



DGR Global Ltd

ACN 052 354 837

Prospectus

Entitlement Offer to Eligible Shareholders

An accelerated non-renounceable rights issue to Eligible Shareholders of DGR Global Ltd of one (1) New Share for every four (4) Shares held at an Issue Price of \$0.037 per New Share to raise up to approximately \$5,671,932 before costs of the Entitlement Offer (subject to the Debt Conversion Facility), with one (1) attaching New Option for every four (4) New Shares allotted exercisable at \$0.084 on or before 28 May 2022.

The Entitlement to attaching New Options will only apply to Eligible Shareholders who apply for a minimum of \$4,000 worth of New Shares under the Entitlement Offer.

The Entitlement Offer is fully underwritten by Samuel Holdings Pty Ltd ACN 063 693 747 as trustee for the Samuel Discretionary Trust, Samuel Terry Asset Management Pty Ltd ACN 108 611 785 as trustee for Samuel Terry Absolute Return Fund and Phoenix Portfolios Pty Ltd ACN 117 850 254.

This document is important and it should be read in its entirety.

The Retail Entitlement Offer closes at 5pm (AEST) on 21 May 2020. Therefore, Entitlement and Acceptance Forms for the Retail Entitlement Offer must be received by the Share Registry with your payment no later than 5:00pm (AEST) on 21 May 2020. Please refer to the table on the following page and the full timetable set out in section 2.4 of this Prospectus, for the important dates.

If you are in any doubt as to the contents of this document, you should consult your stockbroker, solicitor, banker, financial adviser or accountant as soon as possible. The securities offered by this Prospectus are considered to be speculative.

This is a transaction-specific prospectus issued in accordance with section 713 of the *Corporations Act 2001* (Cth).

Not for distribution in the United States of America or to U.S. persons.

Important Information

Key Entitlement Offer Statistics

Issue Price of New Shares	\$0.037
Entitlement Offer Ratio	1:4
Issue Price of New Options	Nil
Exercise Price of New Options	\$0.084
Maximum number of New Shares to be issued under the Entitlement Offer	153,295,469*
Maximum number of New Options to be issued under the Entitlement Offer	38,323,867**
Maximum number of Shares to be on issue following issue of the New Shares and exercise of the New Options	804,801,213***
New Options Expiry Date	28 May 2022

* Excludes any New Shares which may be issued in the event that any Existing Options and Convertible Notes are exercised prior to the Record Date. Some allowance has been made for rounding, with Fractional Entitlements being rounded up.

**Assumes that the maximum number of New Shares are issued. The Entitlement Offer is fully underwritten.

***Assumes that the maximum number of New Shares are issued pursuant to the Entitlement Offer, and the maximum number of New Options are issued pursuant to the Entitlement Offer, and are exercised. The issue of the New Shares is fully underwritten. The exercise of the New Options is not underwritten.

Key dates for investors

Company in Trading Halt (entered Trading Halt on 27 April 2020)	28 April 2020
Announcement of Entitlement Offer, Institutional Entitlement Offer opens	
Institutional Entitlement Offer closes	5pm (AEST) 29 April 2020
Results of Institutional Entitlement Offer announced	30 April 2020
Trading halt lifted	30 April 2020
Record Date for the Retail Entitlement Offer	30 April 2020 (7.00pm AEST)
Prospectus and Entitlement and Acceptance Form despatched to Eligible Retail Shareholders	5 May 2020
Opening Date of Retail Entitlement Offer (9am AEST)	
Closing Date* of Retail Entitlement Offer	21 May 2020 (5.00pm AEST)
Issue of New Shares pursuant to Retail Entitlement Offer	28 May 2020

* The Directors may extend the Closing Date by giving at least three (3) Business Days' notice to ASX prior to the Closing Date.

Further details regarding the timetable for the Entitlement Offer are set out in section 2.4. The dates set out in this timetable are subject to change and are indicative only. The Company reserves the right to alter this timetable at any time, subject to the Corporations Act and the Listing Rules, without prior notice. Eligible Retail Shareholders are encouraged to submit their Entitlement and Acceptance Form as soon as possible after the Retail Entitlement opens.

Subject to the requirements of the Listing Rules and the Corporations Act, the Directors reserve the right to:

- (a) withdraw the Entitlement Offer without prior notice; or
- (b) vary any of the key dates set out in this Prospectus, including by extending the Entitlement Offer.

Important Notice

This Prospectus is dated 28 April 2020 and was lodged with the Australian Securities and Investments Commission (**ASIC**) on the same date. Neither ASIC nor the ASX nor their respective officers take any responsibility for the contents of this Prospectus. No securities will be issued on the basis of this Prospectus any later than 13 months after the date of issue of this Prospectus.

This Prospectus contains an Entitlement Offer to Eligible Shareholders of continuously quoted securities (as defined in the Corporations Act) and options to acquire continuously quoted securities and has been prepared in accordance with section 713 of the Corporations Act. No exposure period applies to this Prospectus by virtue of *ASIC Corporations (Exposure Period) Instrument 2016/74*.

The Company is a disclosing entity and therefore subject to regular reporting and disclosure obligations under the Corporations Act. Under those obligations, the Company is obliged to comply with all applicable continuous disclosure and reporting requirements in the ASX Listing Rules.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to the ASX. Accordingly, the level of disclosure contained in this Prospectus is significantly less than that required under a prospectus for an initial public offer and Eligible Shareholders should consider: all relevant facts and circumstances, including their knowledge of the Company and any disclosures that it has made to the ASX; and should consult their professional advisers, before deciding whether to accept the Entitlement Offer.

Foreign Shareholders

This document does not constitute an offer of securities in any jurisdiction in which it would be unlawful to make such an offer. No New Securities may be offered or sold in any country outside Australia except to the extent permitted below.

The Company has not made any investigation as to the regulatory requirements that may prevail in countries outside of Australia and New Zealand. The distribution of this Prospectus in jurisdictions outside of Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe those restrictions. Any failure to comply with those restrictions might constitute a violation of applicable securities laws. It is the responsibility of overseas Applicants to ensure compliance with all laws of any country relevant to their Acceptance. The Entitlement Offer does not constitute an offer in any place in which or to any person to whom, it would be unlawful to make such an offer.

See section 2.16 for further information.

New Zealand

The New Securities being offered under this Prospectus are not being offered to the public within New Zealand, other than to existing Shareholders of the Company with registered addresses in New Zealand, to whom the Offer is being made in reliance on *Financial Markets Conduct Act 2013 (New Zealand)*, the *Financial Markets Conduct Regulations of New Zealand*, and the *Financial Markets Conduct (Incidental Retail Entitlement Offers) Exemption Notice 2016 (New Zealand)*.

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the *Financial Markets Conduct Act 2013 (New Zealand)*. This document is not an investment statement, prospectus or product disclosure statement under New Zealand law, and is not required to, and may not, contain all the information that an investment statement, prospectus or product disclosure statement under New Zealand law is required to contain.

Papua New Guinea

This Prospectus may be distributed in Papua New Guinea only to Shareholders. This Prospectus has not been registered as a prospectus in Papua New Guinea and no notice of the Entitlement Offer will be submitted to the Registrar of Companies. No other documents are being lodged with the Registrar of Companies or the Papua New Guinea Securities Commission in respect of the Entitlement Offer. The Offer is not, and should not be construed as, an offer of securities to the public in Papua New Guinea.

Singapore

This document and any other materials relating to the New Securities have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of

Singapore. Accordingly, this document and any other document or materials in connection with the Entitlement Offer or sale, or invitation for subscription or purchase, of New Securities, may not be issued, circulated or distributed, nor may the New Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the *Securities and Futures Act, Chapter 289* of Singapore (the **SFA**), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

No offer is made to you with a view to the New Securities being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Securities. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

United Kingdom

Neither this document nor any other document relating to the Entitlement Offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the *Financial Services and Markets Act 2000*, as amended (**FSMA**)) has been published or is intended to be published in respect of the New Securities.

This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of the FSMA) in the United Kingdom, and the New Securities may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) of the FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom. Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Securities has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (**investment professionals**) of the *Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (FPO)*, (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together **relevant persons**). The investments to which this document relates are available only to, and any offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

Jersey (Channel Islands)

Neither this Prospectus nor any other document relating to the Entitlement Offer has been delivered for approval to the Jersey Financial Services Commission or any other regulatory authority in Jersey. The Entitlement Offer for New Securities in Jersey is made only to Shareholders and this Prospectus may only be distributed in Jersey to Shareholders. This document does not constitute a prospectus under Jersey law and is not required to, and may not, contain all the information that a prospectus under Jersey law is required to contain.

Nothing in this Prospectus or anything communicated to the holders or potential holders of any New Securities (or interests in them) by or on behalf of the Company is intended to constitute or should be construed as advice on the merits of the purchase of, or subscription for, any New Securities (or interests in them) or the exercise of any rights attached to the New Securities (or interests in them) for the purposes of the *Financial Services (Jersey) Law 1998*.

United States

This document may not be released or distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this document have not been, and will not be, registered under the US *Securities Act of 1933* and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

Foreign exchange control restrictions or restrictions on remitting funds from your country to Australia may apply. Your application for New Shares is subject to all requisite authorities and clearances being obtained for the Company to lawfully receive your application monies.

How to accept Entitlement to New Shares

Entitlements to New Shares can be accepted in full or in part in the case of:

1. Eligible Institutional Shareholders, by following instructions given to them by the Company Secretary in separate documentation (the **Institutional Offer Letters**) which will be accompanied by this Prospectus; and
2. Eligible Retail Shareholders by completing and returning the Entitlement and Acceptance Form which is accompanying this Prospectus or making payment of Application Monies by BPAY® in accordance with the instructions set out in this Prospectus and on the Entitlement and Acceptance Form.

If in addition to being an Eligible Shareholder under the Entitlement Offer you are also a creditor of the Company, you may elect to take up your Entitlement by means of the conversion of some or all of the existing debt owed to you by the Company. See section 3.7 for further information on the Debt Conversion Facility.

This Prospectus is available in electronic form on the Company's website at <http://www.dgrglobal.com.au>. If you wish to obtain a free paper copy of this Prospectus, please contact the Company by email at info@dgrglobal.com.au or by phone +61 (07) 3303 0680.

Enquiries

If you are an Eligible Retail Shareholder and have any questions in relation to the Retail Entitlement Offer, please contact your stockbroker or professional adviser. If you have questions in relation to the Shares upon which your Entitlement has been calculated, or how to complete the Entitlement and Acceptance Form or how to take up your Entitlement, please contact the Company by email at info@dgrglobal.com.au or by phone +61 (07) 3303 0680.

Eligible Institutional Shareholders should direct their enquiries to the Company Secretary by email at kschlobohm@dgrglobal.com.au or by phone +61 (07) 3303 0680.

Deciding to accept the Entitlement Offer

No person named in this Prospectus, nor any other person, guarantees the performance of DGR, the repayment of capital or the payment of a return on the New Shares.

Please read this document carefully before you make a decision to invest. An investment in the Company has a number of specific risks which you should consider before making a decision to invest. Some of these risks are summarised in section 1.8 and set out in more detail in section 6.

This Prospectus is an important document and you should read it in full before deciding whether to invest pursuant to the Entitlement Offer. You should also have regard to other publicly available information about the Company, including ASX announcements, which can be found at the Company's website: <https://www.dgrglobal.com.au>. Shareholders can download their personalised Entitlement and Acceptance Form at <https://www.dgrglobal.com.au>.

Terms used

A number of terms and abbreviations used in this Prospectus have defined meanings, which are explained in the definitions and glossary in section 9.

Money as expressed in this Prospectus is in Australian dollars unless otherwise indicated.

Forward looking statements

Some of the information contained in this Prospectus constitutes forward-looking statements that are subject to various risks and uncertainties. Forward-looking statements include those containing such words as 'anticipate', 'estimate', 'should', 'will', 'expects', 'plans' or similar expressions. These statements discuss future objectives or expectations concerning results of operations or financial conditions or provide other forward-looking information. The Company's actual results, performance or achievements could be significantly different from the results or objectives expressed in, or implied by, those forward-looking statements. This Prospectus details some important factors that could cause the Company's actual results to differ from the forward-looking statements made in this Prospectus.

No representations

No person is authorised to give any information or to make any representation in connection with the Entitlement Offer which is not contained in this Prospectus. Any information or representation in connection with the Entitlement Offer not contained in this Prospectus may not be relied on as having been authorised by the Company or its officers. This Prospectus does not provide investment advice or advice on the taxation consequences of accepting the Entitlement Offer. The Entitlement Offer and the information in this Prospectus, do not take into account your investment objectives, financial situation and particular needs (including financial and tax issues) as an investor.

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Director's letter

28 April 2020

Dear Shareholder,

On behalf of the Directors, I am pleased to invite you to take up your Entitlement to new ordinary fully paid New Shares (and New Options to subscribe for ordinary fully paid Shares in DGR Global Ltd) pursuant to the Entitlement Offer.

