

# DGO Gold Limited

## Exploration Update

**DGO Gold commences drilling of several high potential co-incident anomaly gold targets in the Eastern Goldfields and Pilbara**

26 April 2018

# Exploration Update

## SUMMARY:

- **Ora Banda 35 kms NW of Kalgoorlie WA.** RC drilling of 2000-2500m for 15-20 holes at the Company's 100% owned prospect will commence on 30 April 2018.
- **Scottie Well at Mallina in the Pilbara.** RC drilling of **2,000m, consisting of 20 to 25 hole RC** drilling program is expected to commence in June 2018.
- **DGO's decision to apply in late 2017 for 4,758 km<sup>2</sup> of exploration licences covering sediments of the middle-upper Fortescue Group in the Pilbara has borne fruit.** DGO's initial detailed data review has identified large areas worthy of follow up and **2 drill ready gold in soil targets** near **Tom Price**. These targets will be drilled when appropriate approvals are in place.
- To complement its greenfield sediment-host gold exploration strategy, DGO is continuing to seek brownfield gold exploration opportunities of substantial potential for corporate investment or joint venture.
- DGO's exploration team is very encouraged by the prospectivity of the targets to be drill tested over coming months. Based on their collective exploration and discovery experience in the Western Australian goldfields they view the combinations of geophysical and surface geochemical targets at Ora Banda, Scottie Well and Tom Price to be of similar calibre to anomalies that led to the delineation of large gold deposits in Western Australia.

# Exploration Update

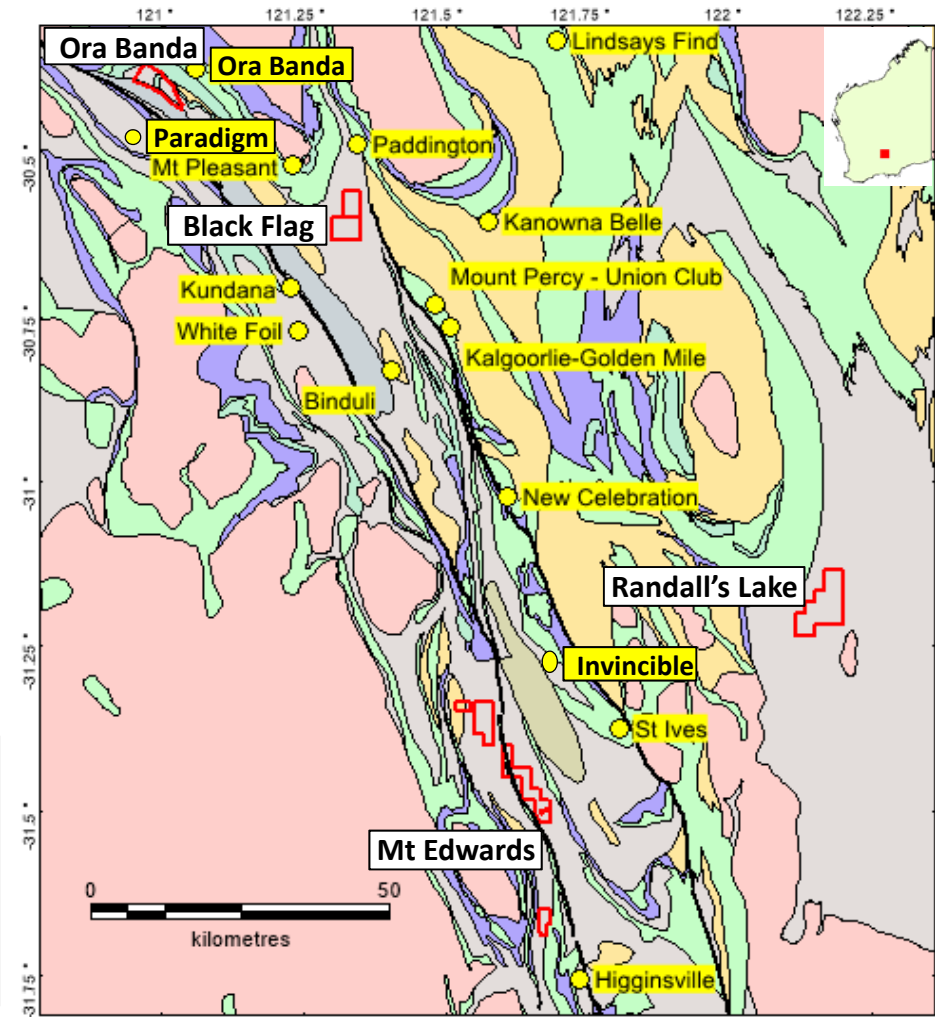
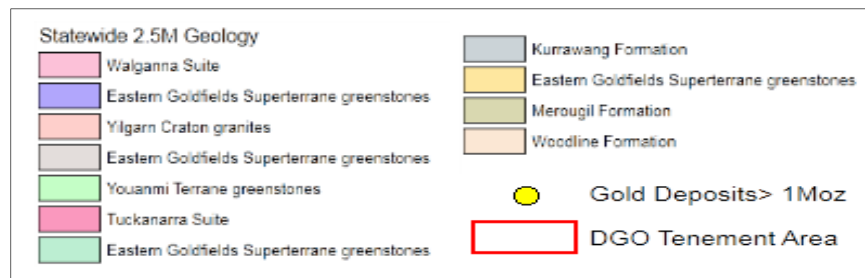
Extensive compilation, review, integration and evaluation of past exploration data, government and public domain geophysical and geochemical data has been completed and generated several high potential drill targets as follows -

- **Ora Banda**, 35 km NW of Kalgoorlie in the Eastern Goldfields. Past drilling intersected 12m @ 36.7 g/t Au within a target area defined by shallow drilling and the E-W structure extending from Ora Banda mines to the east. The program of RC drilling, 2,000-2,500m for 20-25 holes, is scheduled to be commenced on 23 April 2018.
- **Mallina** in the Pilbara of Western Australia –
  - **Scottie Well** is a sediment hosted gold in Mallina Formation basement – nuggets have been located in vicinity of coincident near surface EM feature, soil anomaly 1.5 km in length and on a regional structural fault trend.
  - **Conglomerate gold** target - hydrothermal alteration, oxidised sulphides and gold traces identified in sampling of conglomerate outcrop over a strike length of 4 km at base of the Mount Roe Basalt has confirmed the prospectivity of the conglomerate.
  - The drilling of these two Mallina targets is expected to commence in June 2018.
- **Tom Price** in the southern Pilbara. Strong historical surface geochemical responses, including 3.5 g/t and 0.8 g/t Au within the company's exploration licence applications provide clear exploration targets which will be drilled once appropriate approvals are in place.

