

DGO Gold Limited

ABN 96 124 562 849

Principal office:

27 General Macarthur Place
Redbank Qld 4301
Australia

Postal address:

P.O. Box 294
Carole Park Qld 4300
Australia

Telephone: + 61 7 3381 5368

Facsimile: + 61 7 3381 5365

Email: ilet@dgogold.com.au

Website: www.dgogold.com.au

12 September 2017

Company Announcements Office
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Sirs,

Drilling planned at Mallina and Ora Banda.

DGO Gold Limited ("DGO") has identified high priority drill targets at both **Mallina**, in the West Pilbara south east of Karratha in Western Australia, and at **Ora Banda**, in the Eastern Goldfields of Western Australia.

- **Mallina**, at which sediments analogous in age to the Witwatersrand gold province in South Africa occur, is located 75 kilometers east of Purdy's Reward where abundant gold nuggets associated with the **Hardey Formation conglomerates** have recently been discovered.
- Field reconnaissance at **Mallina** has confirmed the presence of Hardey Formation conglomerates and other gold prospective sedimentary sequences overlying Archaean basement.
- Three high priority targets have been identified for a wide spaced 5,000 meter RAB drilling program to commence in 5-6 weeks, are based on the presence of coarse gold identified by previous explorers in stream sediment samples at **Scotties Well**, on the prospective geological setting of Mallina, and geophysical targeting
- The Company's **Ora Banda prospect** is located on the same east west structures associated with the prominent Ora Banda mining center, proximal to the regionally significant **Zuleika Shear** and Northern Star Resources Limited's **Paradigm** gold discovery.
- Past wide spaced generally shallow vertical aircore / RAB drilling has defined a broad **+1.0km long by more than 250m wide gold anomaly** with a peak intersection of **12m at 37g/t from 48m** to the end of hole.
- The highly favourable structural and alteration zone setting of the anomaly is coincident with the intersection of the western extension of the Slippery Gimlet / Ora Banda Fault system and the fold closure within the Orinda Sill.
- An RC drilling program of 1,500 meters to test the **+1km long gold anomaly** at the companies **Ora Banda prospect** is planned to commence also in 5-6 weeks subject to regulatory approval

Mallina Tenements, Pilbara, Western Australia

DGO Gold Limited's ("DGO") Mallina tenements, as shown in Figure 1, are surrounded by Novo Resources Corporation (TSX.V: NVO) and De Grey Mining Limited (ASX: DEG). The recent discovery of gold nuggets in **Hardey Formation conglomerates** by the Artemis Resources Limited (ASX: ARV) / Novo Resources joint venture at Purdy's Reward south of Karratha in the Pilbara, WA and approximately 75km to the west of Mallina, has highlighted the potential for **sediment hosted Witwatersrand style mineralisation in the Pilbara of Western Australia**.

DGO has three granted exploration licences, covering a significant land holding of 245km² in the prospective Pilbara south east of Karratha. The exploration licences were applied for in June 2015 based on the Company's sediment hosted gold exploration strategy resulting from the support of research at the Centre of Excellence in Ore Deposits (CODES) at the University of Tasmania (UTAS).

Research by CODES identified the Mallina area as having sediments and important geological structures analogous in geological age with the Witwatersrand gold province in South Africa. The **Hamersley Basin of the Pilbara** shares many similarities to those of the Witwatersrand Basin. The discovery of abundant gold nuggets associated with conglomerates in the Purdy's Reward area by metal detecting in an area where previous government GSWA mapping had not identified the "right" age conglomerates is an important breakthrough in validating the Company's sediment hosted gold strategy and confirming the prospectivity of the Pilbara.