The Company is making an accelerated non-renounceable rights issue of one (1) New Share for every four (4) Shares held in the Company on the Record Date, at an Issue Price of \$0.037 per New Share, to raise up to approximately \$5,671,932 before costs of the Offer (subject to the application of the Debt Conversion Facility). This Issue Price represents an approximately 33% discount to the 30 day volume-weighted average price (**VWAP**) of Shares as at 24 April 2020 (being approximately \$0.056).

The Entitlement Offer comprises:

- (a) the **Institutional Entitlement Offer**; and
- (b) the **Retail Entitlement Offer**.

Together the Institutional Entitlement Offer and Retail Entitlement Offer will raise up to approximately \$5,671,932.

The Institutional Entitlement Offer will be undertaken on 28 and 29 April 2020.

Every four (4) New Shares allotted will be issued together with one (1) New Option to subscribe for one fully paid ordinary Share in the Company at an exercise price of \$0.084 on or before 28 May 2022. **New Options will only be issued to Eligible Shareholders who apply for a minimum of \$4,000 worth of New Shares under the Entitlement Offer.**

Of the Directors, each of Messrs Mather and Cleary intend to take up their full Entitlement to New Shares, and each of Messrs Moller and Mascolo intend to take up so much of their respective Entitlements as may be subscribed for by converting pursuant to the Debt Conversion Facility, 66% of the amounts owed to each of them by the Company.

The Retail Entitlement Offer is open from **5 May 2020** and is due to close at 5:00pm (AEST) on **21 May 2020**. Please read the Prospectus carefully before deciding whether or not to invest. If there is any matter on which you require further information, you should consult your stockbroker, accountant or other professional adviser.

It is proposed that the funds raised under this Entitlement Offer will, together with existing working capital, be applied for the purposes of: funding the Company's investments in its unlisted subsidiaries and projects including, Auburn Resources Ltd, the Uganda Oil Project, Pinnacle Gold Pty Ltd, Coolgarra Minerals Pty Ltd, Hartz Rare Earths Pty Ltd and DGR Energy Pty Ltd (which are further described in sections 2.5 and 4.2 - 4.7); interest payment on existing convertible notes; covering the costs of the Entitlement Offer; payments of accrued liabilities and providing the Company with working capital.

The Institutional Offer Letters will be provided to each Eligible Institutional Shareholder by the Company Secretary (together with a copy of this Prospectus) and will set out that Eligible Institutional Shareholder's Entitlement along with instructions as to how that Entitlement can be accepted in full or in part.

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In the case of Eligible Retail Shareholders, a personalised Entitlement and Acceptance Form will accompany this Prospectus and set out the number of New Shares which you are Entitled to subscribe for. Retail Entitlements to New Shares can be accepted in full or in part by completing and returning the Entitlement and Acceptance Form, or making payment of Application Monies by BPAY® in accordance with the instructions set out below and on the Entitlement and Acceptance Form.

Eligible Shareholders may, in addition to their Entitlement, apply for **Additional New Shares** under the **Shortfall Facility** (refer to sections 1.12 and 3.4 of this Prospectus for more information). The issue of any Additional New Shares will be filled at the Company's discretion from any **Shortfall**.

If, in addition to being a Shareholder, you are also a creditor of the Company, you may, at your election, apply all or part of any amount owing to you to subscribe for New Shares under the **Debt Conversion Facility** (refer to sections 3.7 and 5.6 of this Prospectus for more information).

Application Monies for the New Shares, or notification of conversion under the Debt Conversion Facility from Eligible Retail Shareholders, must be received by the Company at its Share Registry by the Closing Date. Please refer to the timetable in section 2.4 for the important dates of the Entitlement Offer.

The Entitlement Offer is non-renounceable and therefore your Entitlements will not be tradeable on the ASX or otherwise transferable.

The Entitlement Offer is fully underwritten by Samuel Holdings Pty Ltd ACN 063 693 747 as trustee for the Samuel Discretionary Trust, Samuel Terry Asset Management Pty Ltd ACN 108 611 785 as trustee for Samuel Terry Absolute Return Fund and Phoenix Portfolios Pty Ltd ACN 117 850 254. Samuel Holdings is an entity associated with Managing Director, Mr Nicholas Mather.

The underwriting means that the receipt of the maximum funds sought under the Entitlement Offer (both Institutional and Retail), can be guaranteed (subject to the terms of the Underwriting Agreement) and the Company will be able to implement its planned activities. The Company will pay each Underwriter a fee of 5% of the amount underwritten by them. For more information as to the underwriting arrangements, see sections 2.12 and 8.6.

The Company will endeavour to place to new investors, any Shortfall not subscribed for by Eligible Shareholders or the Underwriters pursuant to the Underwriting Agreement.

On behalf of the Directors, I thank you for your continued support and I invite you to consider this investment opportunity.

Yours sincerely,



Brian Moller
Non-Executive Director
DGR Global Ltd

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1. Investment summary

The information set out in this section is not intended to be comprehensive and should be read in conjunction with the full text of this Prospectus.

1.1 The Entitlement Offer

The Entitlement Offer is for an accelerated non-renounceable entitlement offer of approximately 153,295,469 New Shares at an Issue Price of \$0.037 per New Share, on the basis of one (1) New Share for every four (4) Shares held by Eligible Shareholders as at the Record Date (together with one (1) free attaching New Option for every four (4) New Shares issued where the relevant Eligible Shareholder applies for more than \$4000 worth of New Shares). The Issue Price of \$0.037 per New Share represents an approximately 33% discount to the 30 day volume-weighted average price for Shares (being approximately \$0.056) as at 24 April 2020.

The Entitlement Offer has two components:

- (a) the Institutional Entitlement Offer - an offer to Eligible Institutional Shareholders; and
- (b) the Retail Entitlement Offer - an offer to Eligible Retail Shareholders.

Both the Institutional Entitlement Offer and the Retail Entitlement Offer are non-renounceable. Accordingly, Entitlements cannot be traded on the ASX, nor can they be sold, transferred or otherwise disposed of. If you do not participate in the Entitlement Offer, you will not receive any value for your Entitlement.

The Entitlement Offer is fully underwritten by the Underwriters. **Further details of the underwriting appear in Sections 1.7, 2.12 and 8.6.**

The Company has Existing Options and Convertible Notes on issue, which could increase the number of New Shares to be issued if the holders of Existing Options exercise their Existing Options or the holders of the Convertible Notes convert prior to the Record Date.

The Company will apply to the ASX within 7 days of the date of this Prospectus for the New Shares to be granted Official Quotation on the ASX. Official Quotation of the New Shares issued under the Institutional Entitlement Offer is expected to occur on or about 5 May 2020 and under the Retail Entitlement Offer on or about 29 May 2020. The Company does not intend to apply for quotation of the New Options.

The Directors may at any time decide to withdraw this Prospectus and the offer of New Shares (together with the attaching New Options) made under this Prospectus, in which case the Company will return all Applications Moneys (without interest) within 28 days of giving notice of such withdrawal.

1.2 Institutional Entitlement Offer

The Company will make offers to Eligible Institutional Shareholders under the Institutional Entitlement Offer. The Institutional Entitlement Offer will be conducted on 28 and 29 April 2020.

Eligible Institutional Shareholders are Shareholders:

- who have been identified by the Company as a Professional or Sophisticated Shareholder;

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- to whom an offer is made under the Institutional Entitlement Offer (either directly or through a nominee), and does not elect to take part in the Retail Entitlement Offer for all of its Entitlement¹;
- who are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States; and
- who are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Eligible Institutional Shareholders may subscribe for all or part of their Entitlement as set out in the Institutional Offer Letters. Eligible Institutional Shareholders who accept their Entitlement in full may also apply for Additional New Shares from the Entitlement Shortfall Facility. The Directors may at their discretion and in consultation with the Underwriters, allocate Additional New Shares applied for by Eligible Institutional Shareholders. However the allocation of Additional New Shares to those Eligible Institutional Shareholders who applied for them, will take place contemporaneously with the allocation of Additional New Shares to those Eligible Retail Shareholders who applied for them, in each case subject to the availability of a sufficient Entitlement Shortfall to meet demand.

New Shares issued under the Institutional Entitlement Offer will be issued at the same price and at the same ratio as those being offered under the Retail Entitlement Offer. The announcement of the results of the Institutional Entitlement Offer will be made on 30 April 2020 and the issue of New Shares and New Options under the Institutional Entitlement Offer is expected to occur on 4 May 2020.

1.3 The Retail Entitlement Offer

The Retail Entitlement Offer constitutes an offer to Eligible Retail Shareholders only.

Eligible Retail Shareholders are Shareholders who:

- are on the Register on the Record Date;
- are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States;
- were not invited to participate in the Institutional Entitlement Offer and were not treated as an Ineligible Institutional Shareholder under the Institutional Entitlement Offer, or who were invited to participate in the Institutional Entitlement Offer but elected to take part in the Retail Entitlement Offer for all or part of their Entitlement²; and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Eligible Retail Shareholders are entitled to acquire one (1) New Share for every four (4) Shares held on the Record Date (together with one (1) free attaching New Option for every four (4) New Shares issued for those Eligible Retail Shareholders who apply for a minimum of \$4,000 worth of New Shares under the Entitlement Offer). Each New Option is exercisable at \$0.084 per share and expires on 28 May 2022.

Fractional Entitlements will be rounded up to the nearest whole number of New Shares.

¹ An Eligible Shareholder may take part in the Institutional Entitlement Offer for part of their Entitlement, and take part in the Retail Entitlement Offer for the balance of their Entitlement.

² A Eligible Shareholder may take part in the Institutional Entitlement Offer for part of their Entitlement, and take part in the Retail Entitlement Offer for the balance of their Entitlement.

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The Entitlement Offer is non-renounceable. Accordingly, Entitlements do not trade on the ASX, nor can they be transferred or otherwise disposed of. An Entitlement and Acceptance Form setting out your Entitlement as an Eligible Retail Shareholder accompanies this Prospectus.

Eligible Retail Shareholders may subscribe for all or part of their Entitlement. Eligible Retail Shareholders who accept their Entitlement in full may also apply for Additional New Shares from the Entitlement Shortfall Facility. Eligible Retail Shareholders who do not take up all of their Entitlements will have their percentage shareholding in the Company diluted. See section 5.5 for further details.

There is no guarantee that such Eligible Retail Shareholders will receive the number of Additional New Shares applied for, or indeed, any Additional New Shares at all. The ability for the Company to issue Additional New Shares is dependent upon the extent of any Entitlement Shortfall. The number of New Shares issued under the Entitlement Shortfall Facility will not exceed the Entitlement Shortfall following the Retail Entitlement Offer. The Company, in consultation with the Underwriters, may reject any Application for Additional New Shares or allocate fewer Additional New Shares than applied for by Eligible Retail Shareholders for Additional New Shares. The Directors, in conjunction with the Underwriters, shall allot and issue Additional New Shares in accordance with the allocation policy for the Entitlement Shortfall set out in section 3.8.

The Entitlement Offer as a whole is fully underwritten by the Underwriters. Further details of the underwriting appear in Sections 1.7, 2.12 and 8.6.

Eligible Retail Shareholders should be aware that an investment in the Company involves risks. The key risks identified by the Company are summarised in section 1.8 and set out in section 6 of this Prospectus.

1.4 Minimum subscription for entitlement to New Options

There is no minimum subscription to the issue of New Shares. However, the Entitlement to New Options will only apply to Eligible Shareholders who apply for a minimum of \$4,000 worth of New Shares under the Entitlement Offer.

1.5 Purpose of the Entitlement Offer

The Directors intend to apply the proceeds from the Entitlement Offer with existing sources of funds for the purposes of:

- (a) investments in its unlisted subsidiaries and projects including, Auburn Resources Ltd, the Uganda Oil Project, Pinnacle Gold Pty Ltd, Coolgarra Minerals Pty Ltd, Hartz Rare Earths Pty Ltd and DGR Energy Pty Ltd (which are described in section 4.2);
- (b) interest on convertible notes pursuant to the Company's existing convertible note facility with Tribeca (described in sections 2.20 and 5.4);
- (c) corporate overheads;
- (d) the costs of the Entitlement Offer;
- (e) payments to creditors and meeting accrued liabilities; and
- (f) working capital.