# Eastern Goldfields Exploration

## Regional Geological Setting

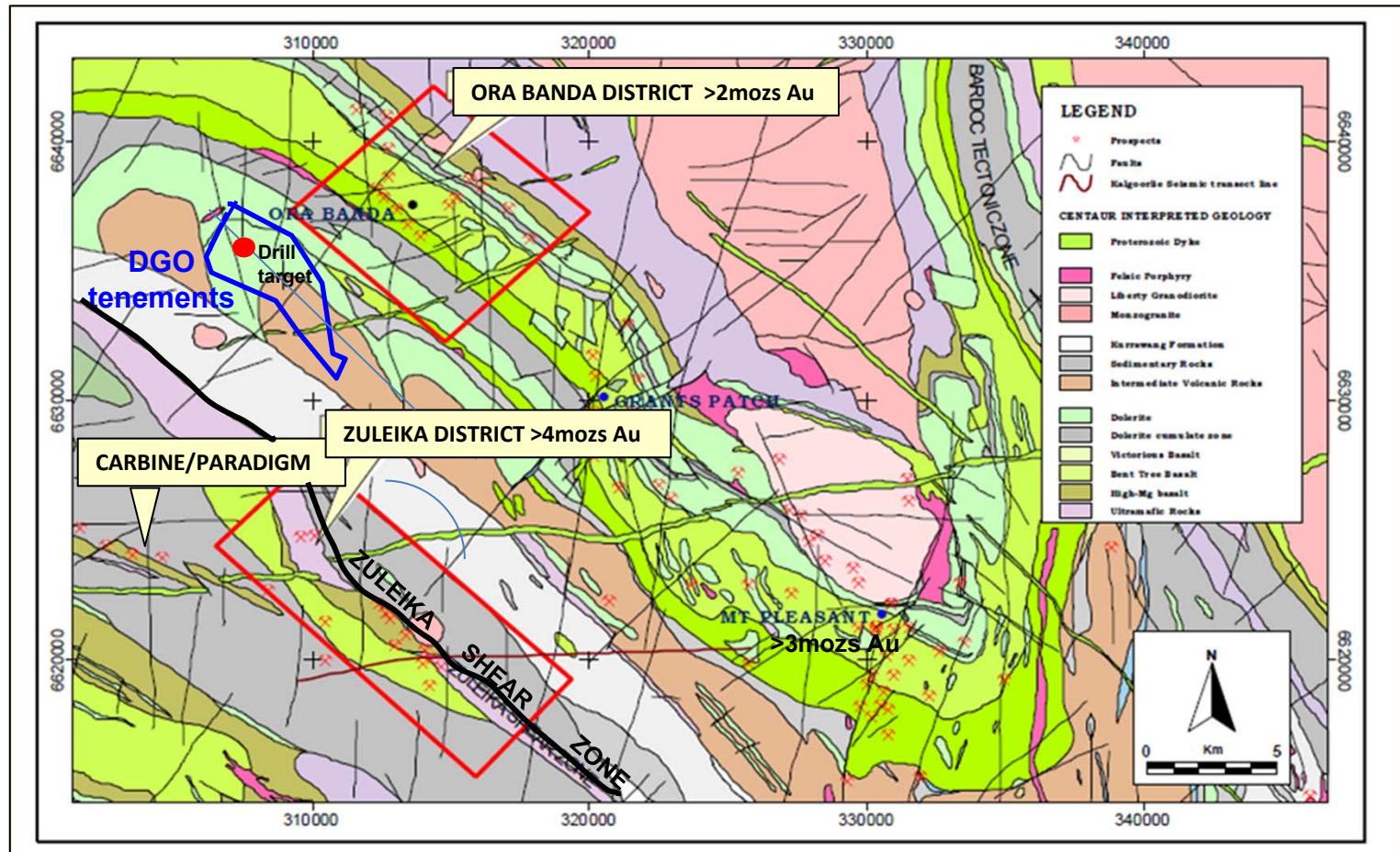
- **At Ora Banda, a significant drill target has been identified from analysis of past exploration data**
- Research into the stratigraphy and structure of the Eastern Goldfields of Western Australia (Tripp, 2013) has shown at regional scale, that **major gold districts** have spatial and temporal relationships with unconformable, **late clastic sedimentary sequences**
- The spatial association of major gold deposits within rocks located above an unconformity internal to the **sediments of the Black Flag Formation** is a new understanding of the critical controls on the gold deposits and is a key criterion for area selection in exploration (Tripp, 2013).



DGO Gold's tenement holdings in the Eastern Goldfields

# Ora Banda Geological Setting

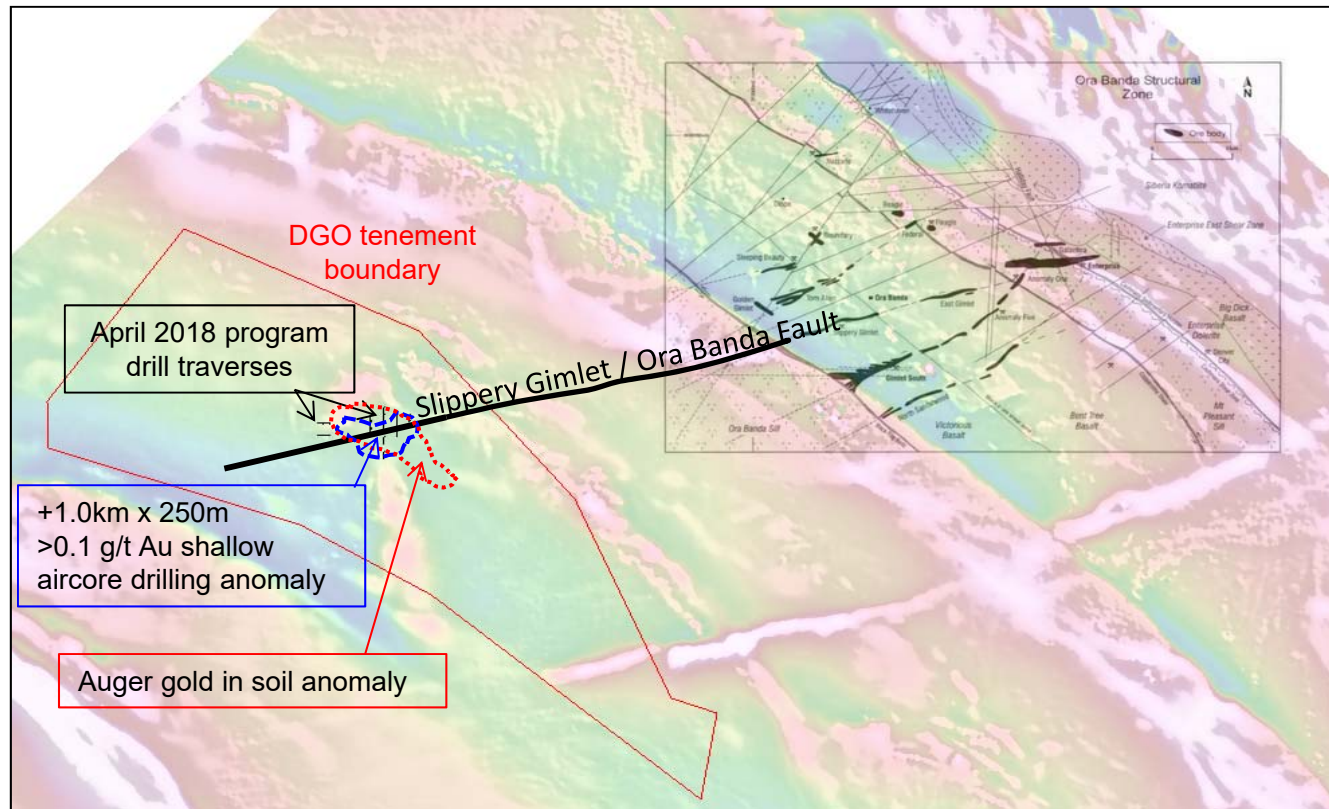
The two major gold mineralisation zones in relation to DGO's tenements are highlighted in red, the Ora Banda District >2Mozs Au and the Zuleika District >4Mozs Au and regionally important Zuleika Shear



