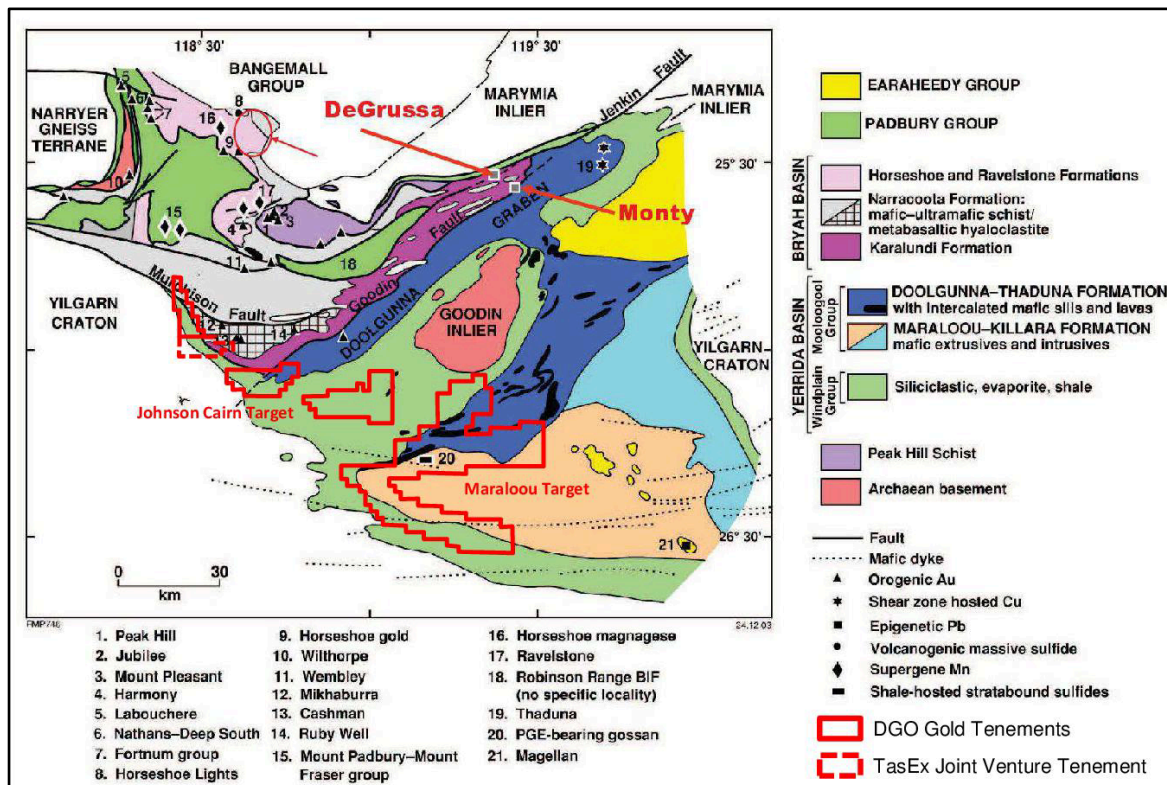


Figure 4: Yerrida / Bryah Basin Geology with DGO's Holdings

TasEx Joint Venture (E51/1590)

DGO elected to proceed with the TasEx Farm-in and Joint Venture Agreement over E51/1590 during the March quarter, having met the Minimum Expenditure requirement being the first year's statutory expenditure on the tenement by the first anniversary of the agreement. Under the terms of the agreement DGO had 30 days from 25 March 2017 to reimburse TasEx's exploration expenditure on the Tenement up to the start of the agreement (being \$48,767). DGO has elected to issue to TasEx fully paid ordinary DGO shares, subject to statutory and regulatory approvals and the execution of a 12 month voluntary escrow agreement, as consideration for the reimbursement.

Geophysical Targeting

During the March 2017 quarter Mr Barry Bourne of Terra Resources commenced prospect scale interpretation of the available geological and geophysical data for each of the target zones identified through the comprehensive review of all available geophysical data completed during the December 2016 quarter.