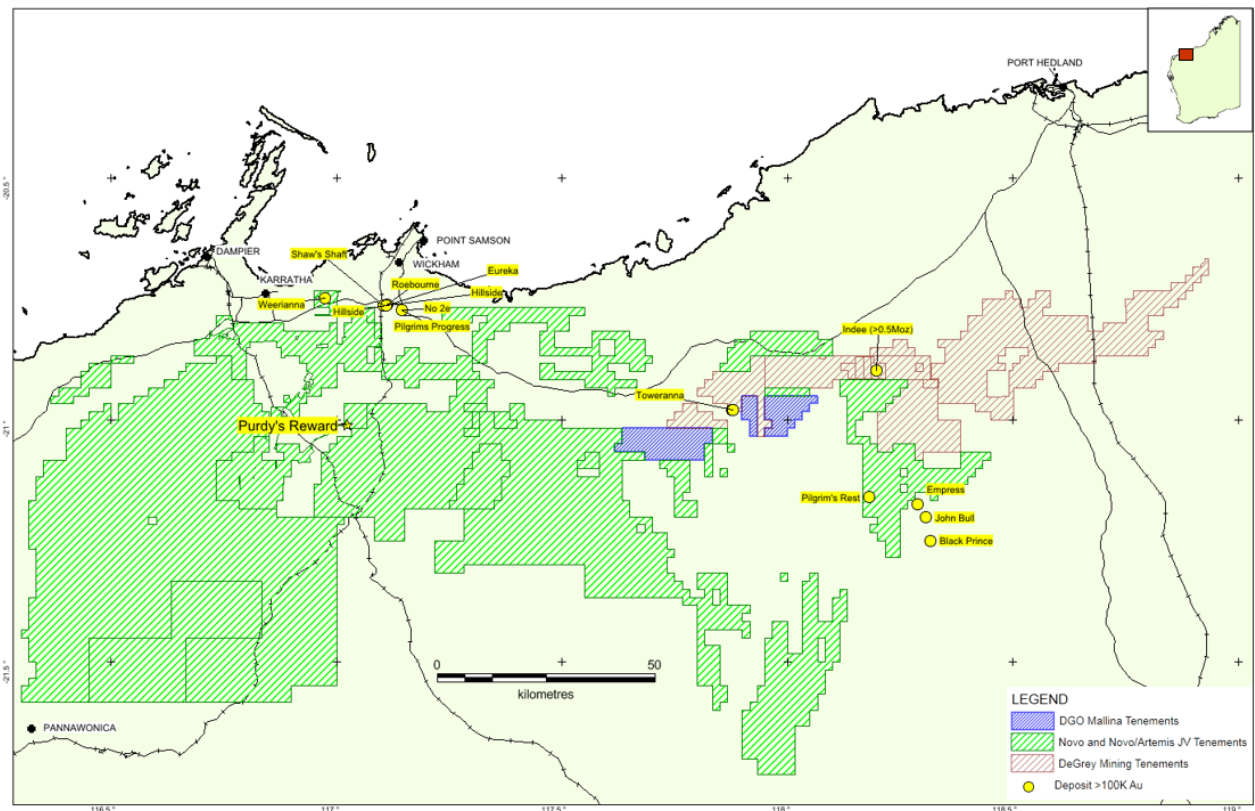


Figure 1: DGO Mallina Tenure relative to the Novo and De Grey tenure

Mallina covers a similar geological position as the Artemis / Novo tenure which is focused on the basal units of the Fortescue Basin Group overlying Archaean basement. The **Hardey Formation conglomerates** have been mapped in the western portion of E47/3327 and is interpreted to occur under cover also in E47/3327 (see Figure 2).

Past exploration at **Scotties Well** returned visible gold in 8 panned concentrates (29 stream sediment samples collected and panned) to the south of the inferred and covered Hardey Formation. Soil sampling returned values of up to 145ppb Au (see Figure 3). No evidence of past exploration drilling was identified at Scotties Well, which represents a high priority drill target.

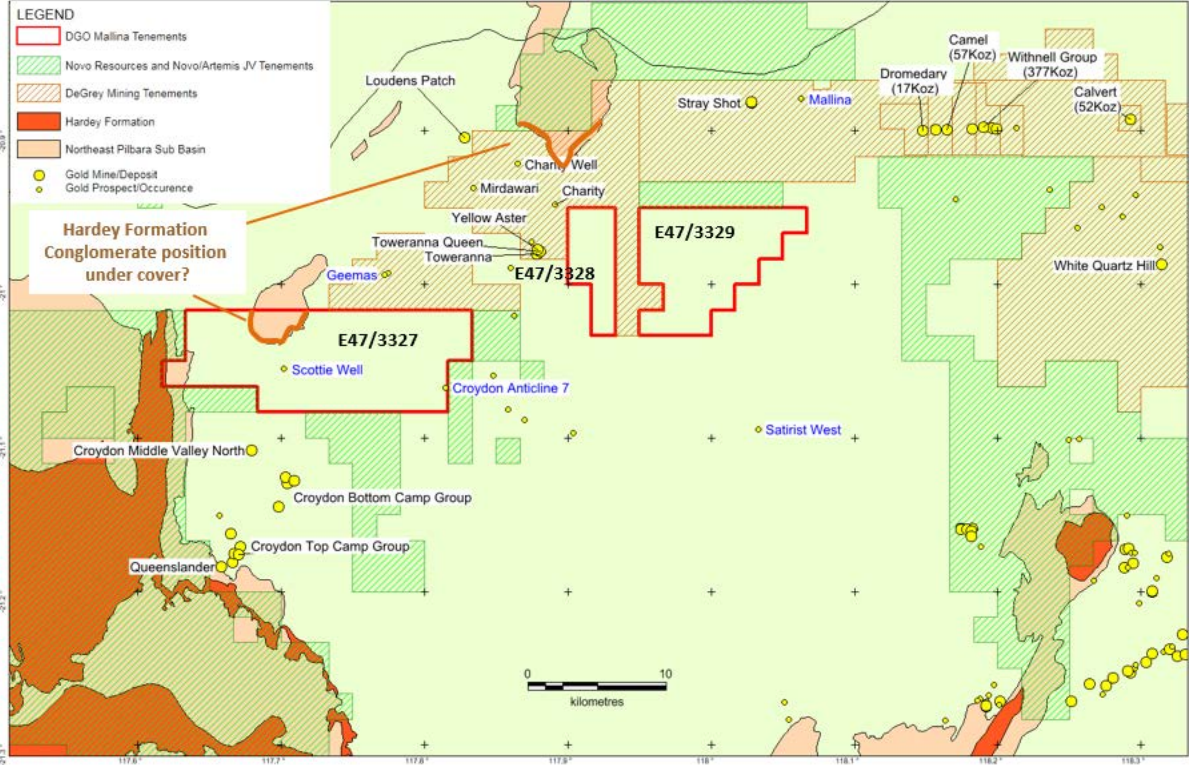


Figure 2: - Fortescue Basin Group relative to DGO Tenure with Significant Gold Deposits / Occurrences

Field reconnaissance has recently been completed at Mallina. This work identified outcropping Hardey Formation conglomerates in the west of E47/3327 and potential for prospective sedimentary sequences adjacent to basement highs under shallow cover in the central northern portion of E47/3327 and the western edge of E47/3329. The field reconnaissance also assessed the level of historical exploration completed at the targets identified from review of past exploration data, including Scotties Well, Opaline Granite Well and Orange Rock North.

Figure 2 also shows the location of De Grey Mining Limited’s **Indee Gold mineralisation**, which has historical production, and is along strike to the north east of DGO’s tenure. The Indee Gold mineralisation is associated with the regionally significant Mallina Shear and is hosted in a turbiditic sandstone unit overlain by a shale rich facies.

There are a number of other significant gold occurrences / deposits adjacent to DGO’s Mallina tenure, including the Toweranna Mining Centre which was in production in the early 1900’s.