Geological map of the major formations observed within the northwest Kalgoorlie region

# Ora Banda Project

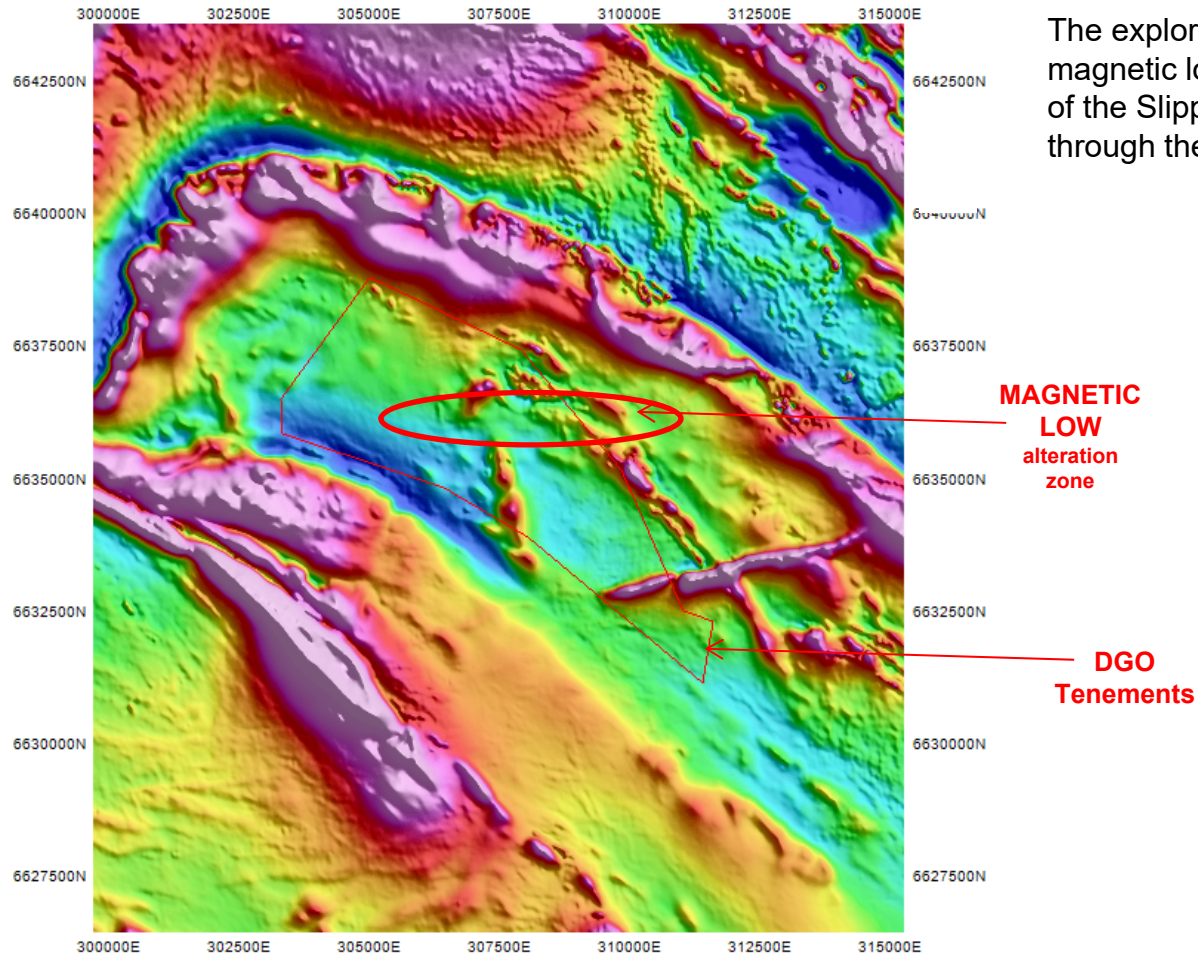
## Exploration Target



- The exploration target at Ora Banda is defined by geophysical and past exploration data which have identified a faulted sequence, interpreted to be the Orinda Sill, within **Black Flag Group sediments**
- The Orinda Sill hosts gold at Orinda and Mascot prospect to south east
- The Slippery Gimlet / Ora Banda Fault (channel way for mineralising fluids) extends westward and cross-cuts apparent fold closure within the Orinda Sill
- Parallel ENE trending fault structures and north trending shears offer additional potential (untested by previous exploration)

# Ora Banda

## Airborne Magnetics

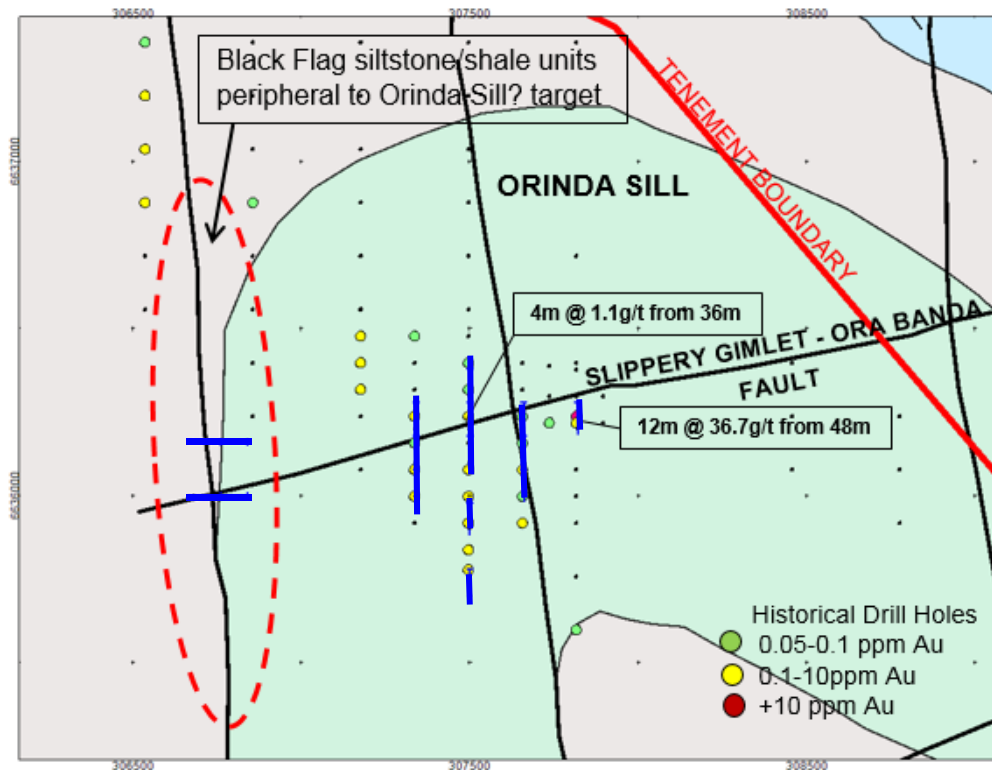


The exploration target is further supported by a magnetic low (alteration zone?) that parallels the trend of the Slippery Gimlet / Ora Banda Fault system through the Orinda Sill

