

Quarterly Activities Report Quarter ended 30 June 2019

DGO Gold Limited (ASX: DGO “DGO” or “the Company”) is pleased to provide shareholders with an update on its investment, research and exploration activities undertaken during the June quarter 2019.

HIGHLIGHTS

DGO continues to explore for and review low-discovery cost, investment scale brownfields ASX listed gold discovery opportunities in Western Australia, to complement the Company’s expanding holdings in NTM Gold Limited (NTM) and De Grey Mining Limited (DEG).

In July 2019 DGO committed to increase its investment in both NTM and DEG by subscribing for shares in NTM’s \$3.9M placement and through participation in DEG’s placement and underwritten entitlement offer totaling \$22.2M

Increased field activity on the six core sediment hosted gold and copper/gold exploration opportunities at Mallina and Mount Tom Price in the Pilbara, Yerrida Basin, Murchison Region, and at Lake Randall and Black Flag in the Eastern Goldfields all in Western Australia and Pernatty Lagoon, Stuart Shelf, South Australia will include geochemical soil surveys, airborne EM and surface gravity geophysical surveys and drilling. The field activity is scheduled to commence in the September quarter 2019.

INVESTMENT IN DE GREY MINING LIMITED

DEG increased total gold Mineral Resources by 21% to 29.65 million tonnes @ 1.8g/t for 1.7M ounces of gold. The strong exploration progress in the June Quarter adds support to DEG's corporate target for the of +3 million ounces of gold in the Pilbara Gold Province (DEG ASX announcement 21st Dec 2018)

Subsequent to the end of the Quarter, DEG launched a major capital raising via a placement and fully underwritten entitlements offer to raise a total of \$22 million to complete the acquisition of 100% of the Indee Gold Project and to provide funds to accelerate exploration (DEG ASX announcement 18 July 2019).

DGO committed to increase its investment in DEG by subscribing for 6 million shares in the placement at 5 cents per share and by taking up its full entitlement of approximately 25 million shares (\$1.25 million) in the new issue. In addition DGO has agreed to sub-underwrite the DEG entitlements issue to the extent of 70 million shares at 5 cents per share.

On 23 July 2019, DGO's Executive Chairman, Mr Eduard Eshuys, and DGO Director, Mr Bruce Parncutt, were appointed to the Board of De Grey Mining (DEG ASX announcement 24 July 2019).

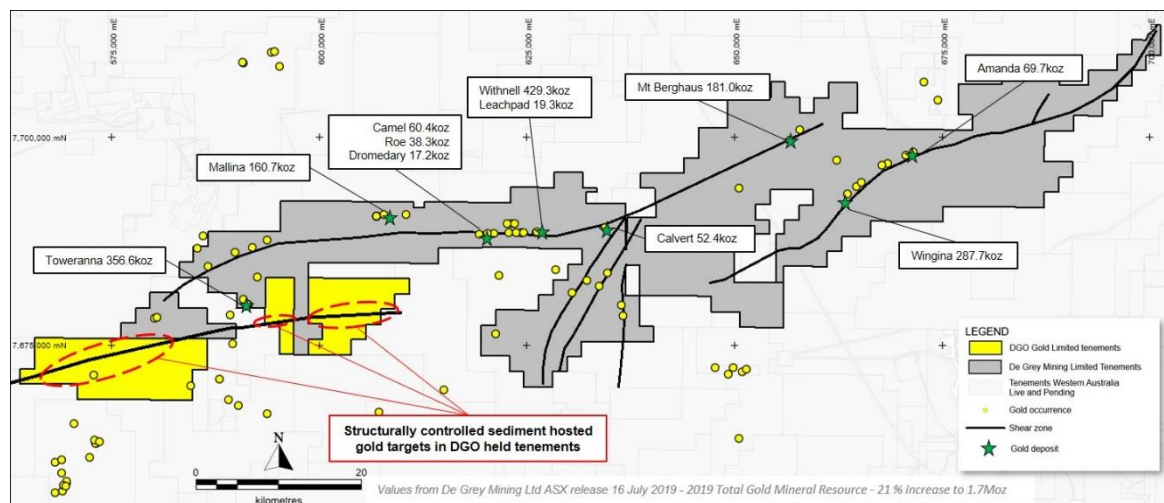


Figure 1: DGO/DEG Pilbara Gold Province Tenure with Significant Gold Deposits / Occurrences and Targets

INVESTMENT IN NTM GOLD LIMITED

DGO is NTM's largest individual shareholder holding approximately 9.77% in the ordinary shares of NTM, prior to the exercise of any attached options.

