

DGO Gold Limited

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5 February 2019

Company Announcements Office
ASX Limited
(via ASX Online)

Notice under section 708AA(2)(f) of the Corporations Act 2001 (Cth)

DGO Gold Limited (**DGO Gold** or the **Company**) has announced to ASX Limited (**ASX**) a non-renounceable pro rata rights offer (**Offer**) to DGO Gold shareholders in Australia or New Zealand to acquire 1 new ordinary share at \$0.65 each for every 6 existing ordinary shares held to raise up to approximately \$2.7 million. The terms of the Offer are described in more detail in the offer statement given to ASX at the time the Offer was announced (**Offer Statement**).

The Offer is being made to all shareholders of the Company recorded on its register of members at 7:00pm (Melbourne time) on Friday 8 February 2019, whose registered address is in Australia or New Zealand (**Eligible Shareholders**).

The offer will incorporate a top up facility under which Eligible Shareholders who take up their pro rata entitlement in full can apply to take up new shares in excess of their pro-rata entitlement (**Shortfall Facility**).

The Offer (including the Shortfall Facility) will not be underwritten, however as at the date of this announcement, the board has been advised that DGO Gold's major shareholders and directors intend to participate in the Offer.

If following the Offer not all the rights have been taken up, including under the Shortfall Facility, the directors reserve the right to issue such shortfall shares at their discretion to any person at an issue price not less than the price that the shares were offered to shareholders under the Offer at any time within 3 months of the close of the Offer in accordance with exception 3 of ASX Listing Rule 7.2. The new ordinary shares will be offered for issue under the Offer without disclosure to investors under part 6D.2 of the Corporations Act.

This notice is being given by DGO Gold under section 708AA(2)(f) of the Corporations Act.

As at the date of this notice:

- (a) DGO Gold has complied with:
 - (1) the provisions of chapter 2M of the Corporations Act as they apply to DGO Gold; and
 - (2) section 674 of the Corporations Act; and
- (b) there is no information:

- (1) that has been excluded from a continuous disclosure notice given to ASX in accordance with the ASX Listing Rules (and which has since not been given to ASX or which is set out below in this notice);
- (2) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (A) the assets and liabilities, financial position and performance, profits and losses and prospects of DGO Gold; or
 - (B) the rights and liabilities attaching to the new ordinary shares; and
- (3) that is reasonable for investors and their professional advisers to expect to find in a disclosure document.

Potential effect on control

The potential effect that the issue of the new ordinary shares under the rights Offer will have on the control of DGO Gold, and the consequences of that effect, will depend on a number of factors including the level of shareholder participation in the Offer.

For example, if all Eligible Shareholders take up their rights, and if all the shares to which the ineligible foreign shareholders would otherwise be entitled are subscribed for under the shortfall arrangements, the issue of the new ordinary shares under the Offer in that case would not be expected to have any material effect or consequence on the control of DGO Gold, although it will have a dilutionary effect on the ineligible foreign shareholders who are not entitled to participate in the Offer.

In a scenario where each Eligible Shareholder who currently holds a relevant interest in 5% or more of DGO Gold's shares subscribe in full for their pro rata entitlements under the Offer (including any shortfall), no other shareholders take up their entitlements and the Offer proceeds, then the effect on the share holdings of DGO Gold would be as follows:

This Shareholder	Who currently holds a relevant interest in this many shares	And has this relevant interest (%)	Would increase their holding to this number of Shares	And they would have the following increased Relevant Interest (%)
Ginga Pty Ltd	4,530,302	18.02%	5,285,352	18.53%
Cairnglen Investments Pty Ltd	4,328,377	17.21%	5,049,773	17.71%
Lion Nominees Pty Ltd	3,673,583	14.61%	4,285,847	15.03%
Andama Holdings Pty Ltd	2,707,783	10.77%	3,159,080	11.08%
Costa Asset Management Pty Ltd	2,666,667	10.61%	3,111,112	10.91%
Mr Eduard Eshuys	2,338,259	9.3%	2,727,969	9.57%

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The above potential control outcomes are based on the substantial holder notifications received by DGO Gold, and other relevant shareholdings in the Company that DGO Gold has been able to ascertain from its register of members, as at the date of the Offer Statement.

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

Eduard Eshuys
Chairman