The aim of the prospect scale interpretation is to generate and / or fine tune drill targets for each of the target zones, with a focus on:

- Sediment hosted gold targets associated with north east trending structures and anomalous gold values / nuggets within Johnson Cairn and Juderina Formations (yellow polygons on Figure 5),
- VHMS target associated with Narracoota Volcanics on an interpreted VHMS horizon along strike from RNI NL's Orient – T10 target (green polygon on Figure 5), and
- VHMS targets associated with mafic lithologies towards the base of the Maraloou Formation coincident with moderate copper anomalism from limited past surface sampling (orange polygons on Figure 6).

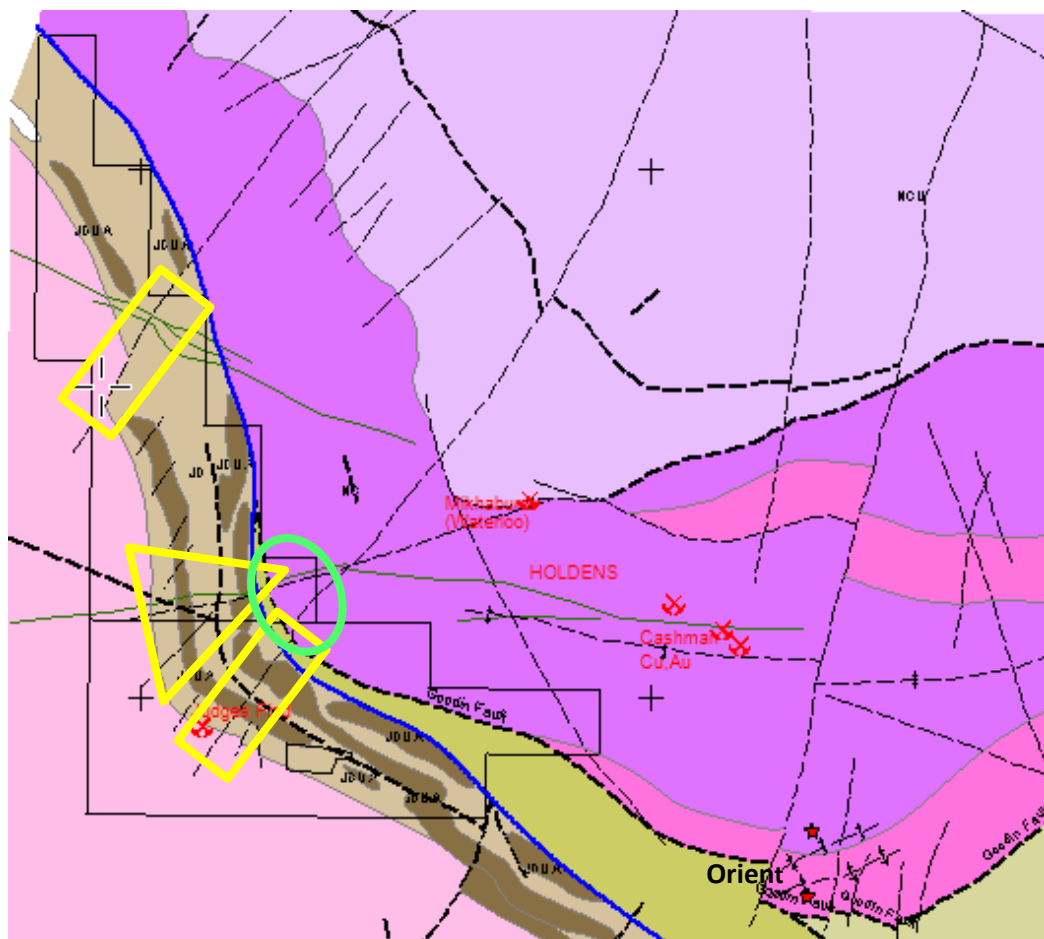


Figure 5: Johnson Cairn Target with Identified Target Zones

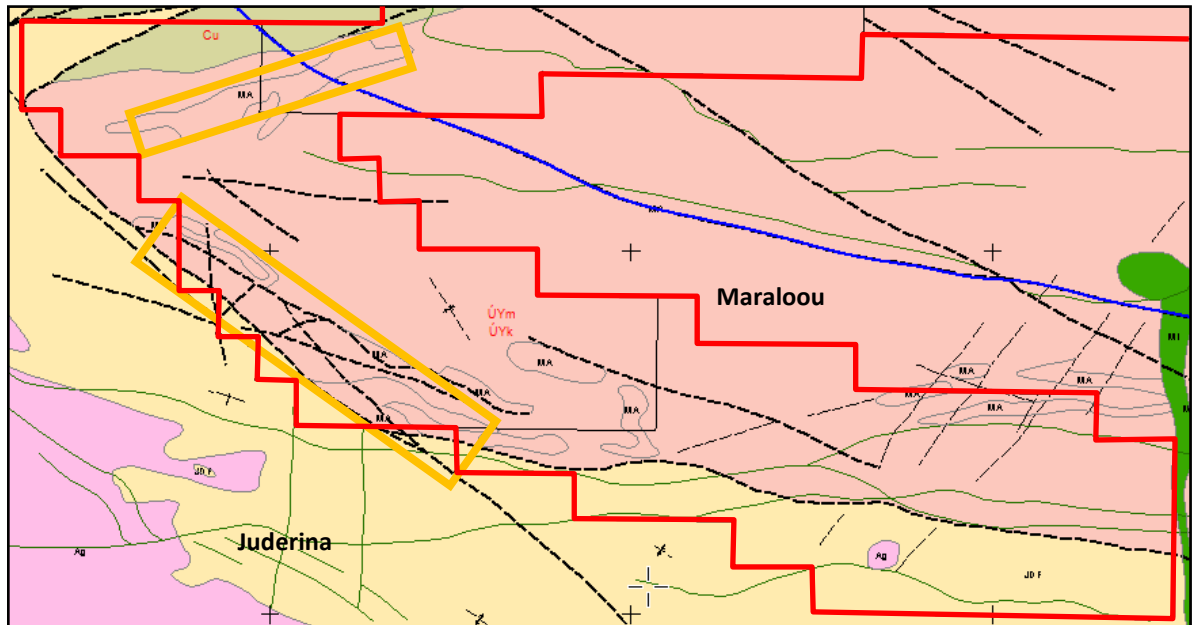