The airborne magnetics image shown in Figure 3 highlights the presence of Archaean basement in the eastern portion of E47/3329. This area is also covered by a helicopter borne EM survey undertaken by Normandy Exploration in 2000 over the broader **Indee** area, which extends over the area now covered by E47/3328 and E47/3329.

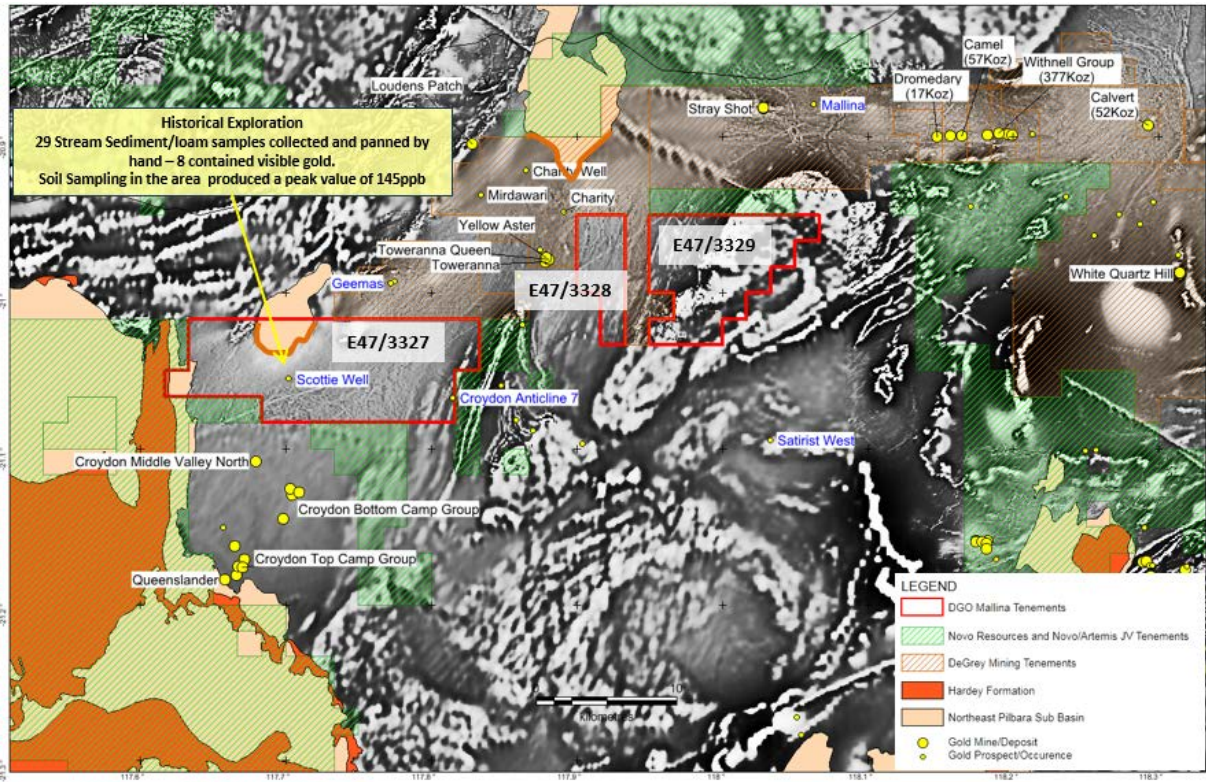


Figure 3 – Fortescue Basin Group on 1VD Magnetics - Hardey Formation and Scotties Well

The airborne EM “maps” the contact between the turbidites (cool colours) and the shale rich facies (warm colours) (see Figure 4), highlighting a prospective contact, proximal to the Archaean basement, in the western portion of E47/3329 and another contact within E47/3328. There are also discrete EM anomalies adjacent to this contact within E47/3329.

