

11 July 2019

## **DGO Gold Consolidates its Land Position near Mt Tom Price, Pilbara, Western Australia**

### **Summary:**

- **DGO Gold has augmented its land position near Mt Tom Price through a farmin agreement to earn 80% in contiguous Exploration Licences.**
- **The land position now covers 1,309 sq km and encompasses outcrop and interpreted sub-crop of Pyradie Formation sediments, age-dated to approximately 2,730 Ma, a period of high gold concentration in sea water associated with significant gold mineralisation globally.**
- **The position has been built as part of DGO's strategy of seeking to identify sediment-hosted gold discovery opportunities based on research undertaken by the Centre for Ore Deposits and Earth Science (CODES) at the University of Tasmania.**
- **A detailed data review has identified the presence of a 70 km long anticlinal structure, often a feature of sediment-hosted gold deposits, and anomalous gold in rock-chip and soil samples associated with the Pyradie Formation**
- **The exploration target is sediment-hosted gold mineralization of the Sukhoi Log style**

**DGO Gold** (DGO:ASX) is pleased to advise that it has extended and consolidated its gold exploration land position near Mt Tom Price in the Pilbara, Western Australia

DGO's land position comprises:

100% of 2 Exploration Licences (applications)

80% of 3 Exploration Licences (granted) subject to a Farmin Agreement with Forge Resources Swan Pty Ltd (Forge Resources)

Under the Farmin Agreement with Forge Resources, DGO is required to meet all expenditure requirements through to production, subject to a minimum expenditure of \$220,000 in the initial two years after which DGO has the right to withdraw.

# DGO Gold Limited

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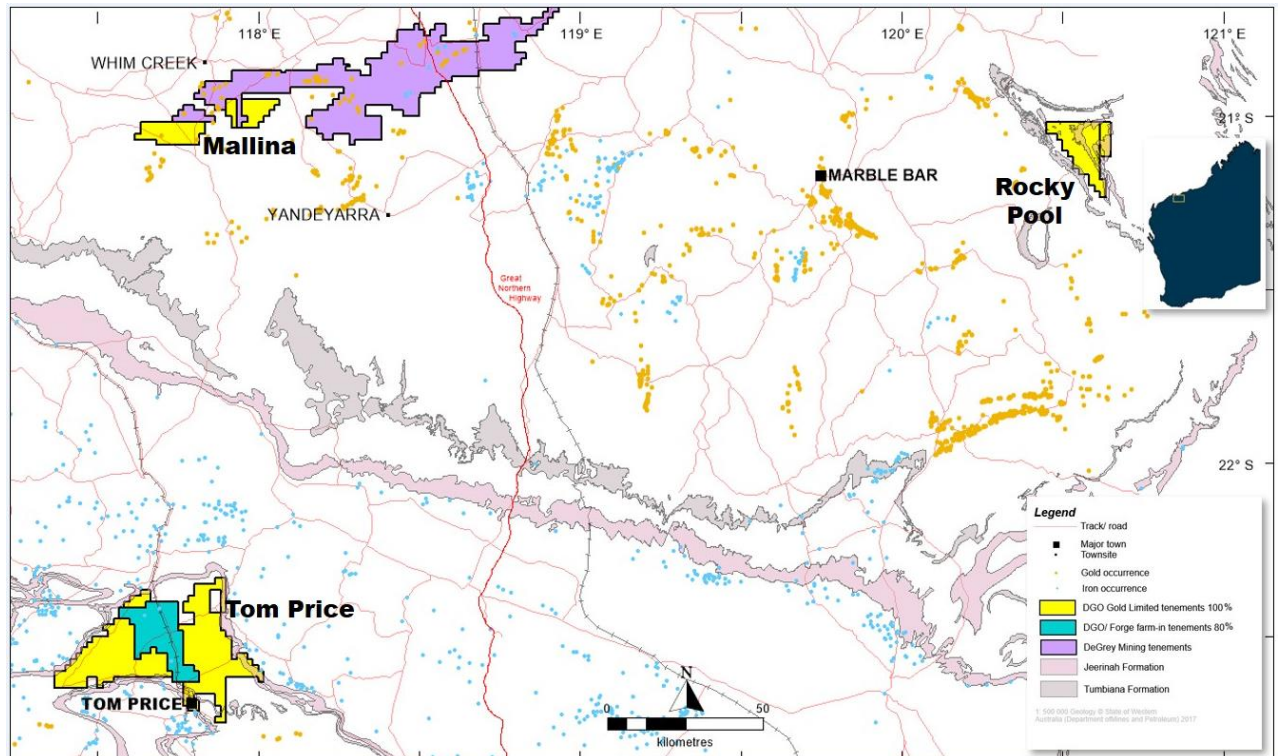
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## Exploration Strategy