2001 Menzies-Norseman Survey - Line Spacing:  
200m - MTC: 60m

# Ora Banda Project

## Drill Locations

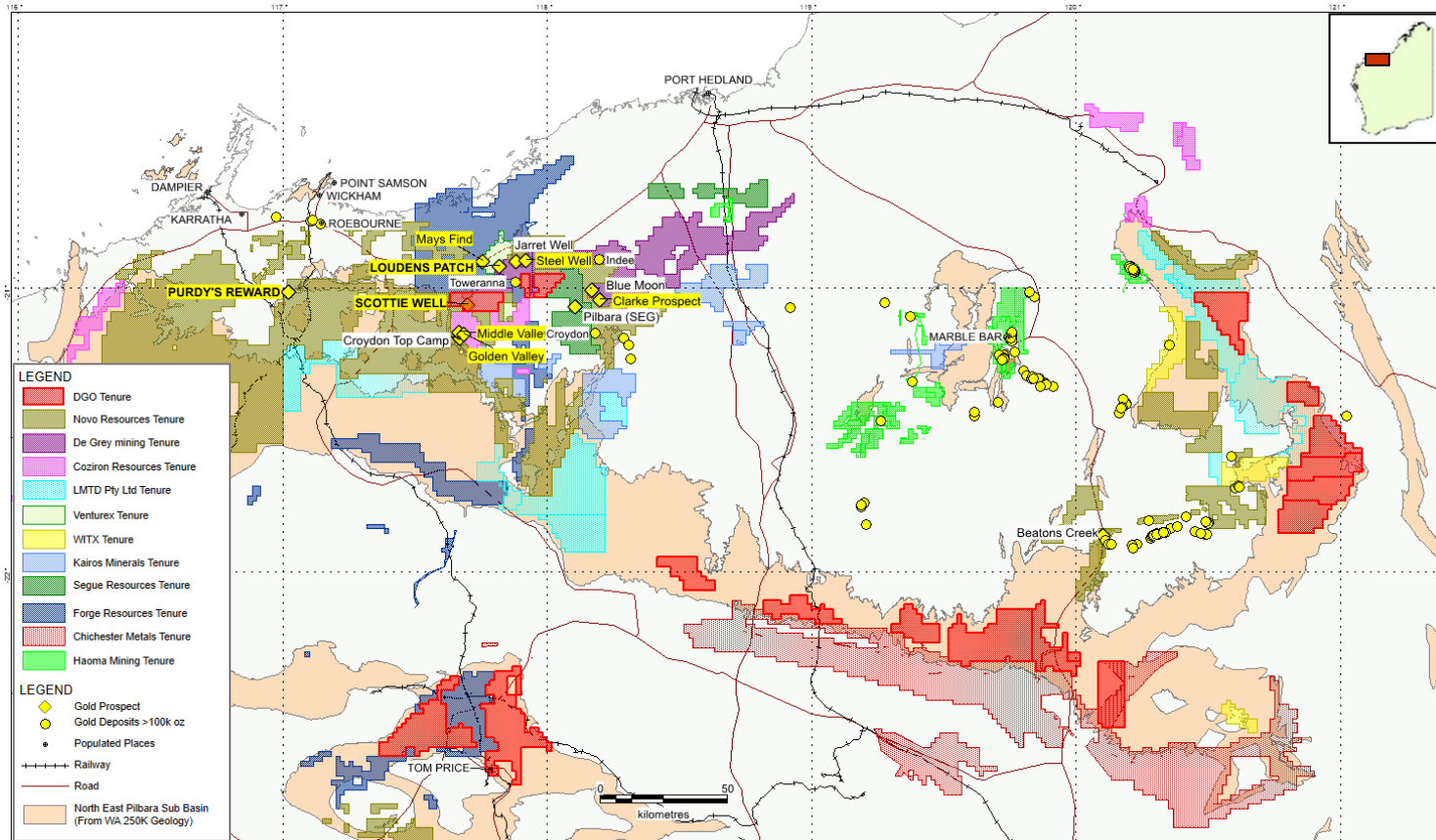


- The Slippery Gimlet / Ora Banda Fault system and Orinda Sill fold closure intersection coincides with a +1.0 km long by +250m wide gold anomaly defined from vertical aircore / RAB drilling by Centaur in 1998
- A high grade intersection in Centaur RAB – **12m at 36.7 g/t from 48m** (hole NOBB165) most probably represents a high grade quartz vein in the Orinda Sill underlying the prospective **Black Flag Beds**
- The gold anomaly remains open to west and east
- There has been no historical drilling at >150m depth
- **2,500m of RC drilling is scheduled for late April 2018** (proposed drill lines in blue)



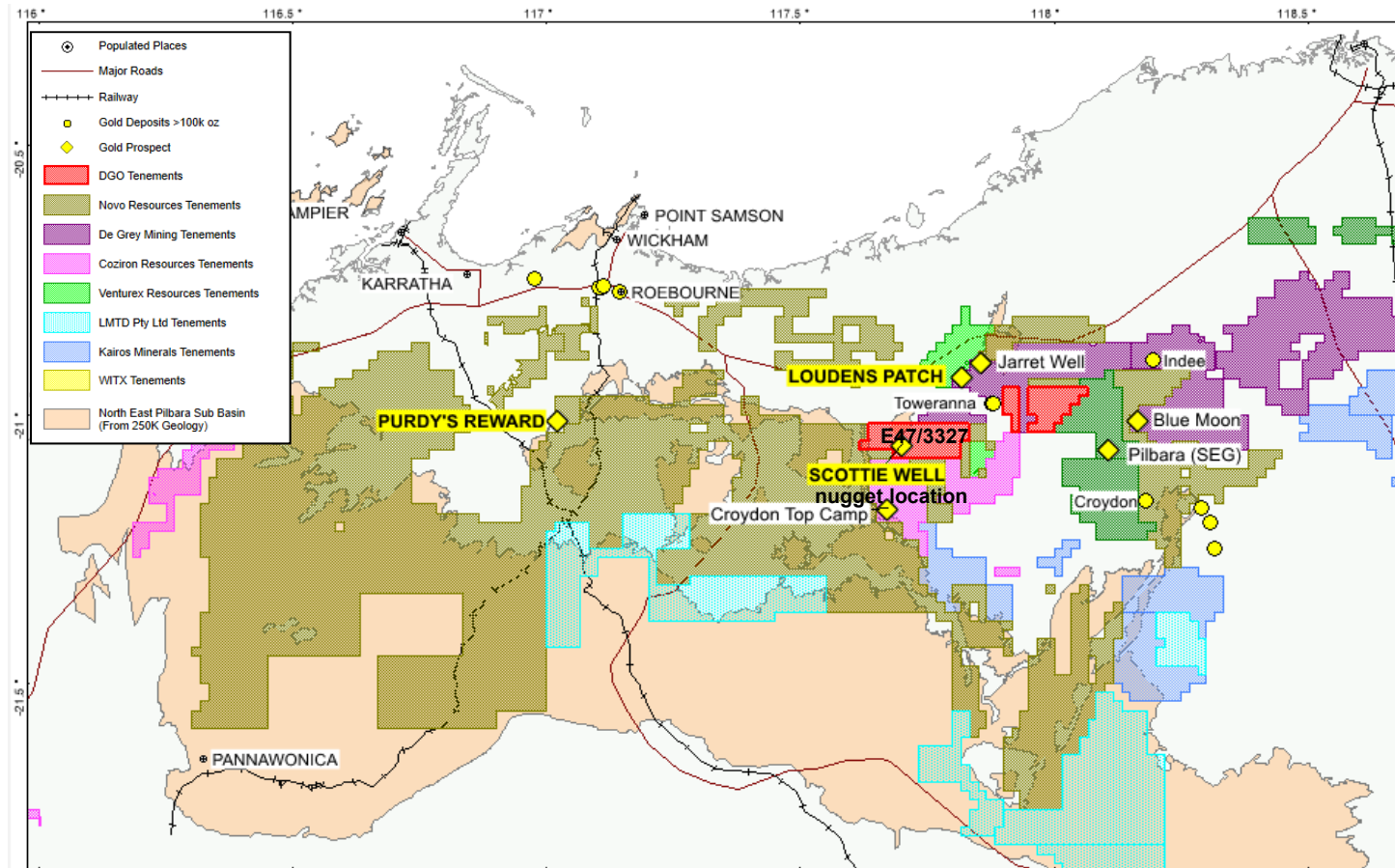
# Pilbara Exploration

## Gold Occurrences, Prospects and Tenements



DGO Gold's granted exploration licences and exploration licence applications in the Pilbara cover **3,617km<sup>2</sup>** (shown in red)