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The proceeds from the entire Entitlement Offer together with existing sources of funds are proposed to be allocated in the following manner:

Sources of funds*	Amount (\$)	Proposed use of funds	Amount (\$)
Cash on hand (as at 31 March 2020)	\$871,000	(a) Auburn Resources Ltd (b) Uganda Oil Project (c) Pinnacle Gold Pty Ltd (d) Coolgarra Minerals Pty Ltd (e) Hartz Rare Earths Pty Ltd (f) DGR Energy Pty Ltd	\$600,000
Proceeds of the Entitlement Offer	\$5,671,932**	Interest payable to Tribeca on convertible notes (a) Auburn Resources Ltd (b) Uganda Oil Project (c) Pinnacle Gold Pty Ltd (d) Coolgarra Minerals Pty Ltd (e) Hartz Rare Earths Pty Ltd (f) DGR Energy Pty Ltd	\$900,000 \$1,000,000
Management fees received in cash (for the next 6 months)	\$552,000	Corporate overheads (for the next 6 months)	\$2,005,000
Interest on Armour Notes (for the next 6 months)	\$273,000	Additional investments in DGR investee companies	\$1,000,000
		Estimated costs of the Entitlement Offer (including legal fees, Underwriters' fees, Share Registry fees, ASX fees and other miscellaneous costs associated with the Entitlement Offer)	\$390,000
		Creditors and accruals***	\$1,095,000
		Working capital	\$377,932
Total	\$7,367,932	Total	\$7,367,932

* In addition, the Company holds interest bearing Notes issued by Armour Energy with a face value of \$4.55m. While the Company would consider the disposal of some or all of the Notes to meet ongoing expenditure commitments, there is no guarantee that the Company will be able to find a buyer for the Bonds at their full face value, or at all. This uncertainty is all the greater given the impact of the COVID-19 pandemic on investor sentiment generally, and the demand for oil and gas (and energy stocks) more particularly. See sections 1.8 and 6.3 for further details of the risks associated with a failure to realise the full value of these Armour Notes.

** Based on the Entitlement Offer being fully underwritten, and does not take account of brokerage (if any) discussed at section 3.3.

*** To the extent that Entitlements are taken up by use of the Debt Conversion Facility, the amount payable to creditors will reduce by the same amount as the proceeds of the Entitlement Offer.

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The above statement is a statement of current intentions as at the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the ultimate way funds will be applied. However, in the event that circumstances change or other better opportunities arise the Directors reserve the right to vary the proposed uses to maximise the benefit to Shareholders.

1.6 Investment highlights

- DGR continues to be focussed on new project generation and value creation and is continuing to seek out new investment and development opportunities to drive the creation of new resource companies.
- Business model endorsed by Tribeca, which provided \$10 million in convertible note funding to further develop the resource company creation business.
- DGR holds 44.98% of Auburn Resources Ltd. Details of Auburn Resources Ltd are outlined in section 4.2.
- DGR holds 83.18% (Armour Energy 16.82%) interest in a highly prospective oil project in Kanywataba Block, Uganda. Details of the Uganda Oil Project are outlined in section 4.3.
- DGR holds 100% of Coolgarra Minerals Pty Ltd. Details of Coolgarra Minerals Pty Ltd are outlined in section 4.4.
- DGR holds 94.34% of Pinnacle Gold Pty Ltd. Details of Pinnacle Gold Pty Ltd are outlined in section 4.5.
- DGR holds 100% of Hartz Rare Earths Pty Ltd. Details of Hartz Rare Earths Pty Ltd are outlined in section 4.6.
- DGR holds 100% of DGR Energy Pty Ltd. Details of DGR Energy Pty Ltd are outlined in section 4.7.

1.7 Underwriting and potential effects on control

The Entitlement Offer is fully underwritten by the Underwriters. Each of Samuel Holdings and Samuel Terry Asset Management have agreed (subject to the terms of the Underwriting Agreement) to underwrite 45.6% of the Entitlement Offer or \$2,585,966 each. Phoenix Portfolios have agreed (subject to the terms of the Underwriting Agreement) to underwrite 8.8% of the Entitlement Offer or \$500,000.

The commitment of Samuel Holdings under the Underwriting Agreement will be reduced by the amount of Applications received from the following:

- Samuel Holdings, Nicholas Mather, Judith Mather, Nicholas and Judith Mather as trustee for the Mather Superannuation Fund and Samuel Capital Pty Ltd ACN 063 693 747;
- any Related Parties of the Company who are Eligible Shareholders as at the Record Date (and any of their related corporations), including without limitation the Directors; and
- Eligible Shareholders holding over 5% of the Shares as at the Record Date, including without limitation Tenstar Trading Limited.

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Samuel Holdings currently has an interest in 70,443,015 Shares on issue (representing an interest of 11.49% of the total Shares on issue) and an Entitlement to 17,610,754 New Shares under the Entitlement Offer (representing approximately \$651,598 of the amount underwritten by Samuel Holdings). If Samuel Holdings is required to subscribe for its full underwriting commitment (assuming no Applications were received from any of the above), then Samuel Holdings' would be required to subscribe for 69,890,978 New Shares, taking the overall Mather Interests to 182,033,531 Shares (representing an interest of 23.75% of the then total Shares on issue).

Samuel Terry Asset Management currently has an interest in 20,311,771 Shares on issue (representing an interest of 3.31% of the total Shares on issue) and an Entitlement to 5,077,943 New Shares under the Entitlement Offer (representing approximately \$187,884 of the amount underwritten by Samuel Terry Asset Management). If Samuel Terry Asset Management is required to subscribe for its full underwriting commitment, then Samuel Terry Asset Management would be required to subscribe for 69,890,978 New Shares, taking their overall interest to 84,210,350 Shares (representing an interest of 11.77% of the then total Shares on issue).

Phoenix Portfolios currently has an interest in 13,066,611 Shares on issue (representing an interest of approximately 2% of the total Shares on issue) and an Entitlement to 3,266,653 New Shares (rounded up) under the Entitlement Offer (representing approximately \$120,866 of the amount underwritten by Phoenix Portfolios). If Phoenix Portfolios is required to subscribe for its full underwriting commitment, then Phoenix Portfolios would be required to subscribe for 13,513,513 New Shares, taking their overall interest to 26,580,124 Shares (representing an interest of approximately 3.47% of the then total Shares on issue).

Details of the Underwriting Agreement with the Underwriters are contained in section 8.6 of this Prospectus.

For further information regarding the potential effect of the Entitlement Offer on control of the Company, please refer to section 5.7.

1.8 Risk factors

Eligible Shareholders should be aware that an investment in the Company is subject to investment and other known and unknown risks, including possible loss of income and the principal invested. Investors should carefully read the section on risk factors outlined below and in section 6. An investment of this kind involves a number of risks, a number of which are specific to the Company and the industry in which it operates.

However, these risks should not be taken to be exhaustive of the risks faced by the Company or its Shareholders. Those risk factors referred to section 6, and others not specifically referred to in section 6, may materially affect the financial performance of the Company and the value of its Shares in the future.

The Company has implemented strategies, actions, systems and safeguards for known risks. However, some risks are beyond its control. Consequently, the prevailing price or value of New Shares issued under the Entitlement Offer may be more or less than the Issue Price.

The New Shares offered under this Entitlement Offer carry no guarantee of profitability, dividends, return of capital or the price at which they may trade on ASX. The past performance of the Company should not necessarily be considered a guide to their future performance.

If you are unsure about subscribing for New Shares, you should first seek advice from your stockbroker, accountant, financial or other professional adviser.

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The following sets out a summary of some of the key risks relevant to the Company and its operations:

Risk	Details
Current and future sources of funding	<p>The Company's ability to raise further funding to meet both its operating and capital expenditure requirements, depends upon a number of different factors. It is unlikely that the Company will be able to obtain any further debt financing, and the Tribeca Note Facility (\$10 million) must repaid on 2 October 2020 unless Tribeca agrees to an extension of it on terms acceptable to the Company (see the section immediately below for a further discussion of the risks associated with this facility). Were the Company able to secure further debt financing, it would likely be required by the lender to accept negative pledges, covenants and other restrictions on its operating activities. The Company's day to day operations (being the supply of administrative services and support to group companies), are unlikely to generate sufficient cash flow to meet the Company's operating and capital expenditure needs in the near or medium terms. Meanwhile the Company's ability to raise further equity financing is very sensitive to negative market sentiment.</p> <p>As at the date of this Prospectus the global economic outlook will make it challenging for the Company to raise new equity capital in the near future. Of particular note from the perspective of the Company's ability to raise future capital (either equity or debt), is the uncertainty arising from the spread of the COVID-19 virus and the reaction of both governments and financial markets to what has been declared a pandemic by the World Health Organisation³. Further the Company also notes that to the extent that the Company can raise further additional equity, that financing will dilute existing Shareholders.</p> <p>Accordingly, there is no guarantee that the Company will be able to secure additional funding on terms favourable to the Company. If the Company is unable to obtain additional financing as required, it will be unable to continue to fund its existing projects, take part in capital raisings undertaken by its daughter entities, or take advantage of opportunities as they arise. Further, without additional funding the Company may not have sufficient working capital to be able to meet day to day expenses as and when needed.</p>
Tribeca Note Facility	<p>The Company has the Tribeca Note Facility with Tribeca. Currently, the Tribeca Note Facility is fully drawn to \$10,000,000 and the Company is fully compliant with the terms of the Tribeca Note Facility. Whilst the Company has been in discussions with Tribeca in respect of the Tribeca Note Facility, no assurance can be given that the Company will secure an extension of existing funding or any further funding under the Tribeca Note Facility, on terms acceptable to the Company. The Tribeca Note Facility is scheduled to mature on 2 October 2020 unless there is an agreement to extend it.</p>
Armour Notes – poor demand impacting on ability to dispose of at full value	<p>The Company is contemplating the possible sale of some or all of its holding of Armour Notes with a face value of \$4.55m should it need to do so in order to fund ongoing operations. The Company has included the full value of those Armour Notes in its balance sheet as a non-current asset. However as noted above, at the date of this Prospectus the global economy (particularly in light of the uncertainty arising from the spread of the COVID-19) is facing significant challenges.</p>

³ https://www.who.int/docs/default-source/coronaviruse/situation-reports/20200311-sitrep-51-covid-19.pdf?sfvrsn=1ba62e57_10

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Risk	Details
	<p>While the Company is hopeful of realising the Armour Notes as and when needed for their full face value, there is no guarantee that the Company will be able to find a buyer for all or any of those Armour Notes at their full face value or at all. If the Company is unable to realise those Armour Notes at or near their full face value, this may have a significant impact on the Company's continuing ability to fund its existing projects, take part in capital raisings undertaken by its daughter entities, or take advantage of opportunities as they arise. Further, without additional funding the Company may not have sufficient working capital to be able to meet day to day expenses as and when needed.</p>
Uganda Oil Project	<p>(a) Pursuant to the terms of the Deed of Indemnity and Guarantee, the Company is indemnifying Armour Energy for 83.18% of the Ugandan Licence Liability. In the event that Armour Energy (or if the Ugandan Licence has been transferred to Armour Uganda, then Armour Uganda) does not meet the Second Exploration Period Minimum Work Program by 13 September 2021, the Ugandan Licence Liability would be approximately US\$7.5 million. In these circumstances the Company would be liable to Armour Energy for approximately US\$6,238,500 (being 83.18% of the Ugandan Licence Liability). Given the volatility in foreign exchange markets it is not possible to state what that liability would be in Australian dollars as at the date of this Prospectus.</p> <p>(b) Further pursuant to the terms of the Uganda Project Letter Agreement, Armour Energy would likely be looking to the Company to fund the Second Exploration Period Minimum Work Program, or at least 83.18% of it. It is likely the cost of completion of this Work Program would be significantly greater than the Ugandan Licence Liability. However, the markets for oil and gas are currently (and in general) volatile. Oil and gas prices are a direct function of global demand, and the cost and availability of contractors to carry out exploration drilling programs, are a reflection of those oil and gas prices. Accordingly, it is not possible currently to state what that liability would be as at the date of this Prospectus.</p> <p>(c) While the Company is hopeful that negotiations with the Ugandan Government will be fruitful, if the Ugandan Government does not agree to a Uganda Licence Performance Guarantee of a lesser amount than US\$990,000, Armour Energy will look to the Company to fund at least US\$823,482 (being 83.18% of US\$990,000). Given the volatility in foreign exchange markets it is not possible to state what that liability would be in Australian dollars as at the date of this Prospectus.</p> <p>The Company notes that Armour has advised the Company that they have written to the Minister invoking the <i>force majeure</i> provisions under both of the Act and the PSA in respect of its obligations under the PSA generally, and respect of the 2D Seismic Survey in particular.</p>
Impact of equity market conditions on value of the Company's assets	<p>A large percentage of the Company's assets (by value), consists of listed securities, predominantly in daughter entities. The value of these listed securities can experience extreme price and volume fluctuations that are often unrelated to the operating performance of the issuers of those securities. In particular, the occurrence of the COVID-19 pandemic has resulted in significant market uncertainty in global equity markets. The effects of this pandemic are far reaching and uncertain outcomes may impact the value of the Company's assets.</p> <p>The market price of these assets may fall as well as rise. Those prices are subject to varied and unpredictable influences on the market for equities in general, as well as on the market for issued securities of companies in</p>

Prospectus

Risk	Details
	the same line of business as those companies in which the Company holds securities (being predominantly companies involved in resource exploration). To some degree, the Company relies on the ability to sell those securities should it have no other sufficient form of financing. If the market for those securities becomes illiquid, or their value drops significantly, this may adversely impact the Company's ability to fund its on-going operational and capital expenditure needs.
Exploration and evaluation risks	The Company has direct and indirect interests in numerous mining and exploration companies. Potential investors should understand that mineral exploration and development are high risk undertakings. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.
Operational risks and costs	Prosperity for the Company, its subsidiaries or companies it has an interest in will depend largely upon an efficient and successful implementation of all the aspects of exploration, developments, business activities and management of commercial factors. Exploration has been and will continue to be hampered on occasions by unforeseen weather events, accidents, unforeseen cost changes, environmental considerations, natural events and other incidents beyond the control of the Company, its subsidiaries or companies it has an interest in.
Contractual and joint venture risk	<p>The Company, its subsidiaries or companies it has an interest in may wish to develop projects or future projects through joint venture arrangements. Any joint ventures entered into by, or interests in joint ventures assigned to the Company, could be affected by the failure or default of any of the joint venture participants.</p> <p>Additionally, failure by contractors to perform in accordance with required timelines, may expose any project in which the Company, its subsidiaries or companies it has an interest, to risk of forfeiture under applicable laws.</p>
Commodity prices	The Company's prospects and perceived value will be influenced from time to time by the prevailing short-term prices of the commodities targeted in its exploration programs. Commodity prices fluctuate and are affected by factors including supply and demand for mineral products, hedge activities associated with commodity markets, the costs of production and general global economic and financial market conditions. These factors may cause volatility which in turn, may affect the Company's ability to finance its future exploration and/or bring the Company's to market.