Figure 6: Maraloou Target with Identified Target Zones

Cobalt Prospectivity

Review of past exploration and geophysical data within the Maraloou Target by DGO and Mr Barry Bourne has identified evidence of cobalt mineralisation within the Maraloou Formation adjacent to the lower contact with the Juderina Formation, with the interpreted cobalt prospective horizon present in the south east and north east portions of DGO's Maraloou target holdings (see Figure 7). Work by DGO and other explorers in the region has identified the potential for broad parallels with the DRC – Zambian Copper Belt style of mineralisation within the Maraloou Target area and broader region.

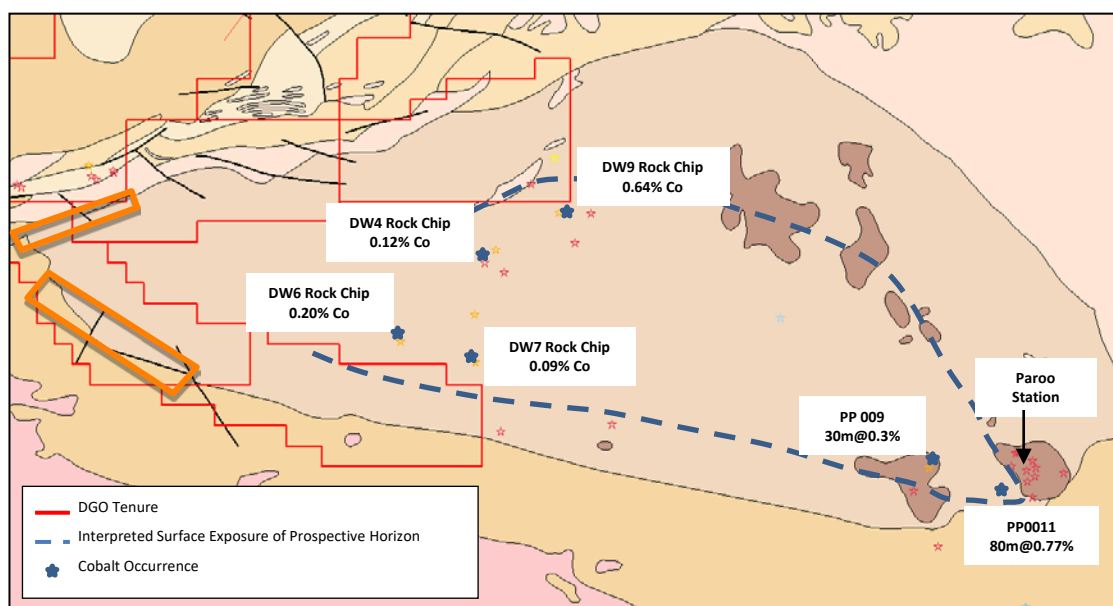


Figure 7: Yerrida Basin Maraloou Formation with Interpreted Cobalt Prospective Horizon