DGO's exploration strategy in the Pilbara is based on recent developments in the understanding of the formation of structurally-controlled, sediment-hosted gold deposits around the world.

Research undertaken by the Centre for Ore Deposits and Earth Science (CODES) at the University of Tasmania, has demonstrated that there were certain times in Earth history when the oceans were particularly enriched in gold (Large et al, 2015). Sediments deposited during these periods can be gold-enriched, often manifested as gold-bearing pyrite in marine shales.

The gold in these shales can be remobilized through deformation and metamorphism to form structurally-controlled shale-hosted gold deposits. The giant Sukhoi Log deposit is an example of such a deposit. Anticlinal structures are particularly important in concentrating gold mineralization in this type of system.

According to CODES, the most important period of gold-enriched seawater was 2,700 to 3,100 Ma when the giant Witwatersrand gold field was formed. Two sedimentary sequences that partly overlap this time range are present in the Pilbara Craton.

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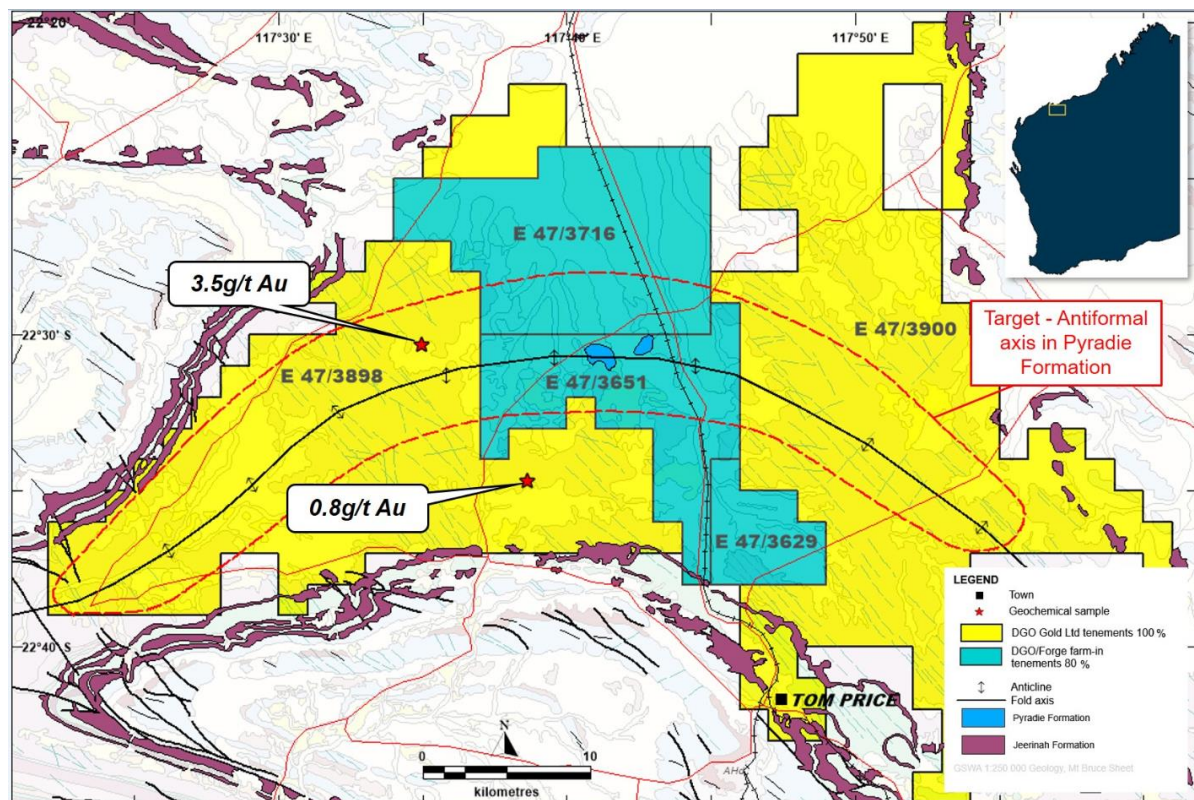
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The target sediments in DGO's Tom Price land, the Pyradie Formation, were deposited during this period of gold enriched seawater chemistry and CODES' analysis of the pyrite in these sediments confirm it to be a potential source for a structurally-controlled gold mineralization.