Further details regarding risks which may affect the Company in the future are set out in section 6. The New Securities offered under this Prospectus carry no guarantee of profitability, dividends, return of capital or the price at which they may trade on ASX. The past performance of the Company should not necessarily be considered a guide to its future performance.

1.9 New Share terms

Upon issue, each New Share will rank equally with all existing Shares then on issue. A summary of the rights attaching to the New Shares is set out in section 7.1.

1.10 New Option terms

A summary of the rights attaching to the New Options is set out in section 7.2.

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1.11 Acceptance of Entitlement to New Shares

The number of New Shares to which an Eligible Retail Shareholders is Entitled and the total amount an Eligible Retail Shareholders would have to pay if they choose to take up all of their rights to subscribe for New Shares is shown on the Entitlement and Acceptance Form accompanying this Prospectus. Fractional Entitlements will be rounded up to the nearest whole number.

Entitlements to New Shares can be accepted in full or in part and you can apply for Additional New Shares in excess of your Entitlement by completing and returning the Entitlement and Acceptance Form which accompanies this Prospectus or making payment of Application Monies by BPAY in accordance with the instructions set out below and on the Entitlement and Acceptance Form. Application Monies should be rounded up to the nearest cent.

Application Monies for New Shares (and any Additional New Shares applied for (discussed further in section 1.12 below)) must be received by the Company at its Share Registry by the Closing Date. Please refer to the timetable for the important dates of the Retail Entitlement Offer (set out in section 2.4). For further details of how to take up your Entitlement and apply under the Retail Entitlement Offer, please refer to section 3.

The number of New Shares that each Eligible Institutional Shareholder is Entitled to, the total amount payable if that Entitlement is accepted in full, and the means by which that Entitlement can be accepted and paid for, is set out in the Institutional Offer Letter provided to that Eligible Institutional Shareholder by the Company Secretary, which will be accompanied by this Prospectus.

1.12 Application for Additional New Shares and Shortfall

Any Entitlement not taken up pursuant to the Entitlement Offer will form part of the Shortfall.

Eligible Shareholders who apply for their full Entitlement may also apply for Additional New Shares in excess of their Entitlement at the Issue Price, to be issued from any Shortfall (at the Company's discretion). Directors of the Company (and any other related parties of the Company) are not permitted to apply for Additional New Shares but may take up their Entitlement, if any, and/or participate as an Underwriters as disclosed in this Prospectus.

Additional New Shares will be issued from any Shortfall at the absolute discretion of the Company and its Directors in consultation with the Underwriters, and as such there is no guarantee that any Additional New Shares applied for will be issued to Eligible Shareholders. The Company will have no liability to any Applicant who receives less than the number of Additional New Shares that they applied for under the Shortfall Facility. The Company reserves the right to scale back any applications for Additional New Shares under the Shortfall Facility. If this occurs, Application Monies will be returned (without interest) to the extent of the scale back.

In allocating any New Shares under the Shortfall Facility, the Directors will do so in a manner which will ensure that no Shareholder as a consequence of taking up their Entitlement or being placed with any Additional New Shares, hold a Relevant Interest in more than 19.9 % of all of the Shares in the Company after the issue of the New Shares (except as contemplated by the Underwriting Agreement) (see sections 8.10 and 8.11).

In the event that there remains a Shortfall following the issuance of the Additional New Shares, the Company and the Directors reserve the right (as contemplated within the ASX Listing Rules), to allocate any of that Shortfall in their absolute discretion (after consultation with the Underwriters) so as to ensure a maximum amount of funds is

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raised. Eligible Shareholders should be aware that to the extent that they do not accept their Entitlements in full a Shortfall will arise, and all or part of that Shortfall may be placed by the Company (in consultation with the Underwriters) to third parties, in which case the interest of relevant Eligible Shareholders in the Company may be significantly diluted (see section 5.5 for further details). Any Shortfall to third parties will be issued within three months after the Closing Date at an issue price being not less than the Issue Price.

Eligible Retail Shareholders may Apply for Additional New Shares by completing the Additional New Shares section of the Entitlement and Acceptance Form, in accordance with the instructions on the form, and including the appropriate Application Monies for these Additional New Shares with the payment for your Entitlement. Eligible Institutional Shareholders may Apply for Additional New Shares in accordance with the instructions set out in the Institutional Offer Letters.

1.13 Directors intentions in respect of Entitlements

As at the date of this Prospectus, some of the Directors of DGR have either a direct or indirect interest in Shares. Set out below is a table summarising the Entitlement of each Director (based on their current holding) and how they intend to treat their Entitlement.

Director	Shares	New Share Entitlement	Intentions
Nicholas Mather	112,142,553	28,035,638	To take up full Entitlements ¹
Brian Moller	7,004,617	1,751,154	To take up some 668,919 ² of his Entitlement
Vincent Mascolo	9,650,000	2,412,500	To take up some 594,601 ³ of his Entitlement
Ben Cleary	1,000,000	250,000	To take up full Entitlement ⁴

Note: Details of Options held by the Directors are set out in section 8.3.

¹ The Application Money payable in respect of \$89,430 worth of these New Shares, will be satisfied through the conversion of \$89,430 owing by the Company to the Director (being for 66% of the accrued but unpaid Director's fees owing to this Director), pursuant to the Debt Conversion Facility.

² The Application Money payable in respect of these New Shares, will be satisfied through the conversion of \$24,750 owing by the Company to the Director (being in respect of 66% of the accrued but unpaid Director's fees owing to this Director), pursuant to the Debt Conversion Facility.

³ The Application Money payable in respect of these New Shares, will be satisfied through the conversion of \$22,000 owing by the Company to the Director (being in respect of 66% of accrued but unpaid Director's fees owing to this Director), pursuant to the Debt Conversion Facility.

⁴ The Application Money payable in respect of all of these New Shares will be satisfied through the conversion of \$9,250 owing by the Company to the Director (being for part of the accrued but unpaid Director's fees owing to this Director), pursuant to the Debt Conversion Facility.

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2. Entitlement Offer Details

2.1 Offer to Eligible Shareholders

The Entitlement Offer is for an accelerated non-renounceable entitlement offer of approximately 153,295,469 New Shares at an Issue Price of \$0.037 per New Share, on the basis of one (1) New Share for every four (4) Shares held by Eligible Shareholders as at the Record Date (together with one (1) free attaching New Option for every four (4) New Shares issued for those Eligible Shareholders who apply for a minimum of \$4,000 worth of New Shares under the Entitlement Offer).

The Entitlement Offer has two components:

- (a) the Institutional Entitlement Offer - an offer to Eligible Institutional Shareholders; and
- (b) the Retail Entitlement Offer - an offer to Eligible Retail Shareholders.

Both the Institutional Entitlement Offer and the Retail Entitlement Offer are non-renounceable. Accordingly, Entitlements cannot be traded on the ASX, nor can they be sold, transferred or otherwise disposed of.

The Entitlement Offer is fully underwritten by the Underwriters.

There are currently 40,075,000 Existing Options and 50,000,000 Convertible Notes on issue in the Company. The Offer may be increased by a total 22,518,750 New Shares if holders of Existing Options exercise their Existing Options (in accordance with the terms of the Existing Options) and holders of Convertible Notes convert their Convertible Notes (in accordance with the terms of the Convertible Notes) prior to the Record Date.

The Company will apply to the ASX within 7 days of the date of this Prospectus for the New Shares to be granted Official Quotation on the ASX. Official Quotation of the New Shares under the Retail Entitlement Offer is expected to occur on or about 29 May 2020. The Company does not intend to apply for quotation of the New Options.

2.2 Institutional Entitlement Offer

The Institutional Entitlement Offer will be conducted pursuant to this Prospectus and the Institutional Offer Letters, and will close on 30 April 2020. Settlement of the Institutional Entitlement Offer is expected to occur on 30 April 2020. Official Quotation of the New Shares under the Institutional Entitlement Offer is expected to occur on or about 5 May 2020.

2.3 Retail Entitlement Offer

The Retail Entitlement Offer will be conducted pursuant to this Prospectus. Eligible Retail Shareholders are entitled to subscribe for one (1) New Share for every four (4) Shares held.

Only those Retail Shareholders shown on the Share Register at 7.00pm (AEST) on the Record Date will be entitled to participate in the Retail Entitlement Offer. Eligible Retail Shareholders will receive one (1) free New Option for every four (4) New Share allotted, exercisable at \$0.084 per New Option on or before 28 May 2022.

New Options will only be issued to Eligible Retail Shareholders who apply for a minimum of \$4,000 worth of New Shares under the Retail Entitlement Offer.

The Entitlement Offer is fully underwritten by the Underwriters.

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The Issue Price of \$0.037 per New Share represents an approximately 33% discount to the 30 day volume-weighted average price for Shares immediately prior to the announcement of the Entitlement Offer (being approximately \$0.56 as at 24 April 2020).

The Company intends to apply for listing of the New Shares on the ASX. The Company does not intend to apply for listing of the New Options.

The Directors may at any time decide to withdraw this Prospectus and the Entitlement Offer of New Shares and New Options made under this Prospectus, in which case the Company will return all Application Money (without interest) within 28 days of giving notice of such withdrawal.

Eligible Retail Shareholders who apply for 100% of their Entitlement are able to apply for Additional New Shares to be issued from any Shortfall at the Issue Price, subject to compliance with Chapter 6 of the Corporations Act and Listing Rules. Any Additional New Shares may be allocated to Eligible Retail Shareholders and Eligible Institutional Shareholders who apply for Additional New Shares in addition to their Entitlements at the absolute discretion of the Directors. The Directors may then place any Shares not subscribed for under the Shortfall to persons who may or may not be Shareholders. The issue of any Additional New Shares under the Shortfall will be at the absolute discretion of the Company and its Directors, and as such there is no guarantee that any Additional New Shares applied for will be issued to Eligible Retail Shareholders. The allocation process is described in more detail in sections 2.7 and 3.8.

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2.4 Important Dates – Timetable for Entitlement Offer

Company in Trading Halt (entered a Trading Halt on 27 April 2020)	28 April 2020
Announcement of Entitlement Offer, lodgement of Prospectus with ASIC and ASX, and lodgement of Appendix 3B with ASX; Institutional Entitlement Offer opens	Before noon 28 April 2020
Institutional Entitlement Offer closes	5.00pm (AEST) 29 April 2020
Announcement of results of the Institutional Entitlement Offer	Before market open 30 April 2020
Trading halt lifted	30 April 2020
Record Date for the Retail Entitlement Offer	30 April 2020 (7.00pm AEST)
Issue of New Securities under the Institutional Entitlement Offer	4 May 2020
Prospectus and Entitlement and Acceptance Form despatched to Eligible Retail Shareholders	5 May 2020
Opening Date of Retail Entitlement Offer (9am AEST)	
Last day to extend Retail Entitlement Offer close date	18 May 2020
Closing Date of Retail Entitlement Offer	21 May 2020 (5.00pm AEST)
Announcement of results of the Retail Entitlement Offer	26 May 2020
Issue of New Shares pursuant to Retail Entitlement Offer	28 May 2020
New Shares under Retail Entitlement Offer commence trading on ASX on a normal basis	29 May 2020

The dates set out in this table are subject to change and are indicative only. The Company, in consultation with the Underwriters, reserves the right to alter this timetable at any time subject to the Corporations Act and the Listing Rules, without notice.