On the back of NTM's recent exploration success, NTM completed a placement of 100 million shares at 3.25 cents per share to raise \$3.25 million (NTM ASX announcement 8 July 2019). DGO agreed to support NTM and will subscribe for 14.43 million shares under

the same terms of the placement (\$468,975) subject to NTM shareholder approval to maintain its position in the expanded capital of the company.

The investments in NTM and DEG continue to meet, and exceed, DGO's brownfields gold discovery investment strategy of low finding cost (<\$20 per ounce), potential for scale (>3 million ounces) and upside optionality (long term resources growth well beyond 3 million ounces)

EXPLORATION ACTIVITY

DGO has built strategic exploration land positions in areas with potential to host significant sediment hosted gold and copper deposits in Western and South Australia.

During the June Quarter 2019 activity was focused on the design and preparation of exploration programs to test both gold and copper targets. Programs of geochemical sampling, geophysical surveys and drilling have been designed to follow up on targets in the Yerrida Basin, Mallina, Mount Tom Price and Black Flag tenements in Western Australia and in the Stuart Shelf tenements in South Australia.

The Company's research agreement with CODES, The Centre for Ore Deposits and Earth Sciences at the University of Tasmania has provided the geological basis to underpin the Company's exploration strategy. Research by CODES has focused over the past decade on identifying districts in which sediment hosted gold and copper deposits could occur in sedimentary basins in Australia that are of comparable geologic age and character to the basins which host world class deposits elsewhere in the world.

YERRIDA BASIN, MURCHISON REGION, WESTERN AUSTRALIA

*E51/1729, 51/1730, E51/1748 to 51/1753, 51/1833, 51/1897, ELA51/1920 and ELA51/1921 – 100% DGO Gold
TasEx JV – E51/1590 – 51% DGO Gold*

Middelen Option – E51/1725, 51/1726 – 0%DGO Gold

Data compilation by DGO has previously identified a 25km long gold, copper and zinc geochemical anomaly associated with ENE trending shear structures in the prospective Killara, Doolgunna and Johnson Cairn formations which represents a strong target for DeGrussa style copper and gold mineralisation.

The Company will conduct a helicopter borne electromagnetic survey over this anomalous area in August to identify potential DeGrussa style conductors for follow up drill testing. The survey by New Resolution Geophysics involves 540 line kilometres of survey on 250 meter spaced lines over the target lithological contacts.

The potential for stratiform sediment hosted copper (SSH Cu) deposits within the Yerrida Basin analogous to the world-class Zambian Copper Belt (ZCB) is planned to be evaluated by a broad spaced soil sampling program over the target contacts between Juderina and Johnson Cairn and the Juderina and Maraloou formations.

Extensive strike lengths of the Juderina-Johnson Cairn and the Juderina-Maraloou contacts are present in DGO's tenements. The first pass soil program will cover over 30km of strike of the Juderina-Johnson Cairn contact and 35km of the Juderina-Maraloou contact

on a 1,000m by 160m sample spacing as well as 15km of strike of extensions to the gold-copper-zinc geochemical anomaly associated with the Killara, Doolgunna and Johnson Cairn formations.