The general geology of the Tom Price area comprises a series of dome structures and basin folds of the Fortescue and Hamersley Group sedimentary rocks. DGO's land position covers a large, circa 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 (pre 2008) identified anomalous gold mineralization up to 3.5g/t in rock chip samples of siliceous chert units assigned to the Pyradie Formation. Follow up drilling of a linear magnetic feature and the down-dip extension of these siliceous units included gold results in the range of 0.1 to 0.3 g/t. This significant structure remains largely untested.



## DGO Executive Chairman, Eduard Eshuys, commented:

"DGO Gold has built its land position at Tom Price as part of our long term research partnership with CODES, focussed on seeking sediment-hosted gold exploration targets.

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The initial driver was to acquire land encompassing sediments laid down during one of the CODES' identified periods of high gold concentration in the Earth's oceans.

We've been delighted that our follow up review of the geology and past exploration data has identified the presence of key ingredients for the discovery of sediment-hosted gold mineralization. In addition to sediments of the right age, we have a large anticlinal structure and coincident anomalous gold samples at the surface.

We regard this as an outstanding greenfields gold exploration play, complementing our Mallina and Rocky Pool sediment-hosted gold land positions in the Pilbara."

## Planned Exploration

A staged program of activity is planned for the balance of 2019 including further review of past exploration data, field mapping, soil and rock-chip sampling, a detailed gravity survey and interpretation of magnetic and gravity data to define drill targets.



**Eduard Eshuys**

**Executive Chairman**

## Competent person statement

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

## DGO GOLD

DGO's strategy is to build a portfolio of Western Australian gold discovery opportunities primarily through strategic equity investment and also through tenement acquisition and joint ventures. DGO differentiates itself as a listed gold company by seeking to identify and invest in gold discovery opportunities that meet three key criteria:



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**Low-finding cost** – Brownfield gold discovery opportunities where finding costs are assessed to be comfortably below the brownfields average of \$20 per ounce.

**Potential for scale** – Initial resource potential of greater than 3 million ounces, required to support successful development.

**Upside Optionality** – Potential for long term resource growth well beyond 3 million ounces and potential for upside surprise via either a world class discovery (+10 million ounces) or substantial high grade mineralization.

DGO holds strategic gold and copper/gold exploration land positions in Western Australia and South Australia where it would expect to participate as a funded joint venture partner or shareholder by way of equity exchange.

The Company's exploration strategy is led by veteran gold geologist, Executive Chairman, Eduard Eshuys, supported by a specialist consultant team comprising, Professor Ross Large, former head of the Centre for Ore Deposits and Earth Sciences (CODES), Professor Neil Phillips, former head of Minerals at CSIRO and a specialist in Witwatersrand basin gold mineralization, Dr Stuart Bull, a sedimentary basin and Zambian Copper Belt specialist, and Barry Bourne of Terra Resources, a highly experienced mineral exploration geophysicist.