ORA BANDA – CO FUNDED DRILLING PROPOSAL

A review of geophysical and past exploration data has been completed over the Ora Banda tenements by Mr Barry Bourne of Terra Resources. This review has identified a faulted sequence of the Orinda Sill within Black Flag Group sediments in DGO's tenements. The Orinda Sill hosts gold at the Orinda and Mascot prospects to the east of the Ora Banda tenements.

The work has inferred that the Orinda Sill is faulted by structures with the same orientation (ENE/EW) as the Slippery Gimlet / Ora Banda Fault that produced high density high grade shoots at the Enterprise Deposit (1.22Moz) within the Mt Pleasant Sill to the north east of DGO's tenements. The geophysical review has inferred that the Slippery Gimlet / Ora Banda Fault extends to the south west and cross cuts the Orinda Sill within DGO's Ora Banda tenements.

DGO's Ora Banda tenements are covered by shallow surficial recent sediments and have been subjected to limited previous exploration. The previous work completed included an auger geochemical sampling program which defined a moderate tenor gold anomaly within the tenement area. The intersection of the inferred extension of the Slippery Gimlet / Ora Banda Fault with the Orinda Sill is coincident with the moderate tenor gold anomaly.

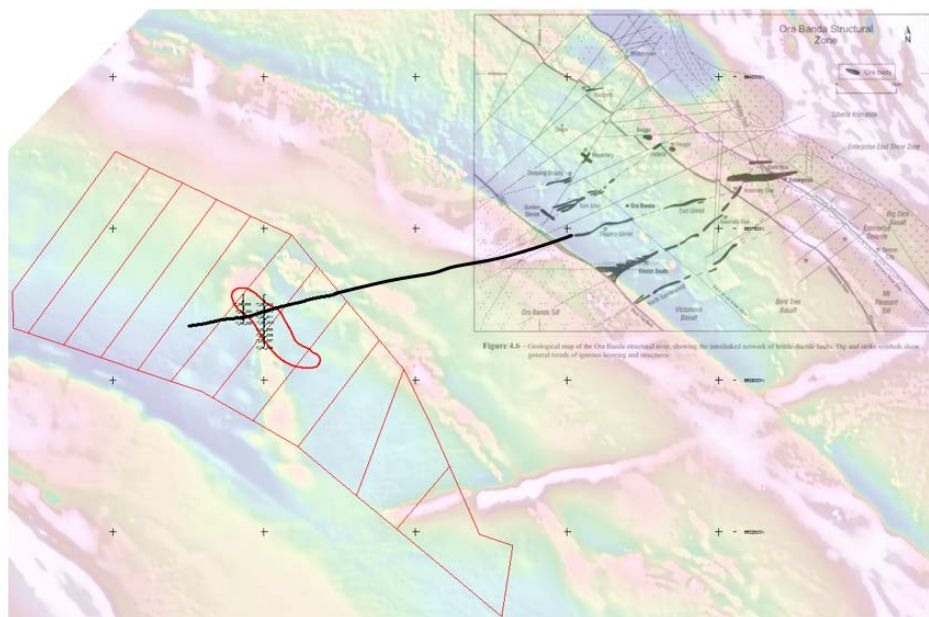


Figure 8: Ora Banda Geophysical Interpretation over Geology

Following the end of the March quarter DGO lodged a submission with the Western Australian Department of Mines and Petroleum for a co-funded RC drilling program to test this target under the mid 2017 Co-funded Government Industry Drilling Program, where the Western Australian State Government funds 50% of direct drilling costs for approved drilling programs under the Exploration Incentive Scheme.

The designed program consists of up to 3,000m of RC drilling on two north-south trending traverses, with 15 holes to be drilled to a maximum depth of 200m down hole. A decision on the success of DGO's submission will be made during the current quarter, with the planned drilling to be conducted later in 2017.