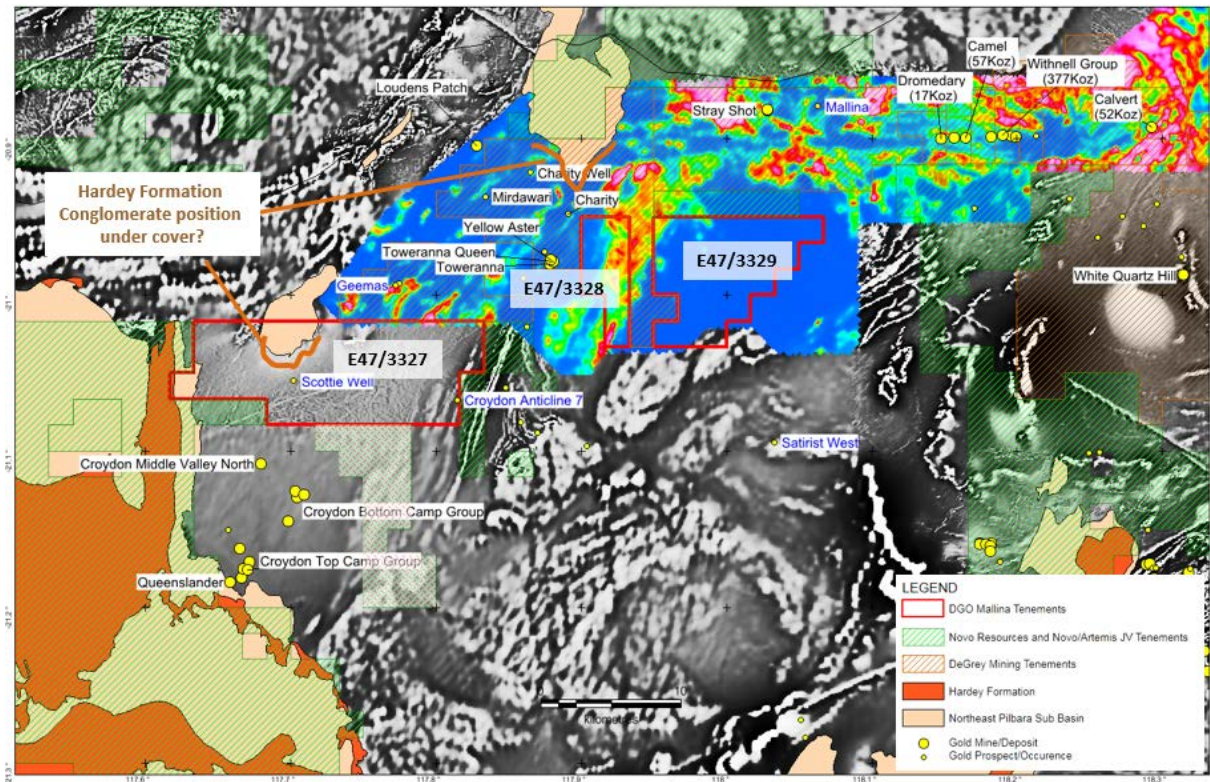


Figure 4: DGO Mallina Tenure – HeliEM over 1VD Magnetics Data

A review of the geophysical data, results of previous exploration, and combined with the findings of the recently completed field reconnaissance has generated a number of targets at Mallina (see Figure 5).

Scotties Well, defined from previous exploration which included the discovery of coarse gold in stream sediment samples, is located proximal to an antiformal fold closure within which Hardey Formation conglomerates are interpreted to occur under shallow cover. The area is also intersected by the east west fault that parallels the Mallina Shear Zone, and consequently is a high priority.

A series of high priority targets associated with an east west fault that parallels the Mallina Shear Zone, host to the Indee Gold Project to the north east of DGO's tenure have been identified. This parallel structure extends through E473328 and E47/3329 and across the north and in to the western portion of E47/3327. This structure cuts the prospective contact between the turbidites and the shale rich facies within E47/3328 and E47/3329 and antiformal fold closures within E47/3327 (see Figure 5). The structure is interpreted to trend in to **conglomerates of the Hardey Formation** in the western portion of E47/3327.

DGO plans to drill test the high priority targets; the western portion of E47/3327 where **Hardey Formation conglomerates** have been identified, the **Scotties Well** area and the prospective contact between the turbidites and the shale rich facies that is cut by the east west fault within E47/3329.

A RAB/Air core wide spaced drilling program of approximately 5,000 meters will test for **Hardey Formation conglomerates** under cover at **Scotties Well**, the **Hardey Formation conglomerate** at the western end of E47/3327, and the **EM anomalies** within **E47/3328** and **E47/3329** see Figure 5 the drilling is planned to commence in 5-6 weeks subject to obtaining regulatory approval within that time frame.

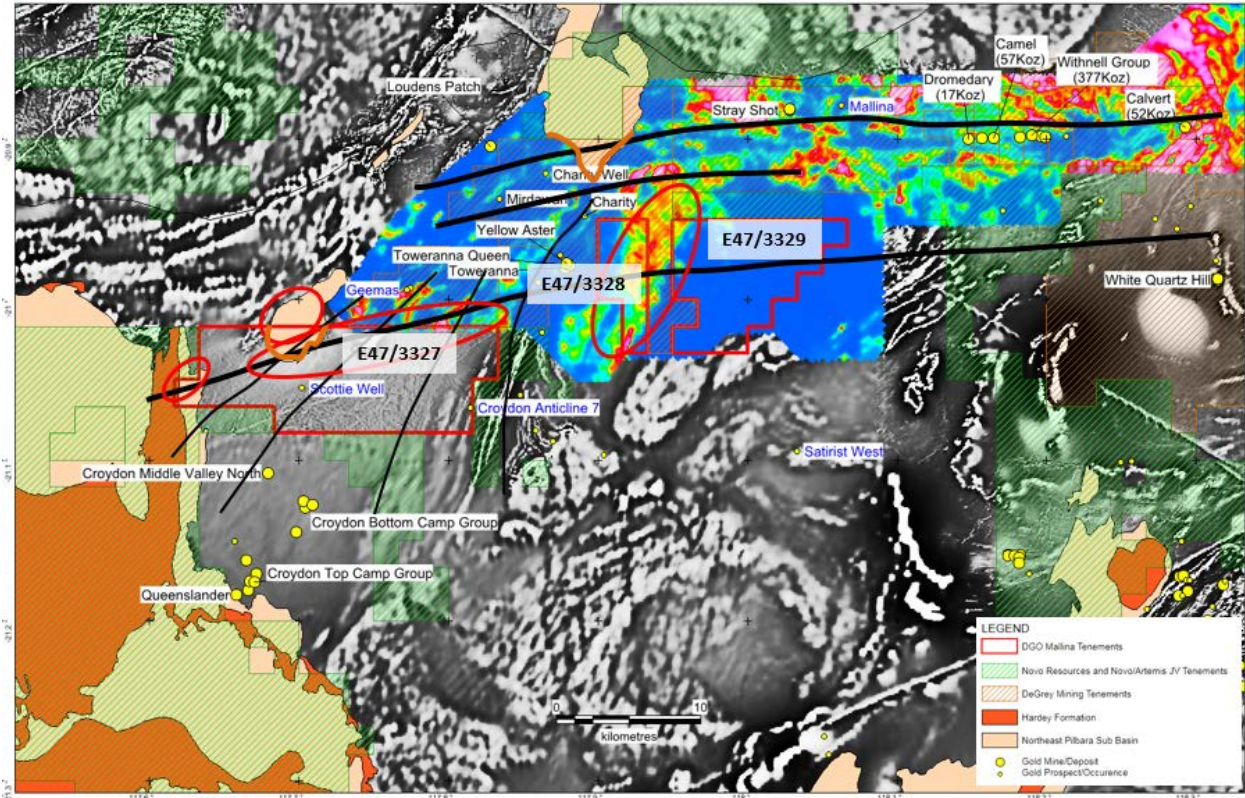


Figure 5: DGO Mallina Tenure – Geophysical Targeting

Ora Banda Tenements, Eastern Goldfields, Western Australia

DGO hold four areas in the Black Flag Group in the Eastern Goldfields of Western Australia; Ora Banda and Black Flag in the Northern Black Flag area, and Mt Edwards and Lake Randall JV in the Southern Black Flag area (see Figure 6).

