

16 July 2020

## **DGO Gold acquires interest in 9 Tier 1 Yilgarn gold targets identified by AI/machine learning**

**DGO Gold Limited (ASX: DGO)** is pleased to advise that the Company has entered into an agreement with SensOre Limited (“SensOre”), to acquire a 40% equity interest in SensOre’s subsidiary Yilgarn Exploration Ventures Pty Ltd (“Yilgarn Exploration”) for a total consideration of \$4 million.

DGO’s investment in Yilgarn Exploration will provide sufficient funding for proof of concept drilling on each of the 9 targets over the next 18 months. Yilgarn Exploration is currently testing the first of its targets at Desdemona North, 10km south of Sons of Gwalia Mine. SensOre’s technology has predicted a 5km by 3km mineral system with potential for a Tier 1 resource.

SensOre’s proprietary Discriminant Predictive Targeting (DPT®) technology applied to its data cube of over 1800 layers of cleaned Yilgarn Craton data, uses AI/machine learning to define advanced, high potential gold targets.

Yilgarn Exploration has been established by SensOre to undertake gold exploration activities in areas identified by DPT® in the Yilgarn region of Western Australia, acquired through applications for vacant land and joint ventures. Yilgarn Exploration currently holds 9, early-stage, high potential gold targets in 8 project areas and will have the right to participate in additional targets identified by SensOre in the future. A summary of the projects currently held by Yilgarn Exploration is attached as Schedule 1.

Pursuant to the agreed terms, DGO will make an initial \$2 million investment with a further investment of \$2 million payable within the following 12 months to acquire its 40% interest in Yilgarn Exploration. DGO will have Board and technical committee representation.

**DGO Executive Chairman, Eduard Eshuys, commented** *“DGO has a history of applying industry leading research to identify targets with the highest potential. The targets identified by SensOre are historically overlooked areas within highly endowed greenstone belts that have a potential for scale that meets DGO’s investment criteria.”*

- ENDS -

This announcement is authorised for release by Mr Eduard Eshuys, Executive Chairman.

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**DGO Gold Background**

DGO's strategy is to build a portfolio of Western Australian gold discovery opportunities through strategic equity investment and through tenement acquisition and joint ventures. DGO seeks to identify and invest in discovery opportunities that meet several key criteria:

**Prospectivity** – Geological analogue to Tier 1 deposits

**Low-finding cost** – Gold discovery opportunities where finding costs are assessed to be comparable to 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 Tier 1 discovery or discovering significant high grade mineralization.

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 AO, former head of the Centre for Ore Deposits and Earth Sciences (CODES), Professor Neil Phillips, former head of Minerals at CSIRO, Dr Stuart Bull, a sedimentary basin and Zambian Copper Belt specialist, and Barry Bourne of Terra Resources, a highly experienced mineral exploration geophysicist.

DGO has invested in two ASX listed companies over the past 2 years; De Grey Mining Ltd and NTM Gold Ltd which have both created substantial value as a result of the discovery of new gold resources in the Mallina Gold Province and the Leonora district WA respectively. DGO is also exploring in its own right a number of gold and copper prospects in WA and South Australia.

**SensOre Background**

SensOre aims to become the top performing minerals targeting company in the world through the deployment of AI and machine learning technologies, specifically its Discriminant Predictive Targeting (DPT®) workflow. SensOre collects all available geological information in a terrane and places it in a multi-dimensional hypercube or Data Cube. SensOre's big data approach allows DPT® predictive analytics to accurately predict known endowment and generate targets for further discovery.

SensOre, through its subsidiary Yilgarn Exploration Ventures Pty Ltd (Yilgarn Exploration), has acquired more than 600km<sup>2</sup> of tenements in the Yilgarn. The tenements were identified using a 'Data-Cube' containing over 1,800 data layers and +14 billion discrete data points.