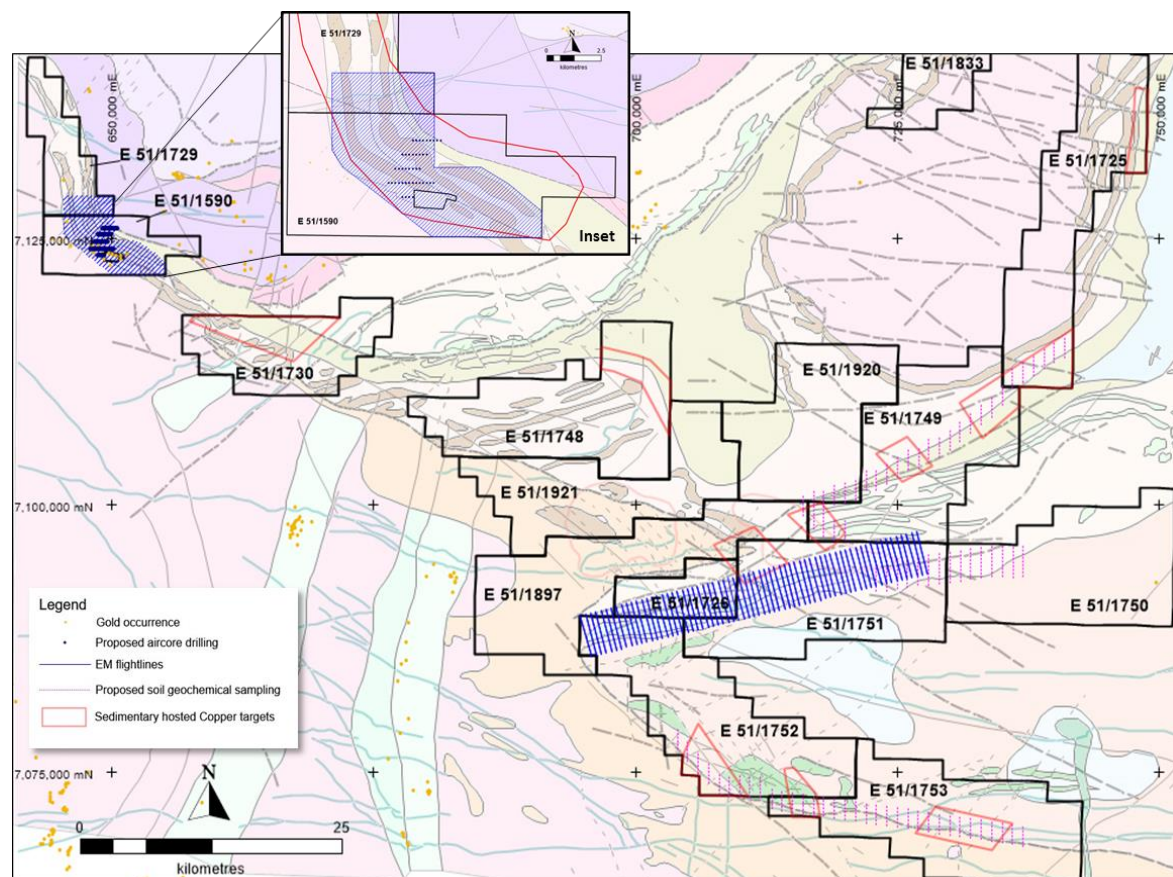


Figure 2: DGO Yerrida Basin Tenements, Geology and Targets

Showing planned soil sampling areas over sediment hosted copper targets, EM surveys over DeGrussa-style target formations and aircore drilling on structural gold targets.

Exploration programs have also been scheduled in the east of DGO's Yerrida Basin project on gold targets and over formations prospective for DeGrussa style copper-gold mineralisation.

A 3,000m aircore drilling campaign has been designed to test the prospective contact of the Juderina sandstones and the Johnson Cairn formation shales along a NE trending shear in areas of known gold nugget discoveries in the southern part of E51/1590.

The Tasex JV tenement is also prospective for DeGrussa style copper-gold mineralisation on the Narracoota Volcanics-Johnson Cairn-Juderina geological contacts in the northern part of the tenements and an airborne electromagnetic survey involving 166 line kilometres of survey will be conducted to test for conductors potentially related to this style of mineralisation. A Program of Works (PoW) application for the air core drilling program has been approved by the Department of Mines, Industry Regulation and Safety (DMIRS) and the airborne electromagnetic survey is scheduled to commence in August.

PILBARA REGION, WESTERN AUSTRALIA

The Company's exploration focus is on the Mallina, Tom Price, Rocky Pool and Warrawagine tenements (*Figure 3*) which host prospective sediments of the right comparable age and structures with gold mineralisation detected in previous exploration data.