The Directors may extend the Closing Date by giving at least three (3) Business Days' notice to ASX prior to the Closing Date. As such, the date that the New Shares issued under the Retail Entitlement Offer are expected to commence trading on ASX may vary.

Subject to the requirements of the Listing Rules and the Corporations Act, the Directors reserve the right to:

- (a) withdraw the Entitlement Offer without prior notice; or
- (b) vary any of the important dates set out in this Entitlement Offer, including by extending the period that the Retail Entitlement Offer is open for Acceptance.

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2.5 Purpose of the Offer

The Company is seeking to raise a total of up to approximately \$5,671,932 from the Entitlement Offer (subject to the application of the Debt Conversion Facility). The Directors intend to apply the proceeds from the Entitlement Offer to provide funds for the purposes of meeting:

- (a) the Company's funding commitments in respect of its unlisted subsidiaries and projects including, Auburn Resources Ltd, the Uganda Oil Project, Pinnacle Gold Pty Ltd, Coolgarra Minerals Pty Ltd, Hartz Rare Earths Pty Ltd, and DGR Energy Pty Ltd (which are further described in section 4), including:
 - (1) exploration activities; and
 - (2) general administration and support costs;
- (b) interest on convertible notes pursuant to the Company's existing convertible note facility with Tribeca (described in sections 2.20 and 5.4);
- (c) corporate overheads;
- (d) the costs of the Entitlement Offer;
- (e) payments to creditors and meeting accrued liabilities; and
- (f) working capital.

In addition, while there is no particular item of expenditure for which either Aus Tin or Dark Horse is seeking funds from the Company, the Company has agreed to provide up to a maximum of \$1,500,000 to Aus Tin, and \$500,000 to Dark Horse, in each case for working capital requirements from time to time as may be required. However the Company notes that it is a condition precedent to the Underwriters' obligations that the Company's Board resolve that any further expenditure to be incurred by the Company in respect of either Aus Tin or Dark Horse during the term of the Offer or from the proceeds of the Offer, must first be agreed to by Samuel Holdings, acting reasonably. Accordingly, no assurance can be given that any such funding may be provided. The proceeds from the Entitlement Offer together with existing sources of funds are proposed to be allocated in the manner outlined in the Table included in Section 1.5 above.

2.6 Allotment and allocation policy

The Company expects to allot New Shares and New Options under the Institutional Entitlement Offer on 4 May 2020.

The Company will proceed to allocate New Shares and New Options under the Retail Entitlement Offer as soon as possible after the Closing Date and after receiving ASX permission for Official Quotation of the New Shares.

In the case that there is less than full subscription by Eligible Shareholders of their Entitlements under this Prospectus, the Directors may allocate to Eligible Shareholders who apply for Additional New Shares and the Underwriters in accordance with this allocation policy.

Successful Applicants will be notified in writing of the number of New Shares and New Options allocated to them as soon as possible following the allocation being made.

It is the responsibility of Applicants to confirm the number of New Shares and New Options allocated to them prior to trading in New Shares. Applicants who sell New

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Shares or New Options before they receive notice of the number of New Shares and New Options allocated to them do so at their own risk.

No New Shares or New Options will be allotted or issued on the basis of this Prospectus later than 13 months after the date of issue of this Prospectus.

Where a Shortfall exists, the allocation and allotment of Additional New Shares applied for will be made in accordance with the following policy:

- (a) The Directors may allocate any Shortfall to Eligible Shareholders that have applied to take up their full Entitlement and, in addition, have indicated that they wish to take up Additional New Shares as provided for in section 2.7.
- (b) The Directors reserve the right, as contemplated within the Listing Rules and subject to the terms of the Underwriting Agreement to allocate any Shortfall of New Shares in their discretion in consultation with the Underwriters so as to ensure a maximum amount of funds is raised. They will do so in a manner which will ensure that no Shareholder or other investor will, as a consequence of being placed with any Shortfall, hold a Relevant Interest in more than 19.99% of all of the Shares in the Company after the allocation of any (and all) Shortfall (except as contemplated by the Underwriting Agreement) (see sections 8.10 and 8.11).
- (c) Directors of the Company (and any other related parties of the Company) are not permitted to apply for Additional New Shares but may take up their Entitlement, if any, and/or participate as an underwriter as disclosed in this Prospectus. Additional New Shares will be issued at the same time as all other New Shares are issued under the Retail Entitlement Offer.
- (d) Eligible Shareholders wishing to apply for Additional New Shares must consider whether or not the issue of the Additional New Shares applied for would breach the Corporations Act, the Listing Rules or FATA, having regard to their own circumstances.
- (e) Any Shortfall not subscribed for by Eligible Shareholders or the Underwriters may be placed by the Company at the Company's sole discretion subject to the provisions of the Corporations Act and the Listing Rules. Any remaining Shortfall after the allocation of any Additional New Shares will be issued within three months after the Closing Date at an Issue Price being not less than the Issue Price.

There is no guarantee that Eligible Shareholders will be successful in being allocated any of the Additional New Shares that they apply for. The Company may reject any application for Additional New Shares or allocate fewer Additional New Shares than applied for by Eligible Shareholders for Additional New Shares in accordance with the policy set out above.

2.7 Additional New Shares under Shortfall

Applications for Additional New Shares by Eligible Retail Shareholders must be made in the Additional New Shares section on the Entitlement and Acceptance Form accompanying this Prospectus and including the consideration for these Additional New Shares with the payment for your Entitlement. Applications for Additional New Shares by Eligible Institutional Shareholders must be made in accordance with instructions in the Institutional Offer Letters. Any Additional New Shares will be issued together with any New Options to be issued to an Eligible Shareholder under the terms of the Entitlement Offer, provided that the Eligible Shareholder who has applied for Additional New Shares has applied for their full Entitlement.

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Additional New Shares will be issued at the absolute discretion of the Company and its Directors and as such there is no guarantee that any Additional New Shares applied for will be issued to Eligible Shareholders. The Company will have no liability to any Eligible Shareholders who receives less than the number of Additional New Shares they applied for.

Further, the Company will not issue any Additional New Shares to any person, if that would result in a breach by the Takeover Provisions or the FATA.

2.8 ASX listing

The Company will apply to the ASX within 7 days of the date of this Prospectus for the New Shares to be issued pursuant to this Prospectus to be listed for Official Quotation by the ASX. If granted, quotation of the New Shares will commence as soon as practicable after allotment of the New Shares to Applicants. It is the responsibility of the Applicants to determine their allocation of New Shares prior to trading.

The Company does not intend to apply for the listing and quotation of the New Options.

Should the New Shares offered under the Institutional Entitlement Offer not be granted Official Quotation on the ASX within three months after the date of this Prospectus, none of the New Shares offered under the Institutional Entitlement Offer will be issued and all Application Money will be refunded without interest to Applicants within the time prescribed by the Corporations Act.

Should the New Shares offered under the Retail Entitlement Offer not be granted Official Quotation on the ASX within three months after the date of this Prospectus, none of the New Shares offered under the Retail Entitlement Offer will be issued and all Application Money will be refunded without interest to Applicants within the time prescribed by the Corporations Act.

2.9 CHESS

The Company will apply for the New Shares to participate in CHESS, in accordance with the Listing Rules and Settlement Operating Rules.

The Company will not issue certificates to Eligible Shareholders with respect to the New Shares. After allotment of the New Shares and New Options, Eligible Shareholders who are issuer sponsored will be provided with an issuer sponsored statement and those who are CHESS Holders will receive an allotment advice for the New Shares. All New Options will be issuer sponsored.

The CHESS statements, which are similar in style to bank account statements, will set out the number of New Shares allotted to each successful Applicant pursuant to this Prospectus. The statement will also advise holders of their holder identification number. Further statements will be provided to holders which reflect any changes in their holding in the Company during a particular month.

In respect of any New Options, Eligible Shareholders will receive an issuer sponsored holding statement from the Share Registry setting out the number of New Options issued to them (refer to section 7.2(d) for further details).

2.10 No rights trading

Entitlements to New Shares pursuant to the Offer are non-renounceable and accordingly will not be traded on the ASX.

The Company does not intend to apply for the listing and quotation of the New Options.

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2.11 Minimum subscription for entitlement to New Options

There is no minimum subscription to the Offer. However, the Entitlement to New Options will only apply to Eligible Shareholders who apply for a minimum of \$4,000 worth of New Shares under the Entitlement Offer.

2.12 Underwriting

The entire Entitlement Offer is fully underwritten by the Underwriters. Each of Samuel Holdings and Samuel Terry Asset Management have agreed (subject to the terms of the Underwriting Agreement) to underwrite 45.6% of the Entitlement Offer or \$2,585,966 each. Phoenix Portfolios have agreed (subject to the terms of the Underwriting Agreement) to underwrite 8.8% of the Entitlement Offer or \$500,000.

The commitment of Samuel Holdings under the Underwriting Agreement will be reduced by the amount of Applications received from the following:

- Samuel Holdings, Nicholas Mather, Judith Mather, Nicholas and Judith Mather as trustees for the Mather Superannuation Fund and Samuel Capital Pty Ltd ACN 063 693 747;
- any Related Parties of the Company who are Eligible Shareholders as at the Record Date (and any of their related corporations), including without limitation the Directors;
- Eligible Shareholders holding over 5% of the Shares as at the Record Date, including without limitation Tenstar Trading Limited.

Samuel Holdings currently has an interest in 70,443,015 Shares on issue (representing an interest of 11.49% of the total Shares on issue) and an Entitlement to 17,610,754 New Shares under the Entitlement Offer (representing approximately \$651,598 of the amount underwritten by Samuel Holdings). If Samuel Holdings is required to subscribe for its full underwriting commitment (assuming no Applications were received from any of the above), then Samuel Holdings' would be required to subscribe for 69,890,978 New Shares, taking the overall Mather Interests to 182,033,531 Shares (representing an interest of 23.75% of the then total Shares on issue).

Samuel Terry Asset Management currently has an interest in 20,311,771 Shares on issue (representing an interest of 3.31% of the total Shares on issue) and an Entitlement to 5,077,943 New Shares under the Entitlement Offer (representing approximately \$187,884 of the amount underwritten by Samuel Terry Asset Management). If Samuel Terry Asset Management is required to subscribe for its full underwriting commitment, then Samuel Terry Asset Management would be required to subscribe for 69,890,978 New Shares, taking their overall interest to 84,210,350 Shares (representing an interest of 11.77% of the then total Shares on issue).

Phoenix Portfolios currently has an interest in 13,066,611 Shares on issue (representing an interest of 2.1% of the total Shares on issue) and an Entitlement to 3,266,653 New Shares (rounded up) under the Entitlement Offer (representing approximately \$120,866 of the amount underwritten by Phoenix Portfolios). If Phoenix Portfolios is required to subscribe for its full underwriting commitment, then Phoenix Portfolios would be required to subscribe for 13,513,513 New Shares, taking their overall interest to 26,580,124 Shares (representing an interest approximately 3.47% of the then total Shares on issue). Details of the Underwriting Agreement with the Underwriters are contained in section 8.6 of this Prospectus.

For further information regarding the potential effect of the Entitlement Offer on control of the Company, please refer to section 5.7.

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2.13 Existing Option Holders

Existing Option Holders will not be entitled to participate in the Entitlement Offer unless they:

- (a) have become entitled to exercise their Existing Options under the terms of their issue and do so prior to the Record Date; and
- (b) participate in the Retail Entitlement Offer as a result of being an Eligible Retail Shareholders at 7.00pm (AEST) on the Record Date.

If all Existing Option Holders elect to exercise their Existing Options prior to the Record Date to participate in the Retail Entitlement Offer, a further 10,018,750 New Shares may be issued under this Prospectus. Details of the Existing Options are set out in section 5.3.

2.14 Eligibility of Institutional Shareholders

The Institutional Entitlement Offer is being offered to Eligible Institutional Shareholders only.

2.15 Eligibility of Retail Shareholders

The Retail Entitlement Offer is being offered to Eligible Retail Shareholders only.

2.16 Foreign Shareholders

The Company has not made investigations as to the regulatory requirements that may prevail in the countries outside of Australia, New Zealand, Papua New Guinea, Singapore, United Kingdom and Jersey (Channel Islands); according to the Register these are the only countries in which the Company's Shareholders reside.

2.17 Notice to nominees and custodians

Nominees and custodians may not distribute any part of this document in the United States or in any other country outside of Australia, New Zealand, Papua New Guinea, Singapore, United Kingdom and Jersey (Channel Islands) except to beneficial Eligible Shareholders in another country (other than the United States) where the Company may determine it is lawful and practical to make the Entitlement Offer. Any person in the United States with a holding through a nominee may not participate in the Entitlement Offer.

2.18 Rights attaching to New Securities

Each New Share will rank equally with all existing Shares then on issue. Full details of the rights and liabilities attaching to the Shares are set out in the Company's Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

See section 0 for further details on the rights and liabilities attaching to the New Shares and New Options.