Further information about SensOre is available at <https://www.sensore.com.au/>

### **SensOre's Data Cube & DPT® Technology**

SensOre's technology is the culmination of more than a decade of development by Alf Eggo, SensOre's Chief Technology Officer, after he left research at Rio Tinto. SensOre has collaborated with leading public research organisations, such as the Mineral Resources Division of the Commonwealth Scientific and Industrial Research Organisation (CSIRO). With CSIRO, SensOre has been looking at increasing the automation and efficiency of extracting and cleaning big data and processing predictive solutions to assist exploration. In 2020, IBM's Exploration for Watson Platform recognised the complementary nature of SensOre's technology and established a joint-marketing initiative. David Dickson, IBM's global leader for Chemicals, Petroleum, & Industrial Products' Digital Transformation & Mining, saying of the combination "we went to work with our clients and co-created Exploration with IBM Watson. Now, with SensOre's DPT® technology, we complete the picture." SensOre's technology has a number of confidential targeting engagements with clients and is starting to see the first targets move into testing. In addition to the exploration drilling now underway on the first of Yilgarn Exploration's targets, Argonaut Resources has announced it will be testing its Island Gold Prospect on its Higginsville tenements this quarter.

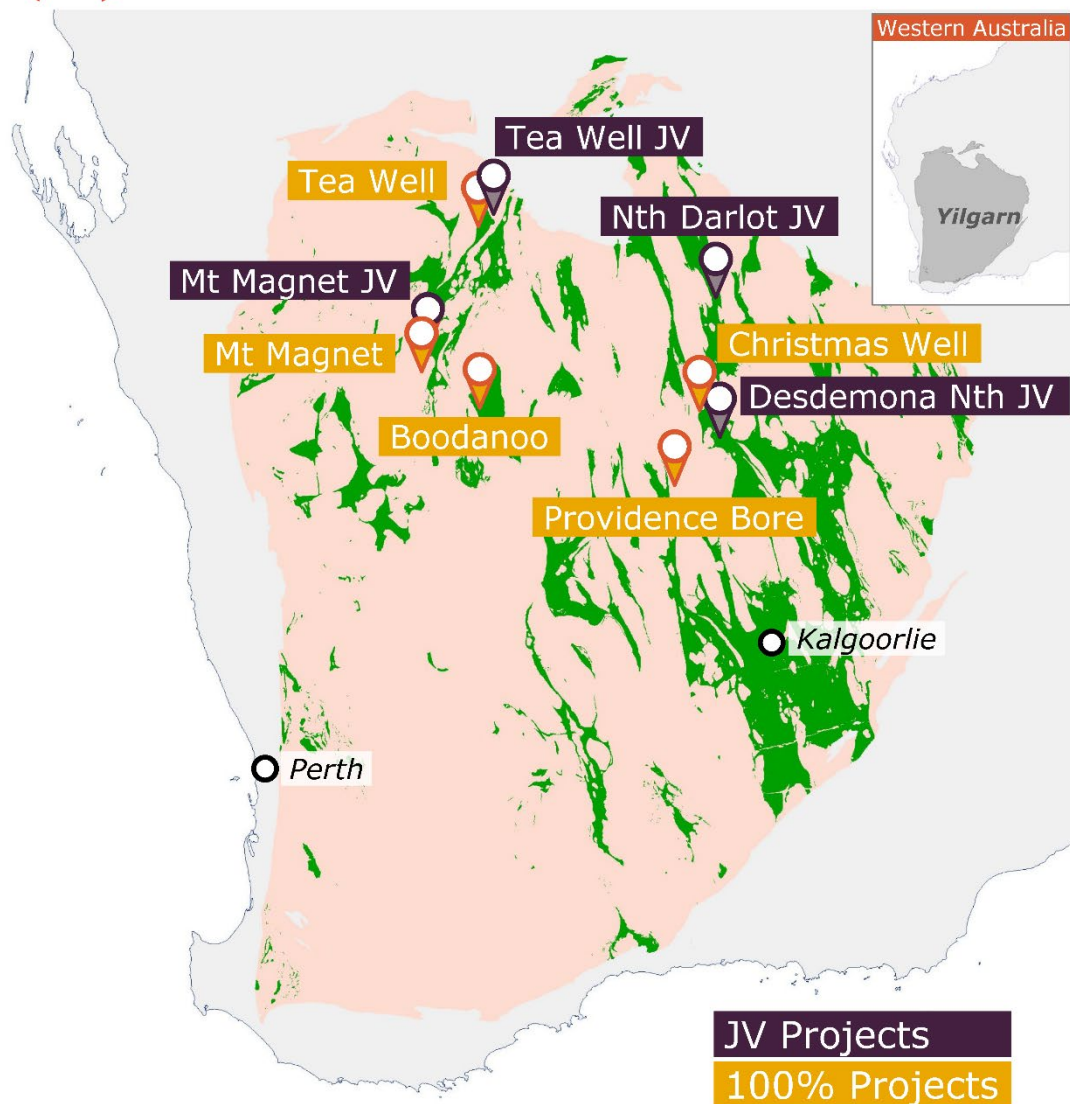
### **Competent person statement**

*The information in this release that relates to Exploration Results and Mineral Resources is based on information compiled by Robbie Rowe, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy (AusIMM) and is a Registered Professional Geoscientist in the field of Mineral Exploration with the AIG. Mr Rowe is an employee and Chief Operating Officer of SensOre. Mr Rowe has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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'. Mr Rowe consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

## Schedule 1: Yilgarn Exploration Ventures Projects



*Project Portfolio*  
2020



### **Desdemona North (Yilgarn Exploration earning 75%; DGO Effective 30%)**

Desdemona North is located 10km south of the Sons of Gwalia Gold Mine (St Barbara Limited) and is a joint venture with Kin Mining Limited (Kin) where Yilgarn Exploration has the right to earn 75% interest through spending \$3.5 million on exploration within 3 years.

The geology is interpreted to be a typical Archean greenstone sequence within the southern extension of the Gwalia Shear Zone undercover. The project is immediately south of the Paradise North gold occurrence where a historical aircore drillhole intersected 12m @ 3.6g/t Au from 42m (ASX:KIN 25 August 2016; GSWA Open File Report A59923).