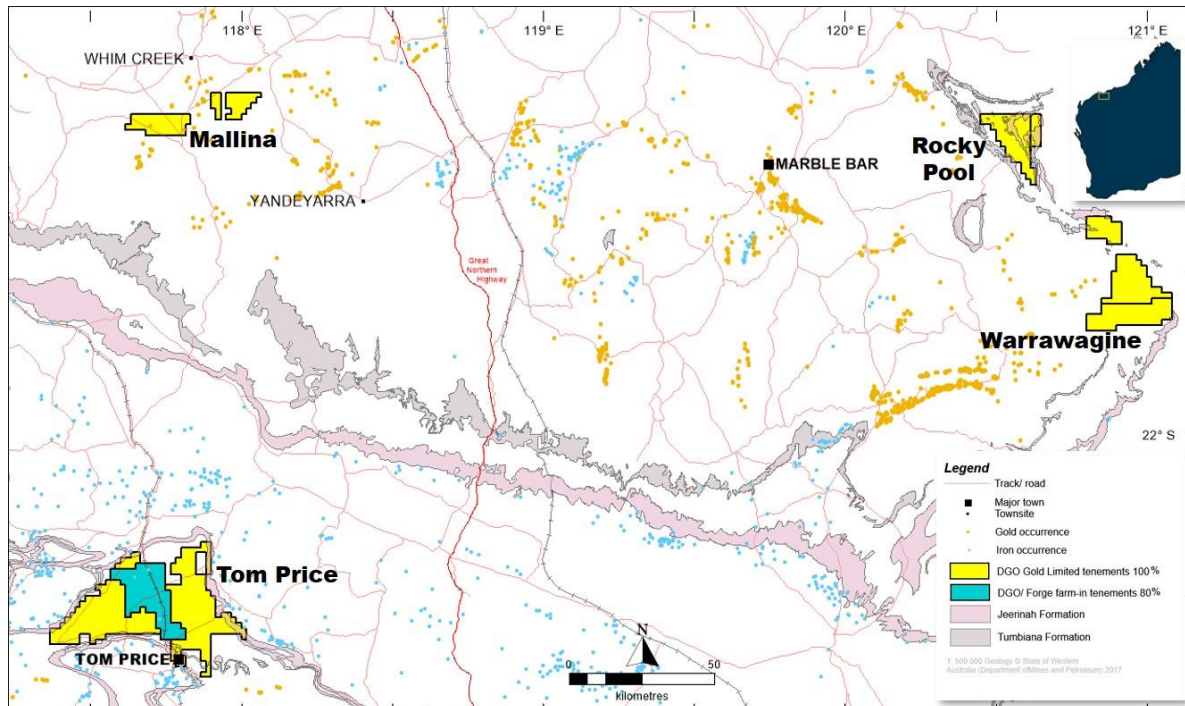


Figure 3: DGO's Pilbara Tenements

MALLINA

E47/3327 to 47/3329 – 100% DGO Gold

DGO's Mallina tenements adjoin De Grey Mining's Pilbara Gold Province Project and share a similar geological and structural setting to DEG's tenements which host substantial gold resources related to structurally controlled mineralisation.

The DGO tenement package incorporates over 30km's of strike length of major ENE-trending structures that parallel the Mallina Shear Zone (MSZ)(refer to Figure 4). A NE trending splay, off the MSZ, is associated with a 2km strike length gold anomaly that defines the Scotties Well target (defined by historical soil anomalies up to 1g/t Au; refer to Figure 4).

Soil sampling (2km x 160m) completed over the 20km long structural corridor within E47/3327 defined large (2km x 1km) elevated gold in soil anomalies which broadly correspond with the interpreted position of the ENE trending shear. This zone is scheduled to be tested with widely spaced aircore drill traverses and additional soil sampling over zones of structural complexity and mild arsenic anomalism (refer *Figure 4*)