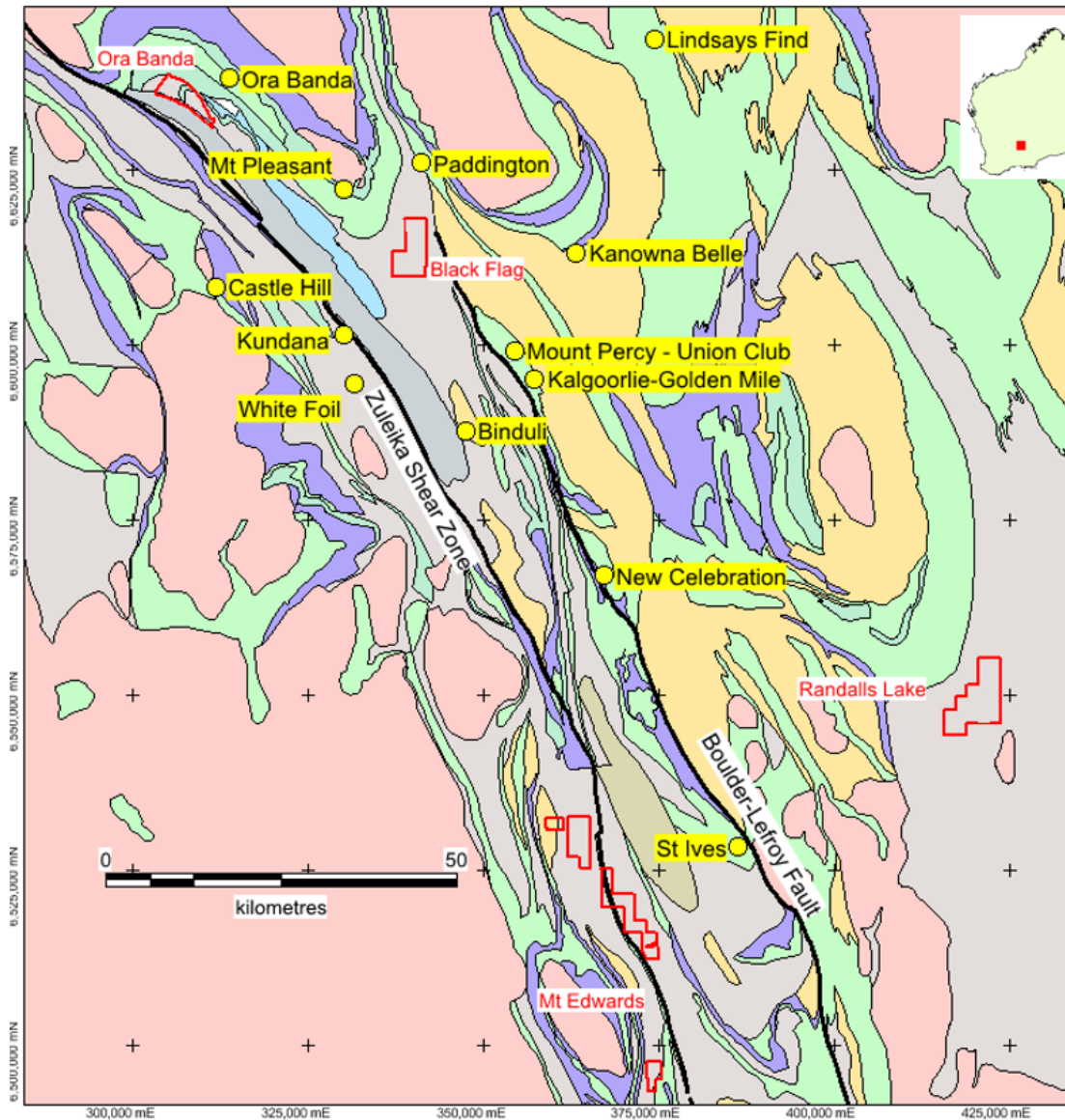


Figure 6: DGO Tenure – Black Flag Group, Eastern Goldfields, Western Australia

The Ora Banda and Black Flag areas cover predominantly Black Flag Group sediments proximal to the regionally significant Zuleika Shear zone to the north and north west of Kalgoorlie (see Figure 11). This region includes the highly productive Kundana, Mt Pleasant and Ora Banda mining centres.

DGO's Ora Banda tenements are covered by shallow surficial recent sediments. The historical vertical aircore / RAB drilling returned a number of anomalous results including a “**discovery type**” intersection of **12m at 37g/t from 48m** (to EOH) (see Figure 7 in the area of the extension of the Slippery Gimlet / Ora Banda Fault system intersecting the Orinda Sill, Follow up RC drilling returned an intersection of 1m at 0.42g/t from 72m in strongly weathered dolerite. No previous drilling in this area has exceeded depths of 150m with approximately 90% of the drilling being less than 100m vertical.