2.19 Acceptance of Entitlement to New Shares

The number of New Shares and New Options to which each Eligible Retail Shareholders is calculated as at the Record Date and is shown on the personalised Entitlement and Acceptance Form accompanying this Prospectus. The number of New Shares and New Options to which each Eligible Institutional Shareholders is set out in the relevant

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Institutional Offer Letter. This Prospectus is for the information of Eligible Shareholders who are entitled and may wish to apply for the New Shares and the New Options. Fractional Entitlements will be rounded up to the nearest whole number.

Entitlements to New Shares and New Options can be accepted by:

- Eligible Institutional Shareholders in full or in part in accordance with the instructions in the Institutional Offer Letter; and
- Eligible Retail Shareholders in full or in part by completing and returning the Entitlement and Acceptance Form which is attached to this Prospectus in accordance with the instructions set out in section 3 below and on the Entitlement and Acceptance Form.

2.20 Convertible Notes

Holders of Convertible Notes will not be entitled to participate in the Retail Entitlement Offer unless they:

- (a) have become entitled to convert their Convertible Notes under the terms of their issue and do so prior to the Record Date; and
- (b) participate in the Retail Entitlement Offer as a result of being an Eligible Retail Shareholders at 7.00pm (AEST) on the Record Date.

If all holders of Convertible Notes elect to convert their Convertible Notes prior to the Record Date, and are Eligible Retail Shareholders, a further 12,500,000 New Shares may be issued under this Prospectus. Details of the Convertible Notes currently on issue are set out in section 5.4.

However, the Directors believe that it is unlikely that any Convertible Notes will be exercised prior to the Record Date.

2.21 Electronic prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you also download your personalised Entitlement and Acceptance Form on the Company's website at <https://www.dgrglobal.com.au>. If you require a hard copy Prospectus please phone the Company on + 61 (07) 3303 0680, and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively you may obtain a copy of this Prospectus from the Company's website at <https://www.dgrglobal.com.au>.

The Entitlement and Acceptance Form may only be distributed attached to a complete and unaltered copy of the Prospectus. The Company will not accept a completed Entitlement and Acceptance Form if it has reason to believe that the investor has not received a complete paper copy or electronic copy of the Prospectus and any supplementary or replacement prospectus, or if it has reason to believe that the Entitlement and Acceptance Form or the electronic copy of the Prospectus and any supplementary or replacement prospectus has been altered or tampered with in any way.

While the Company believes that it is extremely unlikely that in the Offer period the electronic version of the Prospectus will be tampered with or altered in any way, the Company cannot give any absolute assurance that it will not be the case. Any investor in doubt concerning the validity or integrity of an electronic copy of the Prospectus should immediately request a paper copy of the Prospectus directly from the Company or a financial adviser.

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3. How to apply

3.1 Eligible Institutional Shareholders

The Institutional Offer Letters (together with a copy of this Prospectus) provided by the Company Secretary to each Eligible Institutional Shareholders will set out the details of that Eligible Institutional Shareholder's Entitlement and how to apply for that Entitlement under the Institutional Entitlement Offer.

3.2 Your choices as an Eligible Retail Shareholder

The number of New Shares to which each Eligible Retail Shareholder is entitled (**Retail Entitlement**) is calculated as at the Record Date of 7:00pm (AEST) on 30 April 2020 and is shown on the personalised Entitlement and Acceptance Form accompanying this Prospectus. If you have more than one registered holding of Shares, you will be sent more than one Entitlement and Acceptance Form and you will have separate Retail Entitlements for each separate holding.

As an Eligible Retail Shareholder, you may:

- (a) take up all of your Entitlement and apply for Additional New Shares;
- (b) take up all of your Entitlement but not apply for Additional New Shares;
- (c) take up part of your Entitlement and allow the balance to lapse; or
- (d) take no action and allow all of your Entitlement to lapse.

The Company reserves the right to reject any Application that is received after the Closing Date. Unless extended in the discretion of the Company in consultation with the Underwriters, the Closing Date for acceptance of the Retail Entitlement Offer is 5:00pm (AEST) on 21 May 2020.

3.3 How to accept your Retail Entitlement in full

If you wish to accept the whole of your Retail Entitlement, complete and return the Entitlement and Acceptance Form which accompanies this Prospectus in accordance with the instructions set out on the Form and forward the completed Form together with payment for the full amount so as to reach the Share Registry by no later than 5.00pm (AEST) on 21 May 2020. Payment may be made by cheque, bank draft or BPAY®. If payment is made via BPAY®, your Entitlement and Acceptance Form is not required to be returned to the Share Registry. The Issue Price of \$0.037 per New Share is payable in full on acceptance of part or all of your Entitlement.

Cheques should be in Australian currency and made payable to "DGR Global Limited" and crossed "not negotiable".

Completed Forms and accompanying cheques should be lodged at or forwarded to the following address:

Mailing Address
DGR Global Limited C/- Link Market Services Limited GPO Box 3560 Sydney NSW 2001

Entitlement and Acceptance Forms will not be accepted at the Company's registered office.

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If you make payment by BPAY®, you do not need to return your Entitlement and Acceptance Form, however, your payment must be received by no later than 5:00pm (AEST) on 21 May 2020. It is your responsibility to ensure that your BPAY payment is received by the Share Registry by no later than 5:00pm on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should take this into consideration when making payment.

No brokerage, handling fees or stamp duty is payable by Applicants in respect of their applications for New Shares and New Options under this Prospectus. The amount payable on acceptance will not vary during the period of the Retail Entitlement Offer and no further amount is payable on allotment. Application Monies will be held in trust in a subscription account until allotment of the New Shares and New Options. The subscription account will be established and kept by the Company on behalf of the Applicants. Any interest earned on the Application Monies will be retained by the Company irrespective of whether allotment takes place.

3.4 How to accept your Retail Entitlement in full and apply for Additional New Shares

If you wish to accept all of your Retail Entitlement and also apply for Additional New Shares under the Entitlement Shortfall Facility, complete the accompanying Entitlement and Acceptance Form for New Shares and also Additional New shares in accordance with the instructions set out in the Form.

In order to apply for Additional New Shares under the Entitlement Shortfall Facility you must be an Eligible Shareholder and must have first taken up your Retail Entitlement in full.

Amounts received by the Company in excess of the Issue Price multiplied by your Retail Entitlement (Excess Amount) will be treated as an Application to apply for as many additional New Shares as your Excess Amount will pay for in full.

If you apply for Additional New Shares under the Entitlement Shortfall Facility and your Application is successful (in whole or in part), your Additional New Shares will be issued at the same time that other New Shares are issued under the Retail Entitlement Offer. The basis on which the Directors will allocate and issue Additional New Shares under the Entitlement Shortfall Facility is set out in sections 1.12, 2.6, and 3.8.

Refund amounts (greater than \$2.00), if any, will be paid in Australian dollars. You will be paid either by cheque sent by ordinary post to your address as recorded on the share register (the registered address of the first-named in the case of joint holders), or by direct credit to the nominated bank account as noted on the Register as at the Closing Date of the Retail Entitlement Offer.

3.5 How to accept your Retail Entitlement in part

Eligible Retail Shareholders may accept their Retail Entitlement in part and allow the balance to lapse.

If you wish to take up only a part of your Retail Entitlement, complete the Entitlement and Acceptance Form for the number of New Shares that you wish to apply for and follow the other steps in accordance with section 3.3.

You may arrange for payment through BPAY in accordance with the instructions on the Entitlement and Acceptance Form. If the Company receives an amount that is less than the Issue Price multiplied by your Retail Entitlement (Reduced Amount), your payment will be treated as an Application for as many New Shares as your Reduced Amount will pay for in full.

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If you do not take up all of your Entitlement in accordance with the instructions set out above, any New Shares that you would have otherwise been entitled to under the Retail Entitlement Offer may be offered under the Entitlement Shortfall Facility or issued to the Underwriters. See sections 1.12, 2.6, and 3.8 for further details.

3.6 If you do not wish to accept any of your Retail Entitlement

Eligible Retail Shareholders do not have to accept any of their Retail Entitlement.

If you do not wish to accept any of your Retail Entitlement, do not take any further action and your Retail Entitlement will lapse and any New Shares that you would have otherwise been entitled to under the Retail Entitlement Offer may be offered under the Entitlement Shortfall Facility or issued to the Underwriters. See sections 1.12, 2.6, and 3.8 for further details.

If you are an Eligible Retail Shareholders and you decide not to take up all or part of your Entitlement, the New Shares and New Options being your Entitlement will lapse and may be issued to other Eligible Shareholders who do apply for Additional New Shares, the Underwriters or other third parties in placing any Shortfall. In accordance with ASX Listing Rule 7.2 (Exception 3), the Directors reserve the right to issue New Shares and New Options under the Shortfall, at their discretion, within three months after the Closing Date.

By allowing your Entitlement to lapse, you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up your Entitlement. You should note that if you do not participate in the Retail Entitlement Offer, your percentage of equity in the Company will be reduced. If you take up your full Entitlement, your percentage holding in the Company will at least remain approximately the same. Further by applying for, and being allotted Additional New Shares and New Options, you may see your percentage holding in the Company increase.

See sections 1.12 and 3.8 for further details.

3.7 Debt Conversion Facility

If, in addition to being an Eligible Shareholders under the Entitlement Offer, you are also a creditor of the Company, you may elect to take up some or all of your Entitlement by means of the conversion of some or all of the existing debt owed to you by the Company. The conversion will be undertaken on a dollar for dollar basis at the Issue Price, and, in the case of any Fractional Entitlements, the number of New Shares arising from the conversion of the debt shall be rounded up to the nearest whole number. If you are an Eligible Retail Shareholder you can make the election to settle the Application Monies owing in respect of your Entitlement by conversion of an existing debt, as provided for on the Entitlement and Acceptance Form. Each Eligible Institutional Shareholders may elect to settle the Application Monies owing by it by the conversion of existing debt, in the manner set out in the relevant Institutional Offer Letter.

For clarity, the Debt Conversion Facility does not enable any creditor Eligible Shareholders to take up more New Shares under the Entitlement Offer than if the facility was not available. **Details of Eligible Shareholders who are associated with Directors and who are also creditors of the Company are set out below:**

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Shareholder creditor	Amount owing by Company	Intention
Nicholas Mather	\$118,800 (including GST)	Take up all of his Entitlement ¹
Brian Moller	\$41,250 (including GST)	Take up some \$24,750 of his Entitlement ²
Vincent Mascolo	\$36,667 (including GST)	Take up some \$22,000 of his Entitlement ³
Ben Cleary	\$32,084 (including GST)	Take up all of his Entitlement ⁴

¹ 11.45% of this amount is constituted by 100% of the amount owing to the relevant shareholder creditor by the Company. 66% of the amounts owing to the relevant shareholder creditor by the Company will be converted pursuant to the Debt Conversion Facility and applied in part settlement of the Application Money owing in respect of the Director's Entitlement. The Director intends to take up 100% of his Entitlement.

² This amount equals 66 % of the amount owing by the Company to the shareholder creditor, and will be converted pursuant to the Debt Conversion Facility and applied in settlement of 100% of the Application Money owing in respect of the New Shares being applied for by the Director. The Director will only take up his Entitlement to the extent of this conversion.

³ This amount equals 66 % of the amount owing by the Company to the shareholder creditor, and will be converted pursuant to the Debt Conversion Facility and applied in settlement of 100% of the Application Money owing in respect of the New Shares being applied for by the Director. The Director will only take up his Entitlement to the extent of this conversion.

⁴ The amount owing to the relevant shareholder creditor by the Company is greater than the shareholder's Entitlement. Accordingly, part of the amounts owing to the relevant shareholder creditor by the Company (up to the value of the shareholder's Entitlement) will be converted pursuant to the Debt Conversion Facility and applied in settlement of 100% of the Application Money owing in respect of the Director's Entitlement. The Director intends to take up 100% of his Entitlement.

3.8 Applying for Additional New Shares from any Shortfall

An Entitlement Shortfall will exist if any Eligible Shareholder does not take up their full Entitlement. Additional New Shares applied for will only be allocated and issued if an Entitlement Shortfall exists - resulting in the Entitlement Offer being undersubscribed.

Allocation and allotment of any Additional New Shares applied for will be made in accordance with the following policy:

- (a) the Directors may allocate the Entitlement Shortfall Shares to Eligible Shareholders that have applied to take up their full Entitlements and in addition have indicated that they wish to take up Additional New Shares as provided for in Section 3.3 (or in the case of Eligible Institutional Shareholders, those who have indicated that they wish to take up Additional New Shares as provided for the Institutional Offer Letter provided to them); and
- (b) the Company reserves the right to allocate Additional New Shares to Eligible Shareholders who wish to take up Additional New Shares at its discretion. In exercising its discretion the Company will have regard to facilitating the increase in the number of Shareholders with marketable parcels of Shares.

