



21 July 2020

## Standby Equity Commitments Received

DGO Gold (ASX:DGO) is pleased to advise that the Company has received commitments (**Commitments**) from a number of key shareholders (**Committing Shareholders**) to participate in a possible future capital raising, in an aggregate amount of \$12 million.

These Commitments will enable DGO to take advantage of strategic investment opportunities, that may require equity funding at a later date.

The Commitments are subject to a future capital raising being undertaken at a price no higher than a 20% discount to the 10 day volume weighted average DGO Gold share price at the time the capital raising is announced, and are for a term of four months, expiring on 20 November 2020.

If the Commitments are activated in the next four months, Committing Shareholders would be required to meet their Commitment by participating in the capital raising. The structure of the capital raising would be at the discretion of DGO. For example if the capital raising is undertaken by way of a rights offer, the Committing Shareholder may be required to subscribe for their entitlement, and also to offer to subscribe for any shortfall or to underwrite the rights offer to the extent of their Commitment.

Any capital raising would be made in compliance with the Corporations Act and ASX listing rules, and any Commitments would be scaled back to the extent necessary to ensure that there is no breach of any law, statutory instrument, constitution or agreement binding on or otherwise affecting the Company.

In exchange for their Commitment, Committing Shareholders will be paid a commitment fee of 50,000 unlisted DGO Gold options per \$1 million of Commitment being exercisable at \$4.50 per share with an expiry date of 31 July 2022 (**Options**).

The following four Directors have made Commitments in the following amounts:

Director	Commitment	No. of Options to be issued (subject to shareholder approval)
Bruce Parncutt AO	\$1,200,000	60,000
Eduard Eshuys	\$700,000	35,000

Ross Hutton	\$200,000	10,000
Michael Ilett	\$200,000	10,000
<b>Total</b>	<b>\$2,300,000</b>	<b>115,000</b>

The issue of options to the Directors or their associated entities will be subject to the approval of DGO Gold's shareholders, intended to be sought at the Company's next Annual General Meeting.

The remaining \$9,700,000 of the Commitments have been made by 8 other top 20 shareholders of the Company, and will result in the issue of 485,000 Options collectively to those Committing Shareholders.

- ENDS -

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

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