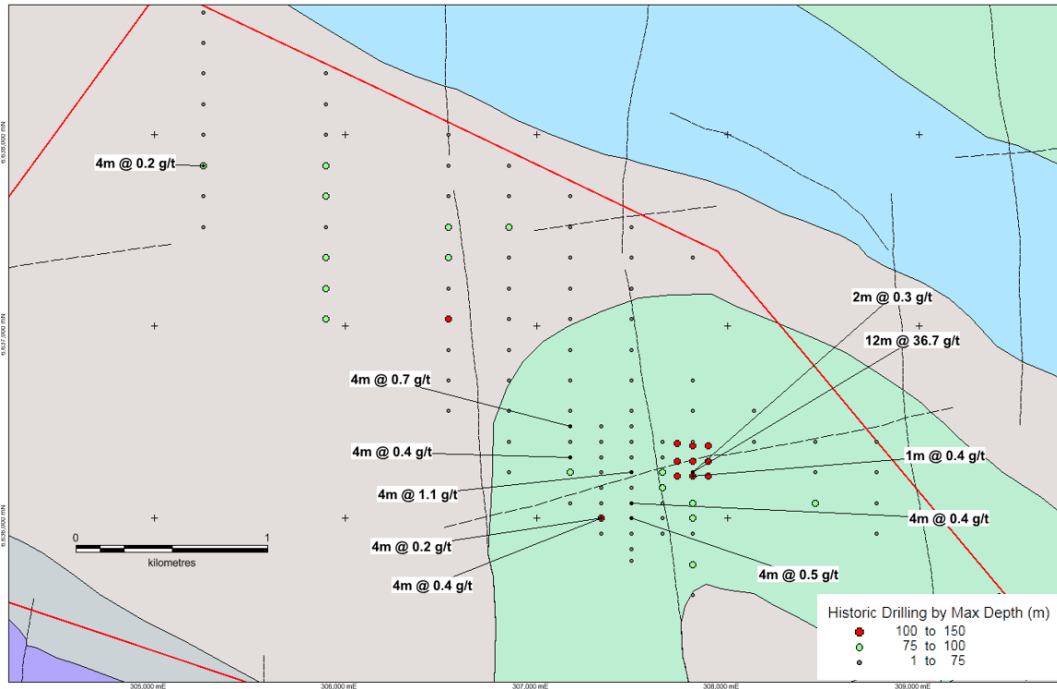


Figure 7: DGO's Ora Banda Tenure, Historical Drilling Intersections over Geology

The review of geophysical and past exploration data over DGO's Ora Banda tenements identified a faulted sequence of the Orinda Sill within Black Flag Group sediments. This work indicated that the ENE/EW trending Slippery Gimlet / Ora Banda Fault system that produced high density high grade shoots at the Enterprise Deposit (1.22Moz) within the Mt Pleasant Sill to the north east, extends to the south west and cross cuts the Orinda Sill within DGO's tenements (see Figure 8). The Orinda Sill hosts gold at the Orinda and Mascot prospects to the east of the Ora Banda tenements

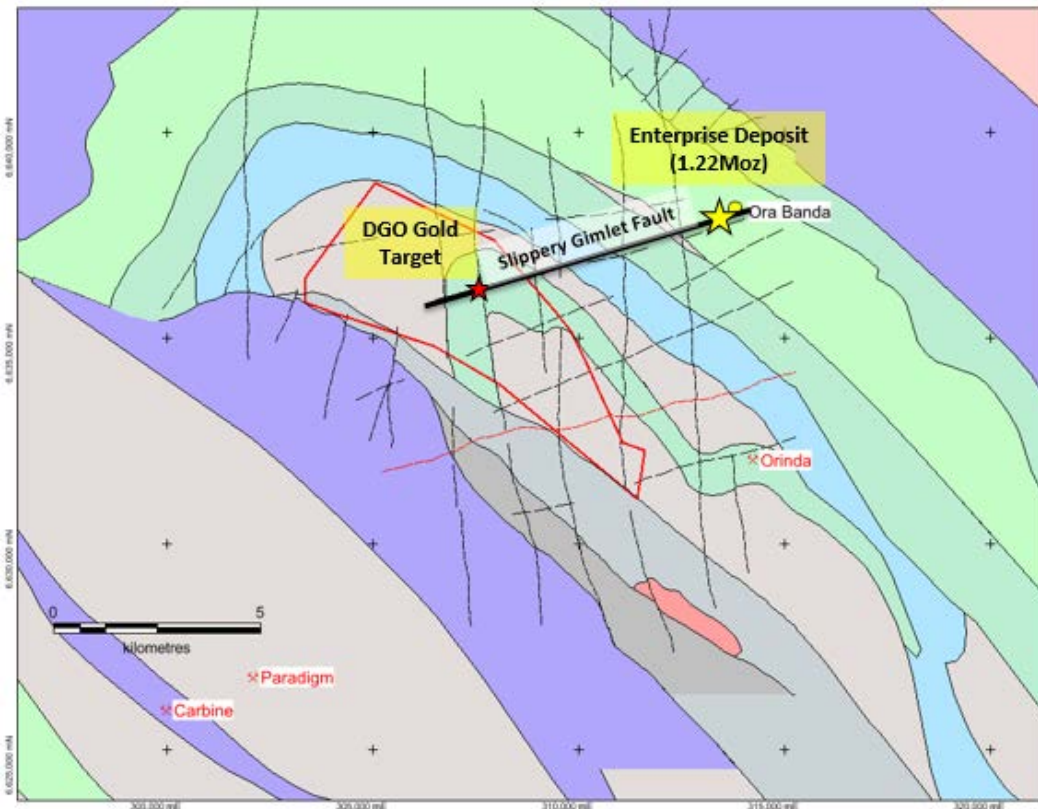


Figure 8: DGO's Ora Banda Target on Slippery Gimlet Fault Trend

Vertical aircore / RAB drilling at Ora Banda, which generally ranged from 50m to 70m deep, has defined a broad **+1.0km long by more than 250m wide gold anomaly** (as defined by +0.1g/t maximum gold in hole) associated with the intersection of the extension of the Slippery Gimlet / Ora Banda Fault system and a potential fold closure within the Orinda Sill (see Figures 7 and 9). The anomaly remains open to the west and east along the trend of the fault and potentially to the south west and south.