SOUTH AUSTRALIA – COPPER – COBALT STRATEGY

DGO has lodged applications for five (5) exploration licences in South Australia, covering a combined area of 4,160 km², that are considered prospective for sediment hosted (Central African Copper Belt style) copper – cobalt mineralisation. Two exploration licence applications (Bookaloo North and Bookaloo South) are located on the Stuart Shelf, 30km south west and 45km south respectively of the Mt Gunson copper – cobalt mine. The other three exploration licence applications (Blinman, Carrieton and Wirrabara) are located on the Adelaide Fold Belt (see Figure 9).

Research by CODES at the University of Tasmania, including the assessment of increased cobalt in pyrite in rocks of the same age as those present in the Stuart Shelf and Adelaide Fold Belt and the identification of the prospective Tapley Hill Formation (shale), assisted DGO in identifying areas prospective for copper – cobalt mineralisation under recent sedimentary cover.

The Tapley Hill Formation is an organic rich black shale which typically overlies sandstones / clastic sediments above the basement, a setting which correlates very well with the copper-cobalt mineralisation model developed in the Central African (Zambia – DRC) Copper Belt by CODES.

The Mt Gunson copper – cobalt mine, located about 135km north of Port Augusta, is a historic mining centre with production of approximately 145,000 tonnes of copper and a current JORC 2012 compliant resource of 20.8Mt at 1.0% Cu and 0.05% Co (see Torrens Mining Limited website <http://torrensmining.com.au>). This resource is within two deposits, MG14 and Windabout, hosted within the Tapley Hill Formation dolomitic black shale which unconformably overlies the Pandurra Formation “Redbed” clastic sediments (“basement high”).

A folded sequence of Tapley Hill Formation sediments in contact with the Pandurra Formation outcrop to the immediate east of, and trend in to, the Bookaloo North application with the south limb extending in to the south east portion and the north limb extending across the north east portion. Copper prospects and occurrences have been identified to the east of Bookaloo North adjacent to the area of outcropping Tapley Hill Formation sediments. The Bookaloo South application covers an area of outcropping Pandurra Formation with the prospective margins of this sequence under cover in the eastern and western portions of the exploration licence application.

The three exploration licence applications on the Adelaide Fold Belt are located:

- 15km north east of the historic Blinman copper mine (Blinman),
- 50km north of Peterborough and adjacent to DGO's Dawson exploration licences (Carrieton), and
- 25km north east of Port Pirie (Wirrabara).

The historic Blinman copper mine, which operated between 1862 and 1907, and a number of related copper occurrences are associated with the Tapley Hill Formation which occurs in an apparent domal structure. The Blinman application, which includes a number of copper occurrences, covers an interpreted tight domal structure with limited outcrop of the Tapley Hill Formation at the “core”, representing a stratigraphic target where the base of the Tapley Hill Formation has not been exposed.