Once Directors have exhausted the allotment and allocation of Additional New Shares under the Entitlement Shortfall Facility to Eligible Shareholders, the Company will call on the Underwriters to take up the remaining New Shares under the Entitlement Shortfall in accordance with its underwriting obligations under the Underwriting Agreement. New Shares taken up by the Underwriters will be issued at approximately the same time as all other New Shares are issued under the Retail Entitlement Offer.

No Related Party or Eligible Shareholder associated with the Directors will participate in the Entitlement Shortfall Facility (except the Underwriters pursuant to their respective obligations under the Underwriting Agreement).

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The Company will not allocate or issue Additional New Shares under the Entitlement Shortfall Facility, where it is aware that to do so would result in a breach of the Corporations Act, the Listing Rules or any other relevant legislation or law including FATA. Eligible Shareholders wishing to apply for Additional New Shares must consider whether or not the issue of the Additional New Shares applied for would breach the Corporations Act or the Listing Rules having regard to their own circumstances.

There is no guarantee that Eligible Shareholders will be successful in being allocated any of the Additional New Shares that they apply for. The Company may reject any Application for Additional New Shares or allocate fewer Additional New Shares than applied for by Applicants for Additional New Shares in accordance with the policy set out above. The Directors reserve the right at their discretion to place a maximum on the number of Additional New Shares that will be issued to Eligible Shareholders who apply for Additional New Shares.

3.9 Binding effect of Entitlement and Acceptance Form

A completed and lodged Entitlement and Acceptance Form, or a payment made through BPAY®, constitutes a binding Retail Entitlement Offer to acquire New Shares and New Options on the terms and conditions set out in this Prospectus and, once lodged or paid for, cannot be withdrawn.

If the Entitlement and Acceptance Form is not completed correctly it may still be treated as a valid application for New Shares and New Options. The Directors' decision whether to treat an Acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

By completing and returning your personalised Entitlement and Acceptance Form with the requisite Application Monies or making a payment by BPAY®, you will also be deemed to have acknowledged, represented and warranted on behalf of each person on whose account you are acting that:

- (a) you have read and understand this Prospectus and your personalised Entitlement and Acceptance Form in their entirety;
- (b) you agree to be bound by the terms of the Retail Entitlement Offer;
- (c) all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- (d) after the Share Registry receives the Entitlement and Acceptance Form or any payment of Application Monies by BPAY®, you may not withdraw it;
- (e) you agree to apply for the number of New Shares specified in the Entitlement and Acceptance Form and for which you have either:
 - submitted payment of any Application Monies via cheque, bank draft or BPAY®, at \$0.037 per New Share applied for; or
 - if you are also a creditor of the Company, applied for under the Debt Conversion Facility (and pursuant to which the relevant amount of debt owed to you will be satisfied by the issue of the relevant number of New Shares on a dollar for dollar basis);
- (f) you agree to be issued the number of New Shares (and if applicable, New Options) for which you have applied, subject to your Entitlement;

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- (g) you agree to be issued any Additional New Shares you have applied for from any Shortfall;
- (h) you authorise the Company, the Underwriters, the Share Registry and their respective officers or agents, to do anything on your behalf necessary for the New Shares and New Options to be issued to you, including to act on instructions of the Share Registry on using your contact details set out in the Entitlement and Acceptance Form;
- (i) you declare that you were the registered holder of the relevant Shares on the Record Date;
- (j) you acknowledge that the information contained in this Prospectus and the Entitlement and Acceptance Form is not investment advice or a recommendation that New Shares and New Options are suitable for you given your investment objectives, financial situation or particular needs;
- (k) you are an Eligible Retail Shareholder, are not in the United States nor acting for the account nor the benefit of a person in the United States (including as a nominee or custodian), and are not otherwise a person to whom it would be illegal to make an Retail Entitlement Offer or issue of New Shares and New Options under the Retail Entitlement Offer;
- (l) the New Shares and New Options have not been, and will not be, registered under the US Securities Act or under the laws of any other jurisdiction other than Australia; and
- (m) you have not and will not send any materials relating to the Retail Entitlement Offer to any person in the United States or any other country outside of Australia, New Zealand, Papua New Guinea, Singapore, United Kingdom and Jersey (Channel Islands) or to any person (including nominees or custodians) acting for the account or benefit of a person outside of those countries.

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4. Company information

4.1 Company and Project Overview

DGR's business is resource-project generation and discovery across a range of commodities, including copper, gold, nickel, tin, iron ore, titanium, bauxite, lithium, cobalt, oil and gas. The Group focuses on delivering value through the discovery of ore bodies by the application of innovative exploration techniques and reassessment strategies to existing pre-development projects, and to new greenfields areas. The Company is generating and developing several independently funded and managed resource companies in order to progress each of these projects.

The Company has substantial holdings in LSE and TSX listed SolGold plc, AIM listed IronRidge Resources Ltd, and ASX listed Armour Energy, Aus Tin Mining Ltd and Dark Horse Resources Ltd.

In addition, the Company is currently progressing its investment and involvement in the Uganda Oil Project, as well as a number of other companies and projects as outlined below.

4.2 Auburn Resources Ltd

- (a) Auburn Resources Ltd (**Auburn**) is an unlisted public company of which DGR owns approximately 45% of the issued (and voting) share capital. Auburn is focussed on the discovery and development of copper, gold, nickel, cobalt and zinc deposits. Auburn has 4 major project areas in Queensland and 2 project areas in the Northern Territory. As at the date of this Prospectus, across these project areas Auburn holds 29 tenements (of which 17 are Exploration Permit Minerals (EPM) and 12 are Exploration Licenses (EL)). With a further 5 Exploration Permit Minerals Applications (EPMA) that infill strategic zones of 2 of the Queensland project areas. It is Auburn's current intention to significantly rationalise its holdings of tenements so as to focus on those which are the most prospective.
- (b) Auburn's most advanced provincial sized targets are 10 large nickel/copper/cobalt sulphide prospects discovered in the Hawkwood Project area west of Mundubbera in Qld. This project area is also home to at least 3 porphyry copper gold palladium prospects. In addition, Auburn (held directly or indirectly through other companies), has at least 11 other porphyry and breccia style copper/gold prospects in the Mt Abbot Project area near Bowen, and at Gayndah and Calgoa in southern Qld.
- (c) In the Northern Territory, Auburn's wholly owned subsidiary Pennant Resources Pty Ltd (**Pennant**) has identified and secured what is potentially a new mineral province similar to Mt Isa on the eastern side of the Tanumbirini Project area, and a new IOCG⁴ system potentially larger than Olympic Dam on the western side. Pennant also holds the much smaller but advanced Ban Ban Zinc Project near Gayndah in Qld.
- (d) Auburn's current intention is to seek an initial public offering (or some other entry into the market for public equity) subject to favourable economic and business conditions.

⁴ Iron oxide copper gold or deposit

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4.3 Uganda Oil Project

The Uganda Oil Project is located within the Albertine Graben in the west of the Republic of Uganda. According to the Ugandan Government the discovered resources in the Albertine Graben are currently estimated at a STOIP⁵ of 6.0 billion barrels of oil equivalent with 1.4 billion barrels recoverable and about 500 billion cubic feet of gas resources⁶. Armour Energy was awarded the Ugandan Licence on 13 September 2017 and the Company has an 83.18% beneficial interest in the Ugandan Licence and the associated project (the **Project**).

Ugandan Licence

The initial term of the Ugandan Licence expired on 13 September 2019 (the **First Exploration Period**). On 13 June 2019 Armour Energy applied for renewal of the Ugandan Licence. On 13 September 2019 the Ugandan Government announced that subject to Armour Energy meeting four (4) conditions (the **Renewal Conditions**), the Ugandan Licence has been renewed for a further two (2) years (the **Second Exploration Period**). The Ugandan Licence cannot be renewed for a further term following its expiry in 2021.

Renewal Conditions

Under the Renewal Conditions Armour Energy must (amongst other things):

- complete a Minimum Work Program defined in the PSA for each of the First Exploration Period (the **2D Seismic Survey**), and the Second Exploration Period (detailed below); and
- expend the Minimum Exploration Expenditure in each of the First Exploration Period and the Second Exploration Period, as stipulated in the PSA.

The 2D Seismic Survey was not completed by expiry of the First Exploration Period due to inclement weather, and in part due to difficulties in obtaining the necessary dynamite. The total amount which must be spent in order to complete the 2D Seismic Survey is approximately US\$1.5 million.

The PSA stipulates that for the Second Exploration Period:

- the Minimum Work Program is the drilling of an exploration well and the undertaking of geological, geophysical and geochemical studies; and
- the Minimum Exploration Expenditure is approximately US\$6.13 million.

The two other Renewal Conditions concern:

- the provision of a further Uganda Licence Performance Guarantee for the renewed term, in an amount to be agreed; and
- the relinquishment of some of the blocks the subject of the Ugandan Licence following the results of the 2D Seismic Survey (**relinquishment**).

⁵ Stock-Tank Oil Initially in Place

⁶ See page 3 of the *Request for Qualification for The second Licence in Round for Petroleum Exploration, Development and Production in Uganda* issued by the Republic of Uganda through the Ministry of Energy and Mineral Development, dated May 2019. The document goes on to say "The resources the planning base (P50) on which Government of Uganda and the Partners are basing the development phase and commercialization".

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The Company understands that Armour Energy is of the view that neither the Ugandan Licence, the PSA, nor the Petroleum Act mandate that a Ugandan Licence Performance Guarantee is required for the remainder of this term of the Ugandan Licence. Nonetheless Armour Energy and the Ugandan Government are negotiating the amount of such a performance guarantee should one be required. The Ugandan Government initially stated that it would require the Ugandan Licence Performance Guarantee to be in the amount of US\$990,000. The Company understands that this has not been agreed to by Armour Energy.

As regards Relinquishment, the Company further understands that Armour Energy has proposed amendments to the PSA such that it will not be required to undertake any further work on the blocks the subject of the Ugandan Licence, should the results of the 2D Seismic Survey be unfavourable. The Company understands that the Ugandan Government has not responded to these proposals as at the date of this Prospectus. Notwithstanding that proposal, the Company understands that Armour Energy geophysicists and geologists believe that the existing exploration work, including reprocessed 2D seismic surveys undertaken at the Kanywataba Block, by previous tenant holders and subsurface re-evaluation conducted by Armour Energy's geological staff is encouraging and supports ongoing exploration.

The Company understands that on 25 March 2020, the PAU wrote to Armour informing it that it was required by the Regulations to submit a proposed work program and budget for the calendar year 2020 (the **2020 Annual Budget & Work Program**).

The Company further understands that on 9 April 2020 Armour wrote back to the PAU indicating that Armour would not be in a position to prepare the 2020 Annual Budget & Work Program until such time as it had results from the 2D Seismic Survey.

Armour has informed the Company that on 9 April 2020 it wrote to the Minister invoking the *force majeure* provisions under section 188 of the Act and the PSA, in respect of all its obligations under the PSA generally, and its obligations to complete the 2D Seismic Survey in particular. The Event of Force Majeure (as defined in Armour's letter) is the COVID 19 pandemic which has disrupted and in some cases ceased supply chains and international travel, thus making it impossible for Armour's personnel to travel to Uganda to supervise the 2D Seismic Survey.

The Company has been informed that as at the date of this Prospectus Armour has not received a response from either the Minister or the PAU.

Conditional Renewal

The Company understands that it is the Ugandan Government's position that the Ugandan Licence has been renewed, notwithstanding that two of the Renewal Conditions are still being negotiated between the parties. If this is correct then:

- as Armour Energy is currently the licensee, Armour Energy is liable for to perform the Minimum Work Program under the renewed Ugandan Licence; and
- if such obligations are not met and the Ugandan Licence is cancelled by the Ugandan Government, the Ugandan Government will be entitled to demand payment of:
 - (1) any shortfall in the Minimum Exploration Expenditure for the First Exploration Period carried over to the Second Exploration Period (being the amount of approximately US\$1 million); and
 - (2) the amount of the Minimum Exploration Expenditure for the Second Exploration Period (being the amount of approximately US\$6.13 million).

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The aggregate of these two amounts plus costs associated with the Ugandan Licence, make up the Ugandan Licence Liability of US\$7.5 million.

Impending transfer of the Ugandan Licence

On 26 November 2018, Armour Energy applied to transfer the Ugandan Licence to Armour Uganda. As a condition of the Ugandan Government's consent to that transfer, Armour Energy was required to provide the Parent Company Guarantee, which it did on 11 January 2019.

The relevant Minister's consent to transfer the Ugandan Licence was granted 10 October 2019. To date the Licence has not been issued in the name of Armour Uganda, and the Company currently holds no shares in Armour Uganda.

Deed of Indemnity and Guarantee

As the Company is the beneficial owner of 83.18% of the Ugandan Licence, on 18 December 2019 the Company provided the Deed of Indemnity and Guarantee to Armour Energy.