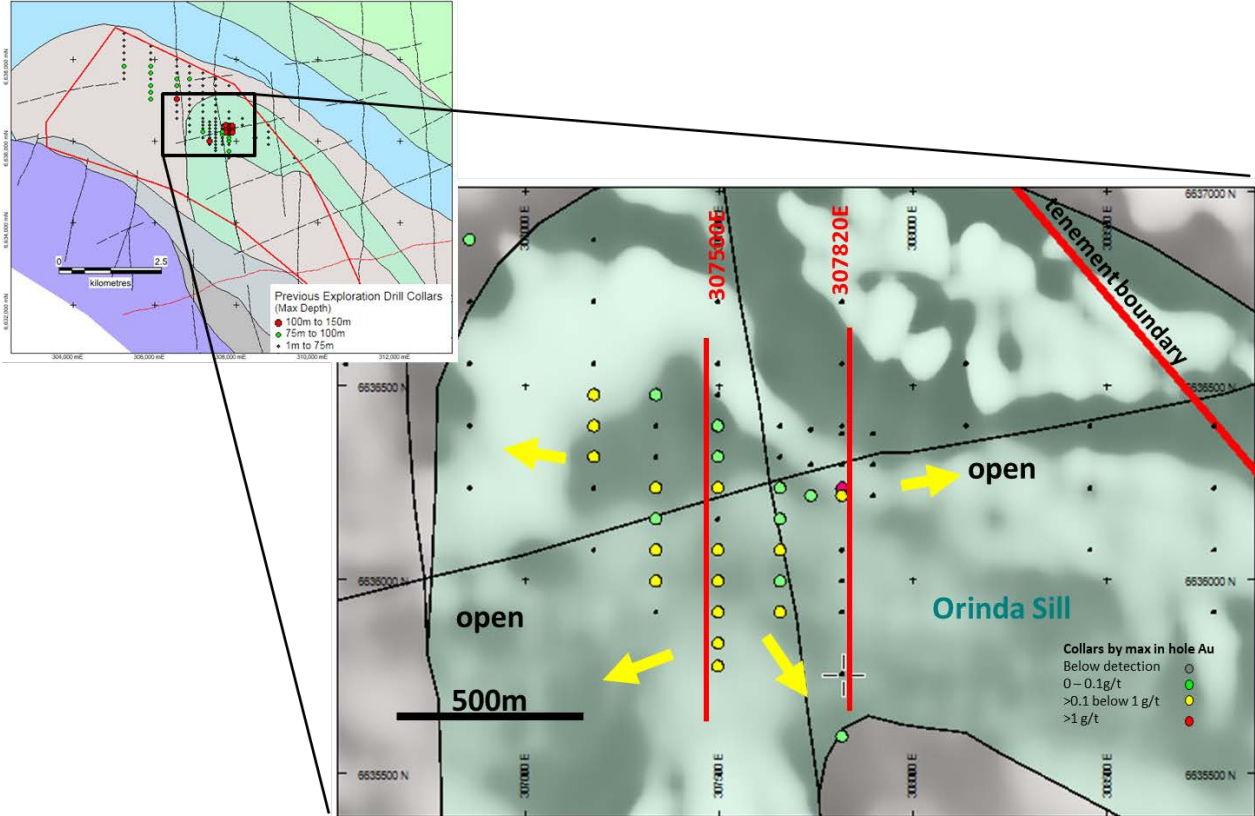
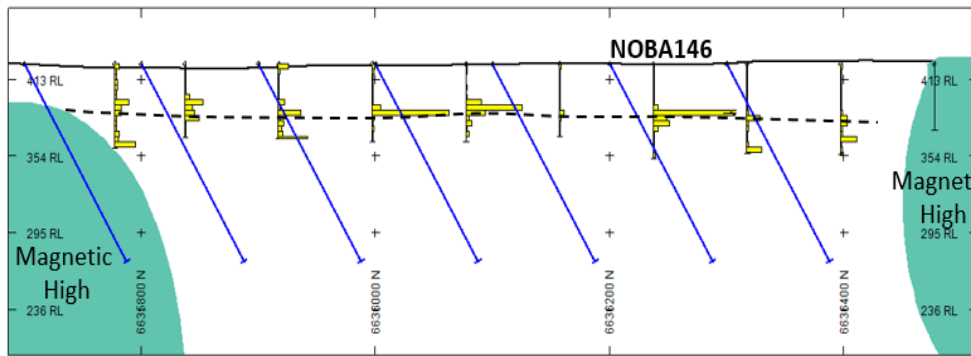


Figure 9: DGO's Ora Banda, Gold Anomaly Associated with Faulting within the Orinda Sill

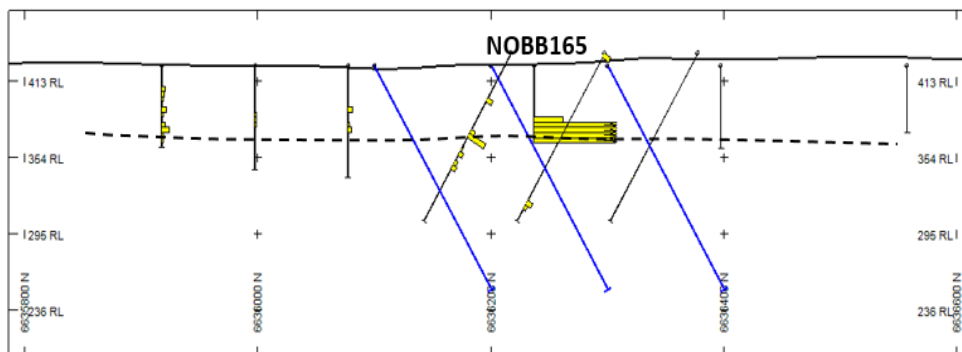
The gold anomaly defined from the vertical aircore / RAB drilling is coincident with a magnetic low (interpreted alteration zone?) that broadly parallels the trend of the extension of the Slippery Gimlet / Ora Banda Fault system through the Orinda Sill (see Figure 9).