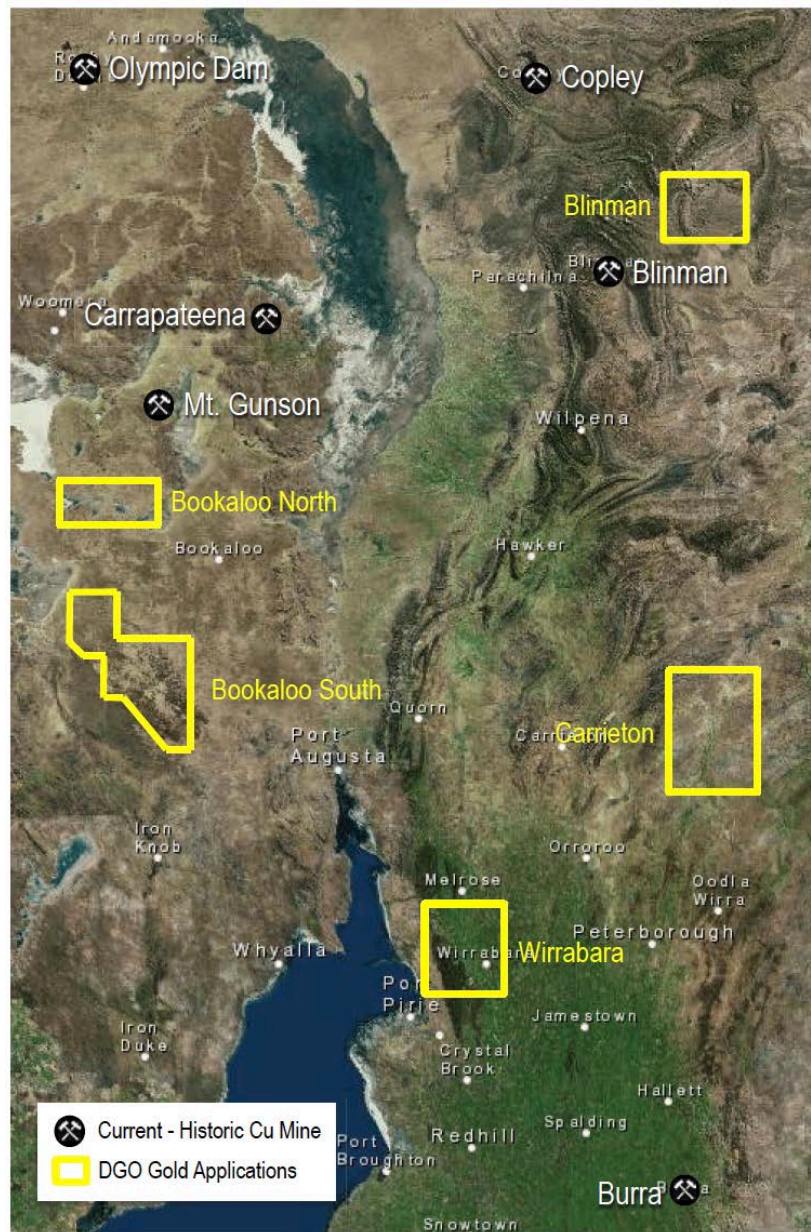


Figure 9: Exploration Licence Applications Location Diagram

Carrieton contains approximately 90km of strike of the Tapley Hill Formation which is mostly under cover and has been interpreted to have been subjected to complex folding. There are two (2) known copper occurrences on the exploration licence application, however the majority of the prospective sequence is masked by recent cover.

There are nine (9) known copper occurrences and approximately 60km of strike of the Tapley Hill Formation within Wirrabara. The Tapley Hill Formation has been folded within the exploration licence application area, with a broad syncline and a tight anticline, and there is a syn-sedimentary fault located in the north east of the area.

Review of open file exploration data, including previous drilling, gravity and aeromagnetics data will be conducted to assist in the determination of the depth of cover in the prospective areas and to identify potential drill targets to be tested upon grant of the tenements.

STRATEGY

DGO is progressing its exploration strategy of using the peak ages of gold deposition and sediment hosted gold deposit (SHGD) analogues of world class gold deposits to target Australian sedimentary basins. This strategy is supported by the research conducted over the past decade at CODES at the University of Tasmania, which has focused on identifying districts in which SHGD's could occur in rocks in Australia that are of comparable geologic age to those of SHGD elsewhere in the world.

Some of the World's largest gold deposits, such as Witwatersrand in South Africa, The Carlin Trend deposits in Nevada, USA and Sukhoi Log in Eastern Russia are sediment hosted. DGO believes that Australian gold exploration has not been previously focused on sediment hosted gold mineralisation and or deposits.

DGO now holds tenure covering a total of 7,371km² (under application, joint venture or granted) across Western Australia and South Australia covering some of the high priority targets identified by the CODES research. See Table 2 for a full listing of tenements.

	Tenements - Granted	Tenements - Applications	Area (km2)
Western Australia			
Mt Edwards	E15/1465, 1488, 1514		81
Ora Banda	P24/4946 - 4956		22
Black Flag	P24/4986 - 4992, E24/197		32
Mallina	E47/3327 - 3329		245
Yerrida Basin	E51/1590, 1729, 1730, 1748 - 1753		1547
Lake Randall JV		E15/1573	53
<i>Sub-Total</i>			1980
South Australia			
Mt Barker	EL5770, EL5812	E2016/00017	328
Dawson	EL5737, EL5876, EL5877		772
Yerelina	EL5813		145
Bookaloo		E2017/00049, E2017/00050	1553
Blinman		E2017/00051	626
Carrieton		E2017/00052	1212
Wirrabara		E2017/00053	755
<i>Sub-Total</i>			5391
TOTAL			7371

Table 2: DGO Tenement Holdings as at 31 March 2017

The Mt Edwards tenement (E15/1465, E15/1488 and E15/1514) were granted during the quarter. As detailed above, DGO applied for five EL's in South Australia (E2017/00049, E2017/00050, E2017/00051, E2017/00052 and E2017/00053) and entered in to a joint venture over a tenement in the Eastern Goldfields of Western Australia (E15/1573) during the quarter.