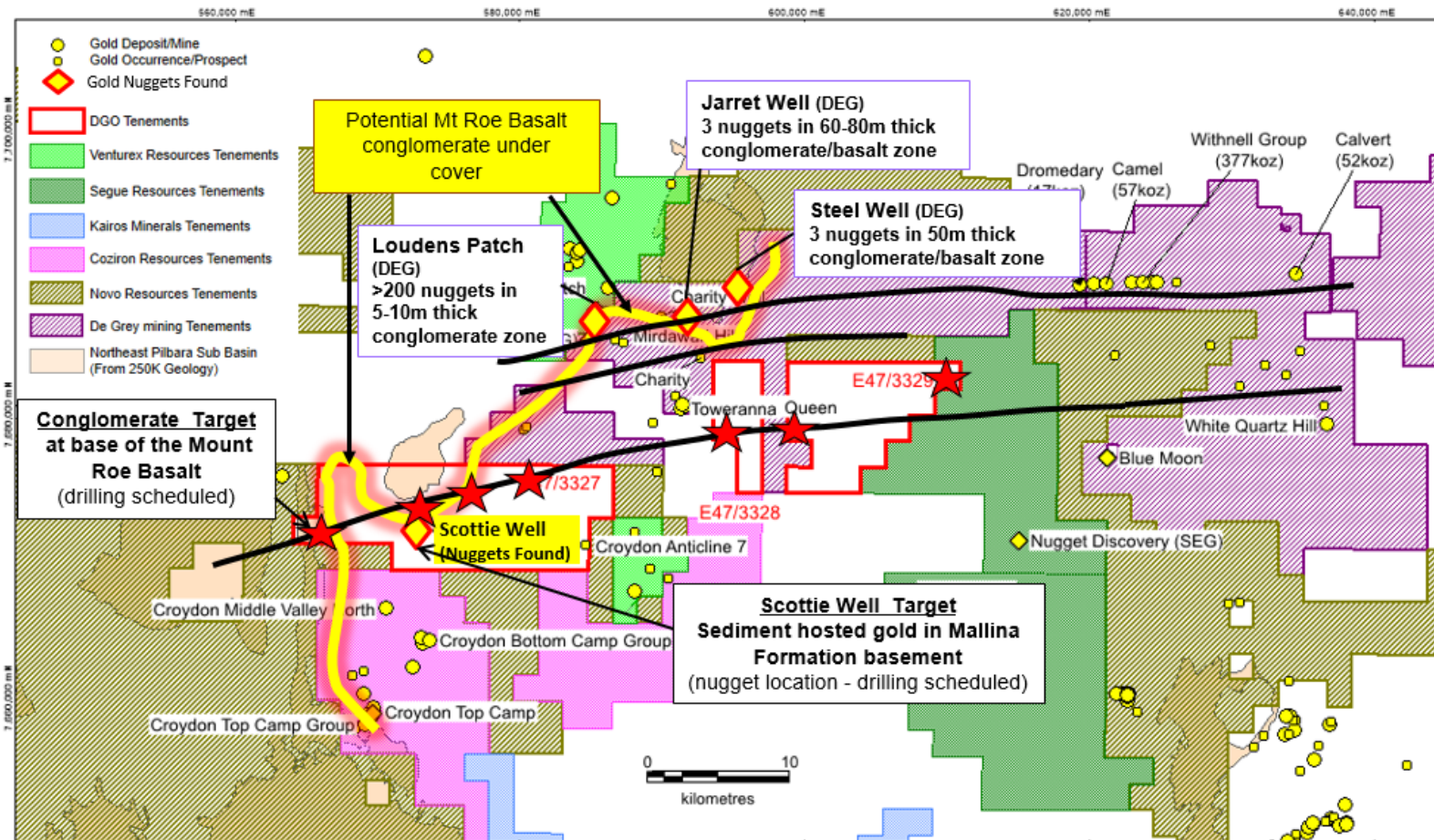
# Pilbara Exploration Regional Setting



The Mt Roe Basalt of the Fortescue group has been shown by Novo and Artemis (*Purdy's Reward*) and De Grey (*Louden's Patch, Jarret Well & Steel Well*) to host gold nuggets within basal conglomerates. The Mount Roe Basalt basal conglomerate outcrops within DGO's land on the western side of E47/3327 tenement to the west of Scottie Well nugget location.