DGO plans to complete two traverse of RC drilling across the defined gold anomaly / alteration zone, with holes drilled to the north to a depth of 200m down hole, totaling approximately 1,500 meters. The proposed section lines are shown on Figure 9 and the interpreted sections are shown in Figure 10. The timing of this drilling is also within 5-6 weeks subject to normal regulatory approvals being obtained within that time frame



>0.1g/t in shallow (air core) drilling shown in yellow

Section 307500E (north south) with gold as histograms (max 1.13g/t Au in hole NOBA146)



Proposed drilling in blue

Section 307820E (north south) with gold as histograms (12m @ 37 g/t Au in hole NOBB165)

Figure 10: Cross Sections through Gold Anomaly with Proposed RC Drilling

Recent drilling by Northern Star Resources Limited (ASX: NST) at its Paradigm discovery (JORC2012 compliant maiden resource 873,000t at 6.7g/t for 187,000oz) (see NST ASX release, "Kalgoorlie Operations Site Visit – 6 August 2017", dated 7 August 2017), less than 10km south west of DGO's Ora Banda tenure, has highlighted the ongoing prospectivity of this region.

This drilling has now outlined mineralisation over a strike length of in excess of 1km, which remains open in all directions, with outstanding drill results reported to date (see NST ASX release, "Paradigm-Carbine Update, More strong drilling results extend high grade Paradigm discovery to 1km long", dated 14 November 2016) including: 14.0m @ 14.8g/t from 9m, 15.0 @ 15.2g/t from 72m, 10.0m @ 54.3g/t from 165m, 5.2m @ 156g/t from 92m.

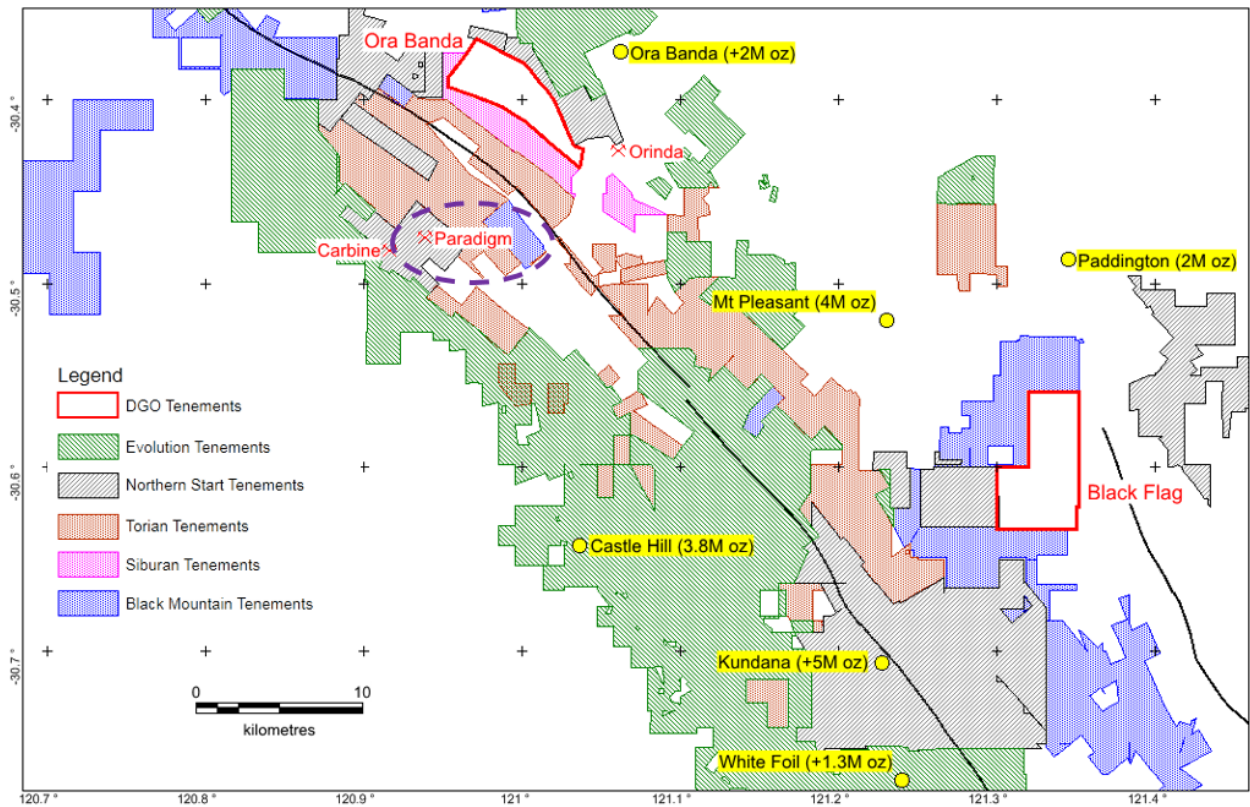


Figure 11: DGO's Ora Banda and Black Flag Tenure Relative to Significant Gold Deposits

Please contact the Company if you have further queries in relation to this announcement.

Yours faithfully
DGO GOLD LIMITED

EDUARD ESHUYS
CHAIRMAN