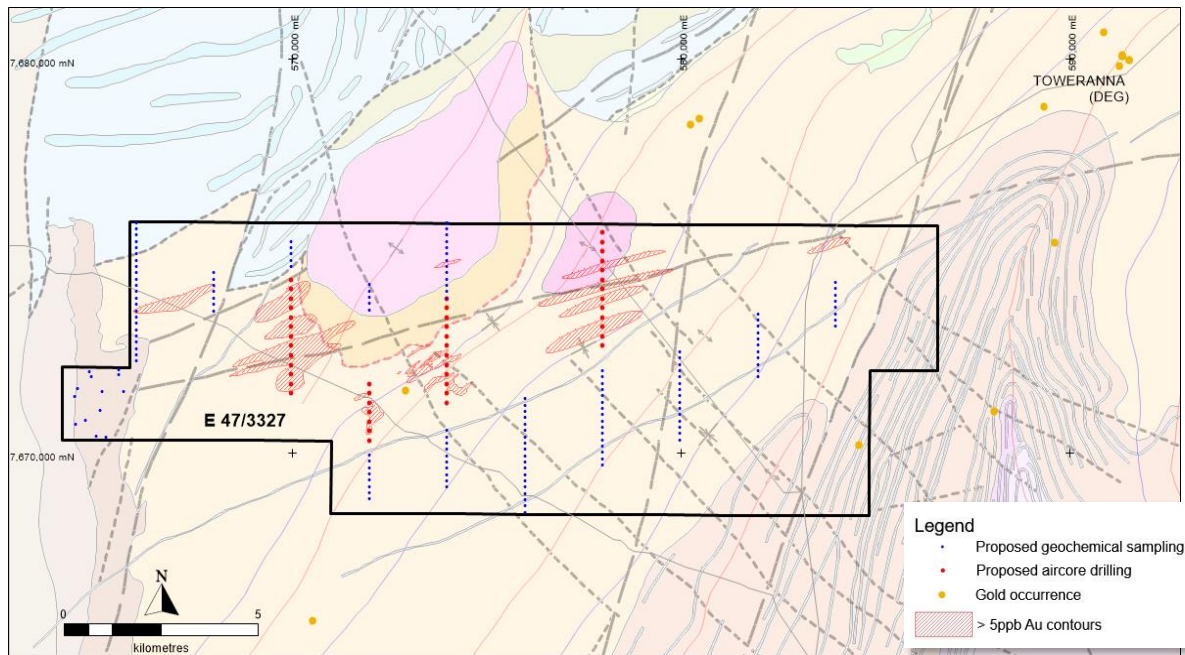


Figure 4: E47/3327 Geology Plan

showing gold in soil anomalies and planned aircore drilling and soil sampling program

TOM PRICE

ELA47/3898, 47/3900 – 100% DGO Gold

Forge Farm-in – E47/3629, 47/3651 and 47/3716 – 0% DGO Gold

During the June Quarter DGO negotiated a Farm-in and Joint Venture agreement with Forge Resources Swan Pty Ltd (Forge), part of the BBI Group, over the gold exploration right to three tenements in the Mount Tom Price area.

Under the terms of the Heads of Agreement signed on 29 June 2019, DGO may earn up to 80% in the gold rights to tenements E47/3629, E47/3651 and E47/3716 by managing and funding all exploration and tenement costs up to the delivery of a feasibility study into the development of gold mining.

The Forge tenements are central to DGO's applications E47/3898 and E47/3990 (*Figure 5*) and cover portion of the antiformal axis within the Pyradie Formation which is the target for DGO's gold exploration.

DGO's land position covers a large, 70 km long regional anticlinal structure, within 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 identified anomalous gold mineralization up to 4.9 g/t gold in rock chip samples of siliceous chert units assigned to the Pyradie Formation (*IGO ASX announcement 28 July 2003*). 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 substantial structure remains largely untested.

DGO is to undertake a detailed gravity survey over the central part of the structure to assist in the definition of extensions to the shale and siliceous units which hosted gold mineralisation in previous exploration sampling.