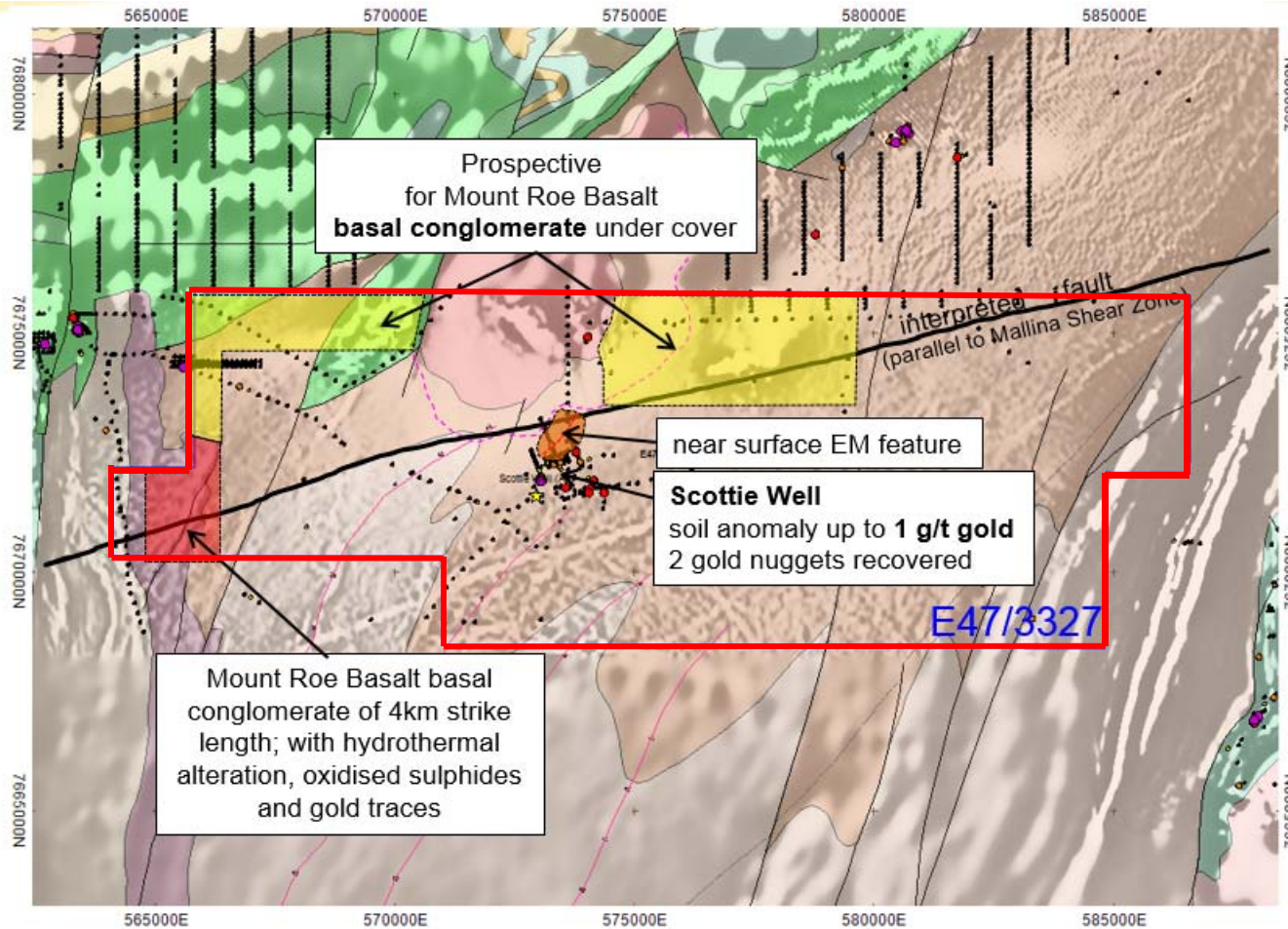
# Mallina

## Conglomerate & Sediment Hosted Gold Targets



Within DGO Gold's northern Pilbara tenements gold targets occur along regional E-W faults and associated NE trending anticlinal fold structures and in the basal Mt Roe Basalt conglomerates. **Scottie Well** lies along an E-W structure which is associated to the East with gold mineralisation in the basement Mallina formation within De Grey Mining's tenements.

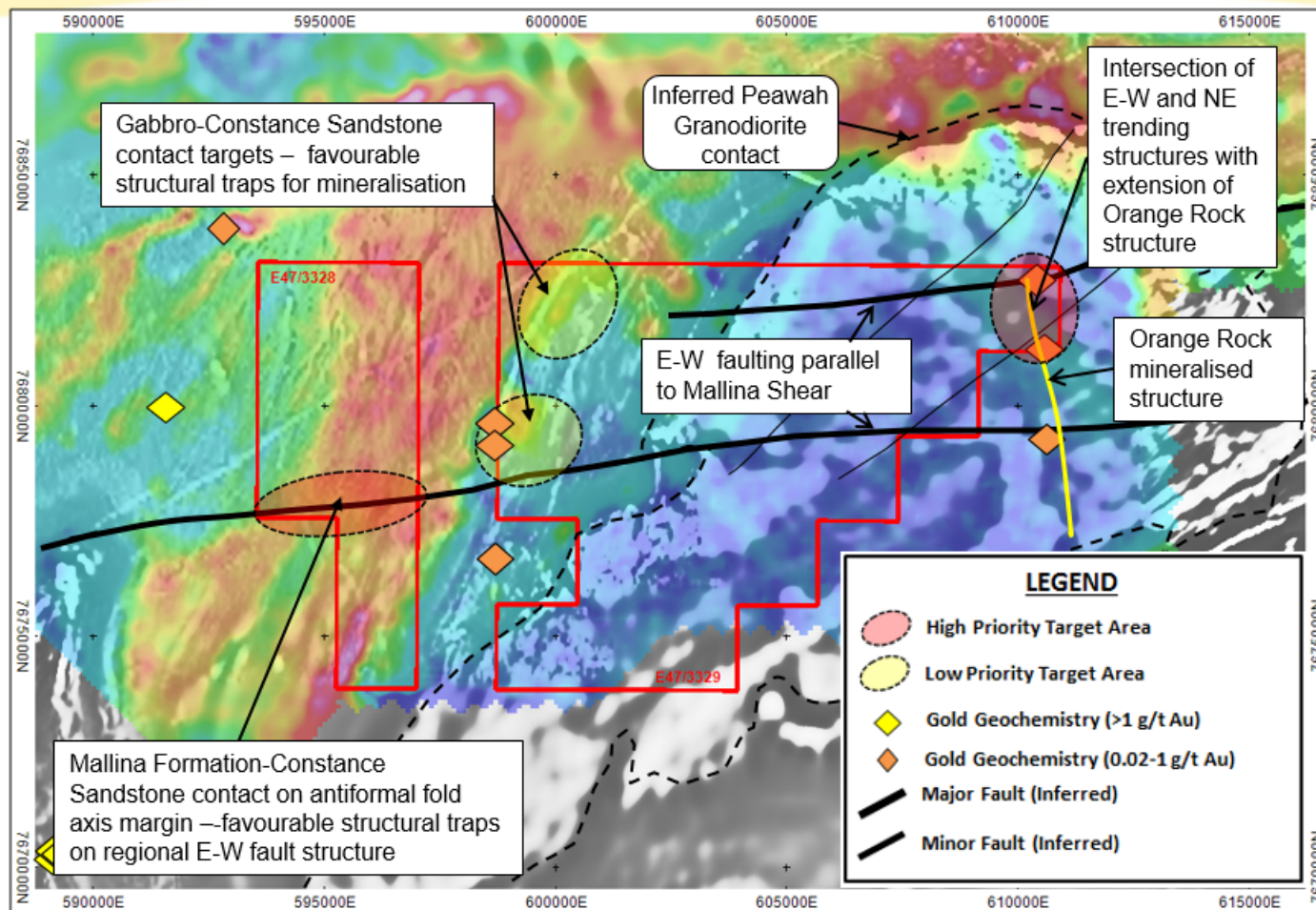
# Mallina – Gold Targets Detail



Two priority targets have been identified for drill testing in DGO's exploration licence holding at Mallina in the Northern Pilbara: the **basal Mt Roe Basalt conglomerate** both outcropping (4km long) or where it is interpreted to lie under shallow surface cover; and at **Scottie Well** where a drill target has been defined by a near surface EM anomaly, a 1.5km long gold-in-soil anomaly and the recent recovery of two gold nuggets.