### **North Darlot (Yilgarn Exploration 85%; DGO Effective 34%)**

North Darlot is located 25km north of Darlot (Red 5 Limited) and is a joint venture with a private company in which Yilgarn Exploration can earn an 85% interest through spending \$4 million on exploration within 4 years.

The geology is interpreted to be the faulted (Rosewood Fault) contact between Archean greenstones and granites under cover of lake sediments. The target covers an area of 5km by 3km where historic wide spaced shallow drilling identified a low-level gold anomaly.

### **Christmas Well (Yilgarn Exploration 100%; DGO Effective 40%)**

Christmas Well is located 15km northwest of Gwalia Gold Mine and 10km south of King of the Hills (Red 5 Limited) in tenements held by Yilgarn Exploration. The target geology is interpreted to be hosted within a folded early Archean sequence and located on a flexure in a major fault at the contact of greenstones and granites. No effective exploration has been carried out previously on the 3km by 5km target area.

### **Tea Well (Yilgarn Exploration earning 85%/100%; DGO effective 34%/40%)**

Tea Well is located 7km southeast of Meekatharra on tenements held by Yilgarn Exploration and tenements held by a private company in which Yilgarn Exploration is earning 85% by spending \$2.5 million over 3 years. The geology largely outcrops and is a south plunging synformal sequence of ultramafic, high magnesium basalts, dolerite and tuffs underlain by BIF with major faults along the fold axis. The target area is 6km by 4km and has no historic drilling.

### **Providence Bore (Yilgarn Exploration 100%; DGO Effective 40%)**

This project is located 200km northwest of Kalgoorlie and 10km east of Alt Resources' (ASX:ARS) Bottle Creek resource. The 3km by 1km target is located immediately east of the Ballard (or Zuleika) shear hosted within an interpreted greenstone sequence of mafic volcanics and sediments coincident with a second order splay fault.

### **Boondanoo (Yilgarn Exploration 100%; DGO Effective 40%)**

Boondanoo is located 75km southeast of Mount Magnet in the Windimurra-Nardee Belt at the contact between the Windimurra intrusive complex and Yaloginda sediments formation. The 5km by 2km target area has historically had no effective exploration and no previous drilling.

### **Mt Magnet JV (Yilgarn Exploration earning 85%; DGO Effective 34%)**

This project is 20km north of Mouth Magnet in an area where RC drilling in 2008 at the northern end of the target area intersected 16m @ 1.7g/t from surface (GSWA Open File Report A112295).

### **Mt Magnet (Yilgarn Exploration 100%; DGO Effective 40%)**

This project is located 5km northeast of Mouth Magnet.