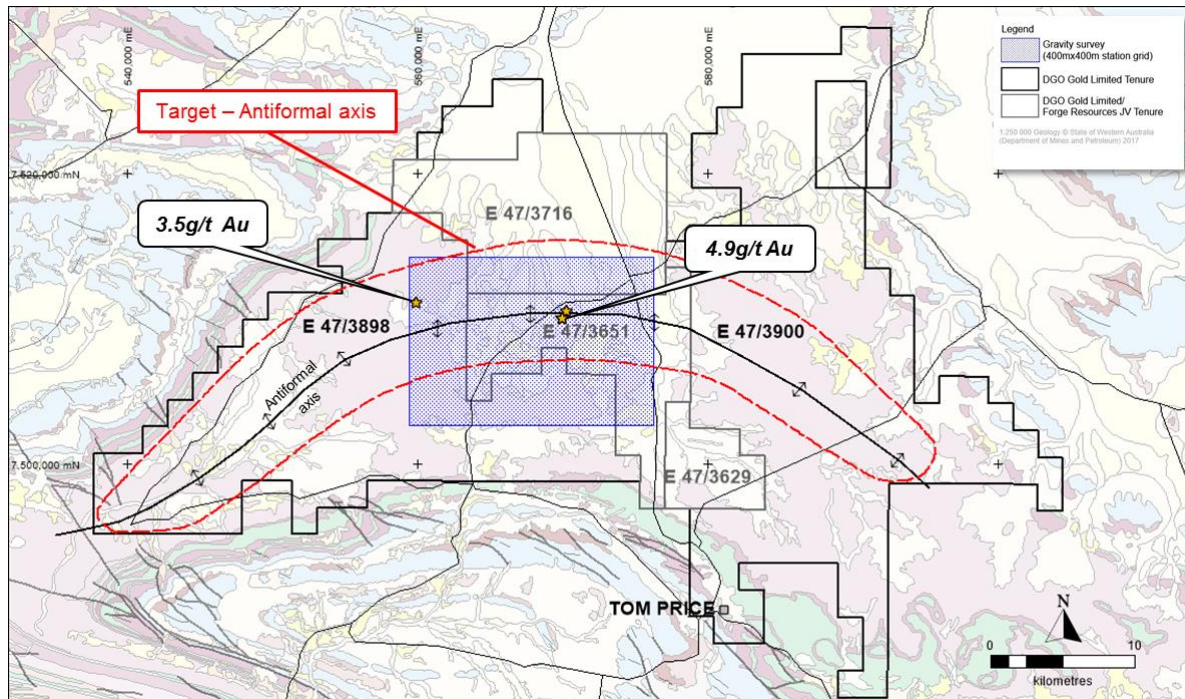


Figure 5: Tom Price Geology and Tenement Plan
showing target zone and planned gravity survey

STUART SHELF, SOUTH AUSTRALIA

EL6030, EL 6145, EL 6302, EL 6303 and ELA 2019/75 – 100% DGO Gold

The Stuart Shelf contains the world class Olympic Dam, Prominent Hill and Carapateena copper deposits, and a number of other copper-gold deposits and emerging prospects.

DGO's stratiform sediment-hosted copper/gold discovery strategy, conducted in conjunction with research at the Centre for Ore Deposits and Earth Sciences (CODES) at the University of Tasmania, is based on models from the Zambian Copper Belt (ZCB). The targeting program has delineated a ZCB style targets at Pernatty Lagoon in the transition zone sediments between the out cropping Woocalla Dolomite and the deeper basin Tapley Hill shales. Additionally, geophysical studies have identified partially coincident gravity and magnetic responses that are typical of IOCG deposits and prospects elsewhere on the Stuart Shelf underlying the younger rocks.