# Mallina East

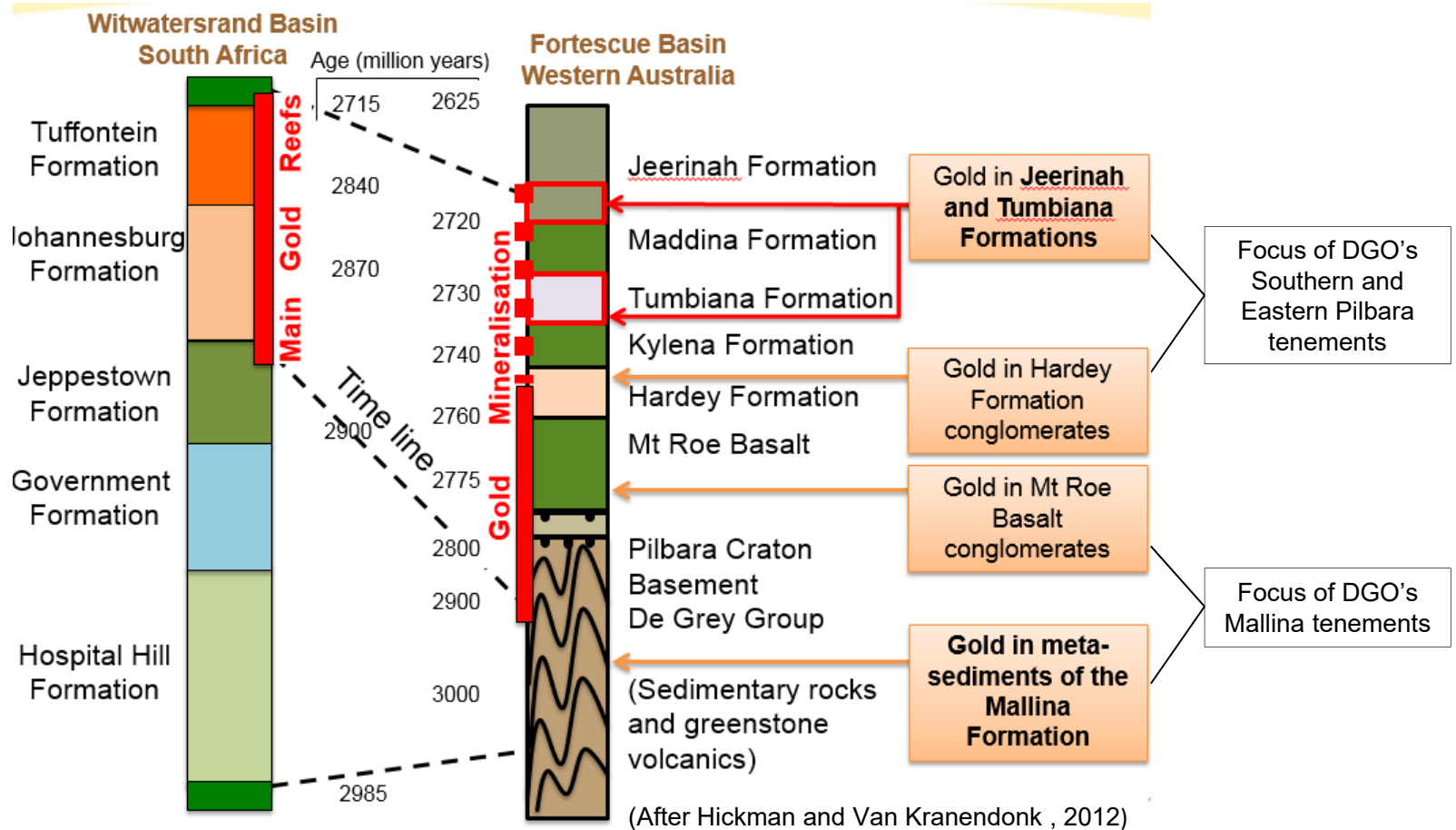
## Airborne EM Targets



**Early-time VTEM image from Indee 2000 survey over E47/3328 and E47/3329 tenements.**

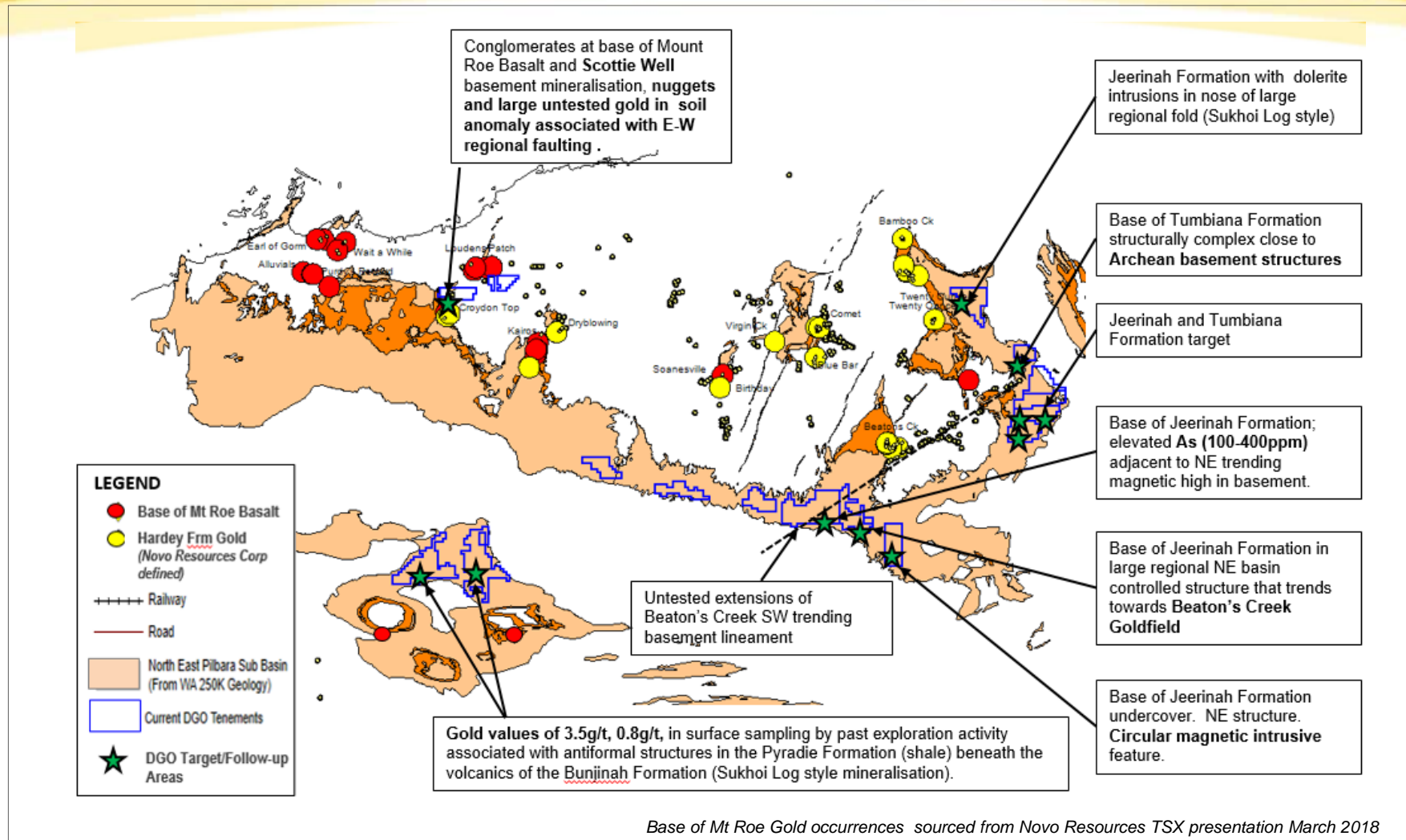
Target areas in DGO's tenements to the East of Mallina have been identified on lithological and structural contacts associated with antiformal fold axis margins and E-W regional faults. The faults parallel the Mallina Fault which hosts De Grey Mining's Indee gold mineralisation.