CORPORATE

DGO elected to proceed with the TasEx Joint Venture over E51/1590, having met the Minimum Expenditure requirement by the first anniversary date, and is in the process of issuing fully ordinary DGO shares, subject to execution of a 12 month voluntary escrow agreement, as consideration for reimbursement of TasEx's previous exploration expenditure (being \$48,767).

At the date of this report there are 5,797,268 fully paid ordinary shares on issue.

A handwritten signature in black ink, appearing to read 'E. Eshuys', with a stylized flourish at the end.

Eduard Eshuys
EXECUTIVE CHAIRMAN

Competent person statement

*Exploration or technical information in this release has been prepared by **Mr. Ian Prentice BSc**, who is a consultant to DGO Gold Limited and a Member of the Australian Institute of Mining and Metallurgy. Mr. Prentice has sufficient experience which is relevant to the style of mineralisation under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). Mr. Prentice consents to the report being issued in the form and context in which it appears.*

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

DGO Gold Limited

ABN

96 124 562 849

Quarter ended ("current quarter")

March 2017

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'ooo	Year to date (9 months) \$A'ooo
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(155)	(327)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(99)	(316)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	0	4
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes refunded	-	-
1.7	Other (research and development tax offset)	-	503
Net Operating Cash Flows		(254)	(136)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments (i)	-	-
	(c) other fixed assets	-	-
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (sale of Mt Coolon Gold Mines Pty Ltd)	-	-
Net investing cash flows		-	-
1.13	Total operating and investing cash flows (carried forward)	(254)	(136)

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(254)	(136)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (share issue costs)	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(254)	(136)
1.20	Cash at beginning of quarter/year to date	484	366
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	230	230

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'ooo
1.23 Aggregate amount of payments to the parties included in item 1.2	67
1.24 Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

N/A

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'ooo	Amount used \$A'ooo
3.1 Loan facilities	-	-

+ See chapter 19 for defined terms.

3.2	Credit standby arrangements	-	-
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Estimated cash outflows for next quarter

	\$A'ooo
4.1 Exploration and evaluation	64
4.2 Development	-
4.3 Production	-
4.4 Administration	99
Total	163

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'ooo	Previous quarter \$A'ooo
5.1 Cash on hand and at bank	439	230
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	439	230

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed		Nil		
6.2 Interests in mining tenements acquired or increased	E15/1465 E15/1488 E15/1514	Mt Edwards Tenement Mt Edwards Tenement Mt Edwards Tenement	Nil Nil Nil	100% 100% 100%

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

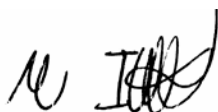
		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities <i>(description)</i>	-	-	-	-
7.2	Changes during quarter	-	-	-	-
	(a) Increases through issues	-	-	-	-
	(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3	+Ordinary securities	5,797,268	5,797,268	N/A	N/A
7.4	Changes during quarter	-	-	-	-
	(a) Increases through issues	-	-	-	-
	(b) Decreases through returns of capital, buy-backs	-	-	-	-
7.5	+Convertible debt securities <i>(description)</i>	-	-	-	-
7.6	Changes during quarter	-	-	-	-
	(a) Increases through issues	-	-	-	-
	(b) Decreases through securities matured, converted	-	-	-	-
7.7	Options <i>(description and conversion factor)</i>	-	-	<i>Exercise Price</i> -	<i>Expiry date</i> -
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	Debentures <i>(totals only)</i>	-	-	-	-

+ See chapter 19 for defined terms.

7.12	Unsecured notes (totals only)	-	-	-	-
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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 28/04/2017
(Company Secretary)
Print name: Michael J Ilett

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 Accounting Standards ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.