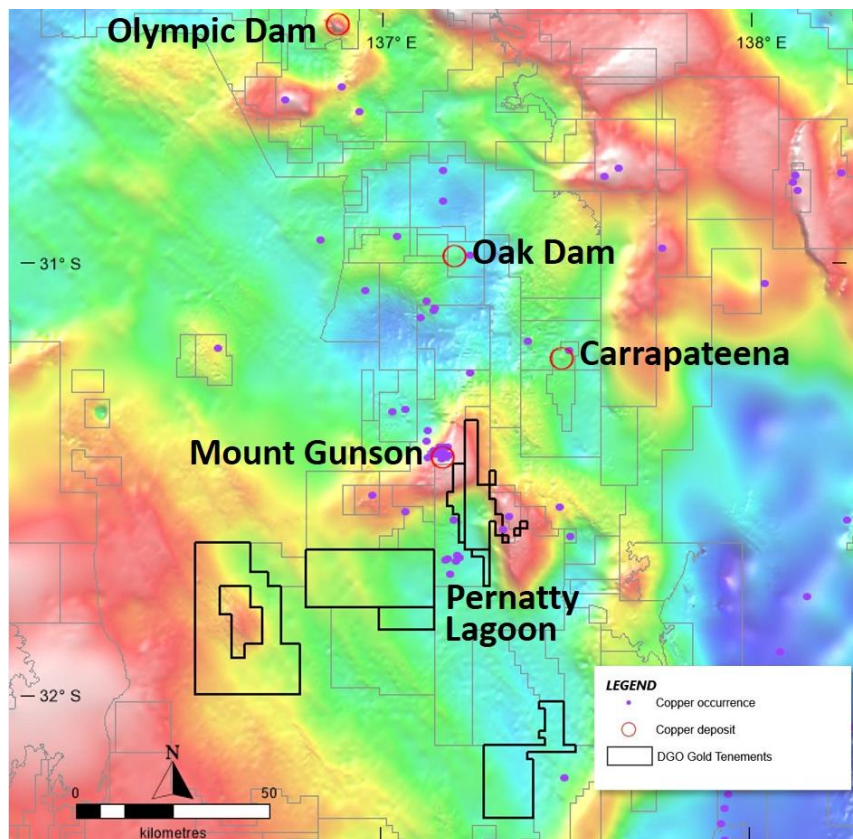
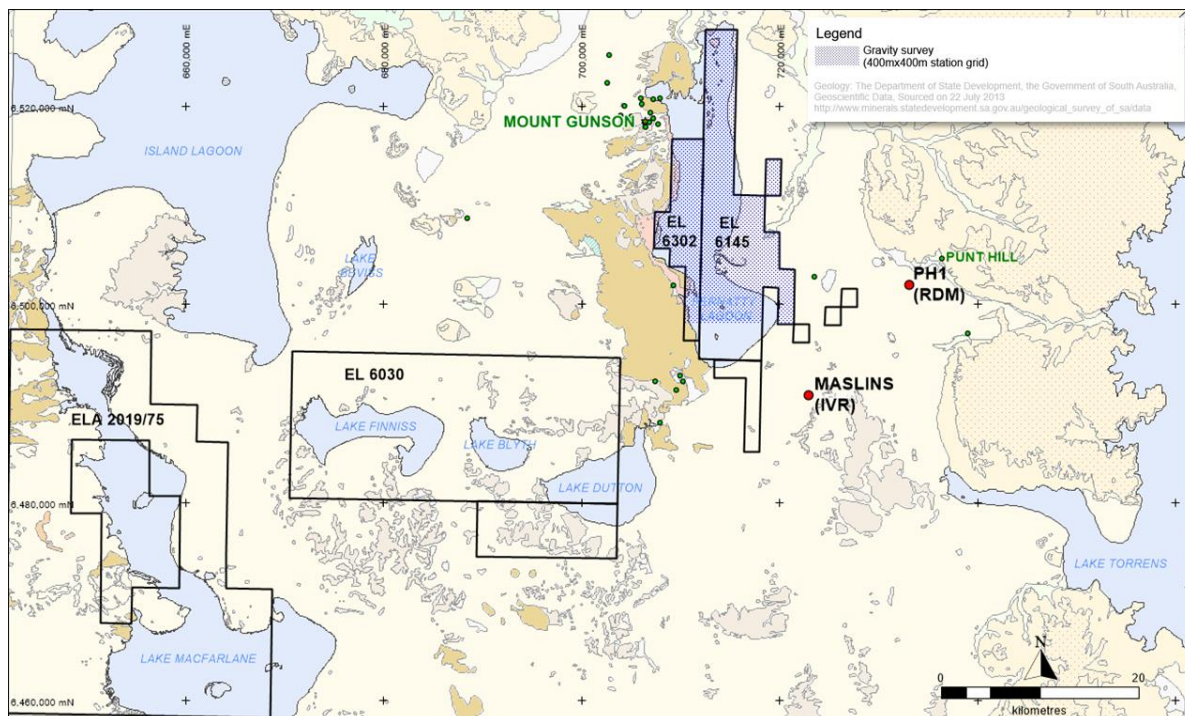


Figure 6: Gravity and location map



**Figure 7: Pernatty Lagoon Region Geology and Tenement Plan
showing planned gravity survey**

The Company is to conduct a detailed gravity survey over the IOGC discreet gravity

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anomalies at Pernatty Lagoon when all necessary approvals are in place and program of reverse circulation drilling on the margins of the lagoon to test for ZCB style copper mineralisation in the transition zone

Subsequent to the end of the June Quarter, a new exploration licence, ELA 2019/00075, was applied for to cover potential extensions to the ZCB targets.

SHARE CAPITAL

As at 30 June 2019, the Company had 32,529,695 fully paid shares, 842,175 40c unlisted options, 10,042,129 \$1 unlisted options and 2,850,000 performance rights.

FINANCIAL POSITION

As at 30 June 2019, the Company had \$4.8 million in cash.



Eduard Eshuys
Executive Chairman

DGO GOLD

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

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 also holds and built strategic gold exploration land positions 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 Excellence in Ore Deposits (CODES), Professor Neil Phillips, former head of Minerals at CSIRO and a specialist in Witwatersrand basin gold mineralization, Dr Stuart Bull, a sedimentary basin specialist, and Barry Bourne of Terra Resources, a highly experienced mineral exploration geophysicist.