# Witwatersrand - Pilbara Stratigraphic Comparison



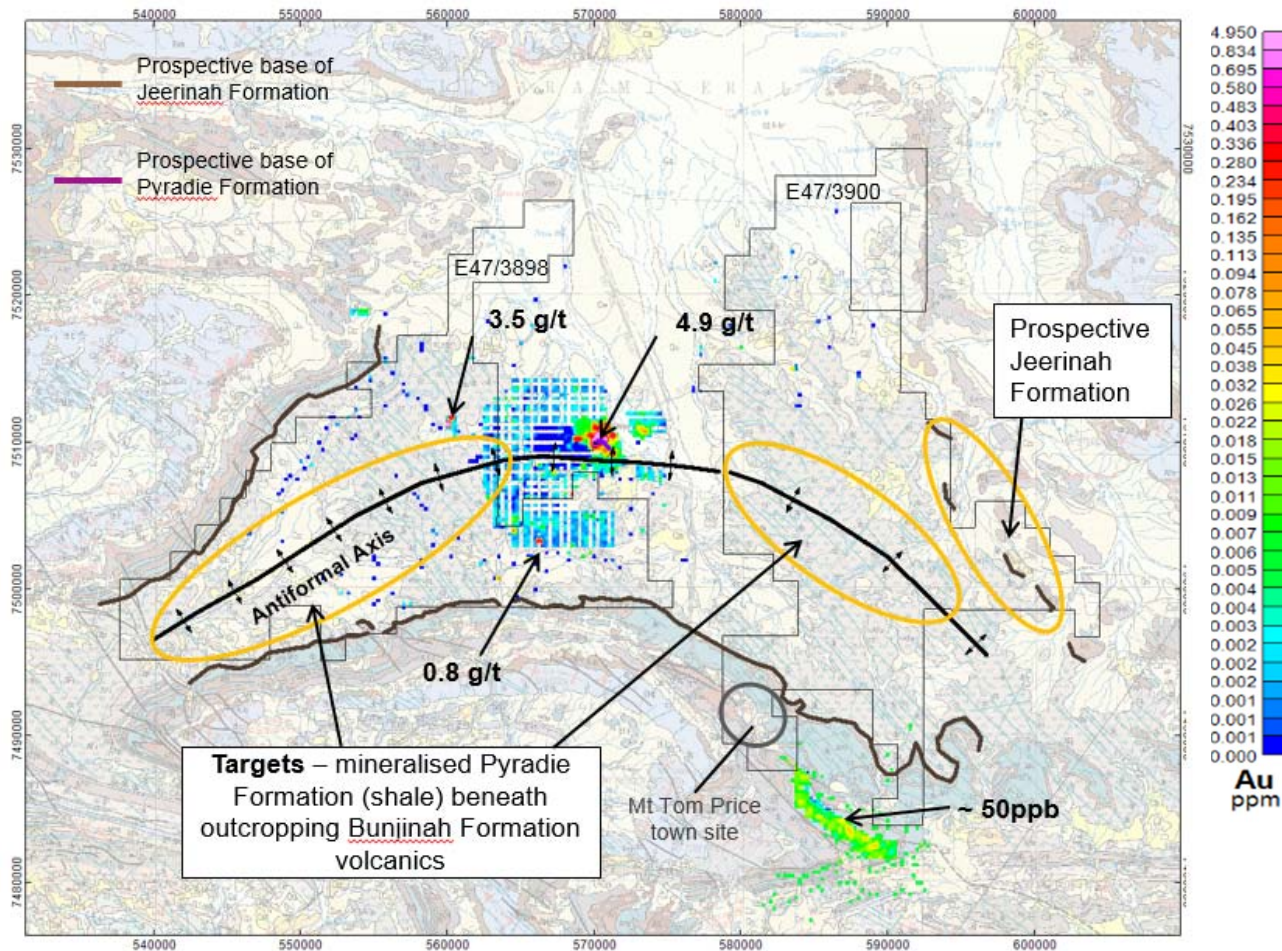
In addition to DGO's exploration focus on gold in the Pilbara Craton basement (Mallina formation/De Grey group) and the stratigraphically adjacent conglomerates underlying the Mt Roe basalt, the company's more recent extensive tenement applications are focused on the Jeerinah and Tumbiana formations which are more closely comparable in geological age with the main reefs of the Witwatersrand Basin in South Africa.

# Pilbara DGO Gold Land



In addition to the exploration targets in DGO's Mallina exploration ground, detailed review of public domain and past exploration data has identified a number of high value exploration targets across DGO's extensive Southern and Eastern Pilbara exploration land holdings.

# Mt Tom Price Targets



**Strong gold targets have been identified** in licence applications north of Mount Tom Price from a review of past exploration data:

- Elevated **radiometrics** within the applications
- **High grade** historical surface sample grades up to **3.5 g/t gold**
- The surface gold mineralisation is associated with upper Fortescue Group **Pyradie shales** and **Jeerinah Formation**
- Antiformal structural position **target** in the Pyradie Formation shale under outcropping Bunjinah Formation volcanics



# Corporate Overview

## Issued Capital

Shares	11.81m
Options ex 40c, 30/6/20	4.17m
<b>Share Price:</b>	75c
<b>Market Capitalisation:</b>	\$10.3m
<b>Cash (23/4/18):</b>	\$1.01m

## Board of Directors

Eduard Eshuys (Chairman)  
 Ross Hutton (Non-Exec Director)  
 Michael Ilett (Co Secretary & CFO)

## Major Shareholders

Cairnglen Investments P/L	2.07m	(17.5%)
Lion Nominees P/L	1.93m	(16.4%)
Resource Surveys Pty Ltd	1.27m	(10.7%)
Ginga P/L	1.58m	(13.4%)
Andama P/L	1.25m	(10.6%)



Source: Iress

# DGO Gold

DGO's exploration strategy is focused on the discovery of **sediment hosted gold** and **copper-cobalt deposits** in Australia across the **Pilbara**, the **Eastern Goldfields**, the **Yerrida Basin** of Western Australia and the **Adelaide Fold Belt** and **Stuart Shelf** in South Australia. Granted and application exploration licences now total **[9,694km<sup>2</sup>]**.

The company's strategy, led by veteran gold geologist, Executive Chairman Eduard Eshuys is based on the extensive research of Distinguished Professor Ross Large, former Head of the Centre for Excellence in Ore Deposits (CODES) of the University of Tasmania. Professor Large is a member of DGO's specialist consultant team that includes Professor Neil Phillips, former Chief of Division at CSIRO Exploration and Mining and a specialist in Witwatersrand basin gold mineralisation, Dr Stuart Bull a sedimentary basin specialist and Barry Bourne of Terra Resources, a highly experienced mineral exploration geophysicist.

Research undertaken by CODES has identified a concentration of the world's major gold deposits during several distinct geological time frames coinciding with periods of higher than normal concentration of gold in the oceans. DGO's landholdings have been acquired in favourable locations in sedimentary basins of analogous geological age. In addition to its greenfield exploration strategy DGO is seeking high potential brownfield gold exploration opportunities in WA goldfields through corporate investment or joint venture.

## Competent person statement

Exploration or technical information in this release has been prepared by **Mr. David Hamlyn**, who is a part time employee of DGO Gold Limited and a Member of the Australian Institute of Mining and Metallurgy. Mr. Hamlyn has sufficient experience 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. Hamlyn consents to the report being issued in the form and context in which it appears.

## Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include but are not limited to statements concerning DGO's planned activities, including but not limited to exploration and drilling programs, and other statements that are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward-looking statements. Although DGO believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.