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 mineralization 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.*

LAND HOLDINGS

DGO's tenements cover a total of 10,767km² (granted, under application or joint venture/option) across Western Australia and South Australia covering some of the high priority targets identified by the CODES research.

During the reporting period tenements with low residual prospectivity at Mt Edwards (E51/1465, E15/1488 and E15/1514) in the Eastern Goldfield of Western Australia and at Mount Barker (EL 5770, EL 5812 and EL 5946) in Adelaide Fold Belt of South Australia were relinquished.

Exploration licence applications (ELA 2018/170 and ELA 2018/179) covering high priority sediment hosted copper targets in the Pernatty Lagoon and Myall Creek areas of the Stuart Shelf in South Australia were granted on 7 February 2019 as EL 6302 and EL 6303 respectively.

One exploration licence application (E51/1897) was granted on 8 February and two new

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exploration licence applications (E51/1920 and E51/1921) were lodged over potential extensions to prospective stratiform sediment hosted copper targets in the Yerrida Basin in the Murchison District of Western Australia.

	Tenements - Granted	Tenements - Applications	Area (km ²)
Western Australia			
Lake Randall JV	E15/1573		53
Lake Randall		E25/584	179
Ora Banda	P24/4946 - 4956		22
Black Flag	P24/4986 - 4992, E24/197		31
Mallina	E47/3327 - 3329		243
East Pilbara	E45/5031 - 5035	E47/3898, E47/3900,	987
Tom Price JV	E47/3629, 3651, 3716		323
Yerrida Basin	E51/1590, 1729, 1730, 1748 - 1753, E51/1833, E51/1897	E51/1920, E51/1921	2,226
Middelen Option	E51/1725, 1726		268
Yamarna West		E38/3343, E38/3344	728
<i>Sub-Total</i>			5,060
South Australia			
Wirrabara	EL 6237		755
Dawson	EL 5737, EL 5876, EL 5877, EL 6036, EL 6269		919
Pernatty Lagoon	EL 6145, EL 6302		348
Bookaloo	EL 6030	ELA 2019/75	1204
Myall North	EL 6303		308
<i>Sub-Total</i>			3,534
TOTAL			8,594

Table 1: DGO Tenement Holdings as at 26 July 2019

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

DGO Gold Limited

ABN

96 124 562 849

Quarter ended ("current quarter")

30 June 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (twelve months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(426)	(2,042)
(b) development		
(c) production		
(d) staff costs		
(e) administration and corporate costs	(132)	(638)
1.3 Dividends received (see note 3)		14
1.4 Interest received	4	11
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds		780
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(554)	(1,875)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(3)	(14)
(b) tenements (see item 10)		
(c) investments		(6,750)
(d) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (twelve months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment		1
	(b) tenements (see item 10)		
	(c) investments	49	49
	(d) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (property lease bank guarantee & deposit)	(48)	(48)
2.6	Net cash from / (used in) investing activities	(2)	(6762)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	15	12,009
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options		
3.4	Transaction costs related to issues of shares, convertible notes or options	(46)	(194)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	(31)	11,815

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	5,390	1,625
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(554)	(1,875)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2)	(6,762)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(31)	11,815
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	4,803	4,803

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	2,103	5,390
5.2 Call deposits		
5.3 Bank overdrafts		
5.4 Other (term deposit)	2,700	
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,803	5,390

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

136

Director fees, expense reimbursements, rent and consultancy fees.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$A'000**

8. Financing facilities available

Add notes as necessary for an understanding of the position

**Total facility amount
at quarter end
\$A'000**

**Amount drawn at
quarter end
\$A'000**

8.1 Loan facilities

8.2 Credit standby arrangements

8.3 Other (credit card)

30

1

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

Unsecured credit card limit \$30,000.

9.	Estimated cash outflows for next quarter	\$A'000
9.1	Exploration and evaluation	999
9.2	Development	
9.3	Production	
9.4	Staff costs (included in 9.1 & 9.5)	
9.5	Administration and corporate costs	299
9.6	Other (provide details if material)	
9.7	Total estimated cash outflows	1,298

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1					
10.2					

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: 

(Executive Chairman)

Date: 31/07/2019

Print name: Eduard Eshuys

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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.