The Deed of Indemnity and Guarantee will remain in force until to the earlier of:

- the duration of the PSA and the Ugandan Licence;
- the replacement of the Parent Company Guarantee. Following the transfer of the Ugandan Licence the parties will use their reasonable endeavours to cause the Parent Company Guarantee to be cancelled and replaced with two further shareholder guarantees; and
- the transfer of the Licence to a party whose obligations under the Ugandan Licence are not guaranteed or otherwise secured by Armour Energy.

The Company notes that as set out above, Armour informed the Company that it had written to the Minister invoking the force majeure provisions under both of the Act and the PSA in respect of its obligations under the PSA generally, and respect of the 2D Seismic Survey in particular. The Company understands that as at the date of this Prospectus, Armour has not received a response from the Minister.

4.4 Coolgarra Minerals

Coolgarra Minerals holds 5 granted EPMs south of Greenvale, Qld and one EPM west of Theodore in Central Queensland. The tenements are greenfield in nature but considered prospective for gold and cobalt on the basis of work undertaken to date.

4.5 Pinnacle Gold

Pinnacle Gold holds substantial and extensive gold exploration tenements south of Charters Towers, Qld. Most of the area is soil covered, with previous exploration efforts by earlier explorers largely confined to areas of outcrop and focussed on mapping and sampling known workings. Only two areas have been drilled to date.

4.6 Hartz Rare Earths

Hartz Rare Earths has 2 tenement applications in the Northern Territory. These tenements applications are greenfield in nature but are considered prospective for Uranium based on the work undertaken to date.

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4.7 DGR Energy Pty Ltd

In keeping with the positive view that the Company's management has of the potential for significant discoveries of petroleum in the Albertine Graben in the west of Uganda, the Company has procured its wholly-owned subsidiary DGR Energy Pty Ltd to apply for qualification for the second round of licensing for petroleum exploration tenements in Uganda. The Company has made a prequalification payment of UD\$20,000 in order to secure the necessary data to make an application for a licence. The initial deadline for submissions was 31 December 2019. This deadline was postponed until the 31st March 2020. However the Company has not received any further communications from the Ugandan Government concerning this second round of licensing, and as far as the Company is aware the Ugandan Government has not made any further public statements about when and if this second round of licensing is to progress. Having said that, the Company remains interested in applying for a right to explore land south of the Ugandan Licence. In addition, DGR Energy is also researching prospective oil and gas opportunities throughout South America.

4.8 Aus Tin – Funding Support

Although ANW is a publicly listed company with its own substantial shareholder base, on 12 March 2020, the Company provided it with a letter of funding support (**ANW 20 March Funding Support Letter**).

In summary the ANW 20 March Funding Support Letter provides as follows:

- (a) The Company agrees not to call any management fees or other debts owing to it by ANW until each of the parties agree.
- (b) Subject to paragraph (c) immediately below, the Company agrees to provide funds up to a maximum of \$500,000, to meet any of the following expenses:
 - (1) non-management staff salary;
 - (2) rentals, fuel, credit card and insurance instalments;
 - (3) critical accounting, auditing, regular tree and miscellaneous expenses; and
 - (4) such other expenses or for such other purposes as the Company may agree to its discretion.
- (c) The Company's agreement to provide the funding referred to in paragraph (b) immediately above, is conditional on:
 - (1) ANW providing to DGR regular progress updates as regards both operational matters and its capital raising plans;
 - (2) any request for funding must be accompanied by details of proposed expenditure which must be approved by the Company;
 - (3) all amounts outstanding to ANW Directors, management and major shareholders with more than a 5% interest will not be called for repayment by those creditors, but will be converted into equity in ANW at a price to be determined by the Company subject to any regulatory or approvals required; and
 - (4) any funding will be provided for a period no greater than the earlier of 12 months from the date of advance, or completion of a capital raising exercise which provides sufficient funds to meet each of the expenses referred to in subparagraphs (1), (2) and (3) above in the ordinary course of business.

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- (d) Any funding provided by the Company will accrue interest at a rate charged by ANW's bankers on overdraft facilities of \$100,000 or more, such interest to be capitalised and repayable when the principal is repaid.

The ANW 20 March Funding Support Letter in addition to a letter of funding support for up to \$1 million for a 12 month period, provided by the Company to ANW on or about 20 September 2019 (see ANW's ASX announcement 20 September 2019 "Operations Update for Granville and Taronga", and noted in "Significant Events after Reporting Date" in the DGR Directors' Report for the year ended 30 June 2019, and released to the market as part of the DGR Annual Report on 17 October 2019). As at the date of this Prospectus ANW has only drawn down approximately \$50,000 under the letter of funding support provided in September 2019.

However the Company notes that it is a condition precedent to the Underwriters' obligations that the Company's Board resolve that any further expenditure to be incurred by the Company in respect of ANW during the term of the Offer or from the proceeds of the Offer, must first be agreed to by Samuel Holdings, acting reasonably. Accordingly, no assurance can be given that any such funding may be provided.

4.9 Dark Horse – Funding Support

Although Dark Horse is a publicly listed company with its own substantial shareholder base, on 12 March 2020, the Company provided Dark Horse with a letter of funding support (**DHR Funding Support Letter**).

In summary the DHR Funding Support Letter provides that:

- (a) The Company agrees not to call any accrued management fees owing to it by DHR until each of the parties agree. The parties acknowledge that the Company may at its discretion choose to convert any fees owing into further equity in DHR as part of a future *pro rata* rights issue.
- (b) Subject to paragraph (c) immediately below, the Company agrees to provide funds to meet minimum corporate requirements including:
 - (1) to facilitate DHR meeting its statutory and regulatory liabilities; and
 - (2) to facilitate DHR entering into, or maintaining payment plans with essential creditors (to which the CFO has consented).
- (c) The Company's agreement to provide the funding referred to in paragraph (b) immediately above, is conditional on all directors of DHR and executives accruing their fees, and agreeing to convert the same into equity in DHR with a capital raising.
- (d) The funding will be provided until DHR undertakes an equity capital raising of at least \$500,000.

However the Company notes that it is a condition precedent to the Underwriters' obligations that the Company's Board resolve that any further expenditure to be incurred by the Company in respect of Dark Horse during the term of the Offer or from the proceeds of the Offer, must first be agreed to by Samuel Holdings, acting reasonably. Accordingly, no assurance can be given that any such funding may be provided.

Prospectus

5. Effect of the Offer on DGR

5.1 Effect of the Offer on the financial position of the Company

To illustrate the effect of the Entitlement Offer (as a whole) on the Company, the pro-forma consolidated balance sheet has been prepared based on the audit reviewed balance sheet as at 31 December 2019. In order to comply with section 713 of the Corporations Act the effect of the Entitlement Offer in particular is noted.

The pro-forma balance sheet shows the effect of the Entitlement Offer as a fully underwritten Entitlement Offer and as if the Entitlement Offer (under this Prospectus) had been made on 31 December 2019. The pro-forma balance sheet assumes that the Entitlement Offer is fully subscribed.

The accounting policies adopted in preparation of the pro-forma consolidated balance sheet are consistent with the policies adopted and as described in the Company's financial statements for the half-year ended 31 December 2019.

The significant effects of the Entitlement Offer (assuming the Entitlement Offer is fully subscribed and no Existing Options are exercised or Convertible Notes are converted) will be to:

- (a) increase cash reserves by approximately \$5,111,502 (after allowing for debt conversion applications of \$170,430 and cash expenses of the Entitlement Offer which are estimated to be \$390,000) will have arisen from the Entitlement Offer made under this Prospectus assuming a \$0.037 Issue Price;
- (b) increase the number of issued ordinary shares by 153,295,469, issued pursuant to the Entitlement Offer made under this Prospectus; and
- (c) increase the number of Options on issue from 40,075,000 to 78,398,867, issued pursuant to the Entitlement Offer made under this Prospectus, assuming one (1) New Option is issued for every four (4) New Share allotted, and that each Eligible Shareholder applies for more than \$4,000 worth of New Shares.

Prospectus

	Reviewed	Total Pro Forma Adjustments	Pro forma
	31-Dec		31-Dec
	2019		2019
	\$		\$
CURRENT ASSETS			
Cash and cash equivalents	1,611,419	5,121,502	6,732,921
Trade and other receivables	1,221,062	0	1,221,062
Other current assets	97,543	0	97,543
Total Current Assets	2,930,024	5,121,502	8,051,526
NON-CURRENT ASSETS			
Other financial assets	84,469,199	0	84,469,199
Investments accounted for using the equity method	15,435,989	0	15,435,989
Property, plant and equipment	2,369,327	0	2,369,327
Exploration and evaluation assets	9,918,293	0	9,918,293
Total Non-Current Assets	112,192,808	0	112,192,808
TOTAL ASSETS	115,122,832	5,121,502	120,244,334
CURRENT LIABILITIES			
Trade and other payables	1,431,774	-170,430	1,261,344
Lease liability	326,678	0	326,678
Other financial liabilities	9,723,501	0	9,723,501
Total Current Liabilities	11,481,953	-170,430	11,311,523
NON-CURRENT LIABILITIES			
Deferred tax liabilities	16,105,850	0	16,105,850
Lease liability	1,701,740	0	1,701,740
Other financial liabilities	-	0	-
Provisions	1,076,285	0	1,076,285
Total Non-Current Liabilities	18,883,875	0	18,883,875
TOTAL LIABILITIES	30,365,828	-170,430	30,195,398
NET ASSETS	84,757,004	5,291,932	90,048,936
EQUITY			
Issued capital	33,545,921	5,671,932	39,217,853
Reserves	71,539,530	0	71,539,530
Accumulated losses	-22,074,660	-380,000	-22,454,660
Equity attributable to members of the parent entity	83,010,791	5,291,932	88,302,723
Non-controlling interests	1,746,213		1,746,213
TOTAL EQUITY	84,757,004	5,291,932	90,048,936

Prospectus

It should be noted that any further applications processed for acceptance under the Debt Conversion Facility will have the effect of decreasing the Company's pro forma cash balance and pro forma trade creditor position as outlined above.

5.2 Present position

At the date of this Prospectus, the Company is of the view that there is no one entity who controls the Company.

The Shareholders who hold more than 5% of the Shares prior to the date of this Prospectus are set out in the table below. Samuel Holdings has agreed to partially underwrite the Entitlement Offer to an amount of \$2,585,966 or 69,890,978 New Shares (which includes its Entitlement).

Shareholder	Number of Shares	%
Tenstar Trading Limited	110,012,044	17.94
Samuel Holdings *	70,443,015	11.49
Nicholas Mather & Judith Mather as trustee of the Mather Superannuation Fund*	41,310,000	6.74

* In addition to these holdings, the Mather Interests include 389,538 held by Judith Mather.

The Company has received substantial shareholding notices from the following parties:

Shareholder	Number of Shares	%
Nicholas Mather *	112,142,553	18.29
Tenstar Trading Limited	110,012,044	17.94

* Includes indirect holdings.

5.3 Existing Options

As at the date of this Prospectus, the Company has a total of 40,075,000 Existing Options on issue as follows:

No. of Options	Exercise Price	Description	Expiry Date
17,375,000	\$0.20	Employee Options	8 November 2020
17,500,000	\$0.20	Director Options	28 November 2020
3,000,000	\$0.20	Employee Options	12 February 2021
2,200,000	\$0.20	Employee Options	12 February 2021

Prospectus

5.4 Convertible Notes

As at the date of this Prospectus, the Company has a total of 50,000,000 Convertible Notes issued to entities associated with Tribeca. The details of those Convertible Notes on issue are as follows:

Number of Convertible Notes on issue	50,000,000
Convertible Note Holder	JP Morgan Nominees Australia Pty Ltd in its capacity as the trustee of the Tribeca Global Natural Resources Credit Fund, and Tribeca Global Natural Resources Credit Master Fund
Issue price	Face value of \$0.20 per Existing Convertible Note
Interest rate	12% per annum
Interest payments	Interest is payable in cash and is paid quarterly in arrears
Maturity date	2 October 2020
Conversion terms	Convertible at any time at the Convertible Note Holder's election into one Share in DGR subject to usual adjustment mechanisms in certain circumstances
Security	Secured

5.5 Effect of the Entitlement Offer on the capital structure of the Company

Assuming full subscription under the Entitlement Offer, the share capital structure of the Company immediately following the Offer will be as follows:

Shares		
	Number	%
Shares on issue at the date of this Prospectus	613,181,877	80.00%
Number of New Shares to be issued pursuant to the Entitlement Offer	153,295,469*	20.00%
Total maximum number of Shares after the Entitlement Offer	766,477,346**	100.00%

Options		
	Number	%
Options on issue at the date of this Prospectus	40,075,000	51.12%
Number of New Options pursuant to the Entitlement Offer	38,323,867*	48.88%
Total maximum number of Options after the Entitlement Offer	78,398,867	100.00%

* Excludes any New Shares and New Options which may be issued in the event that any Existing Options and Convertible Notes are exercised prior to the Record Date. Some allowance has been made for rounding, with Fractional Entitlements being rounded up. **Assumes that the maximum number of New Shares are issued.

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The Entitlement Offer is a pro-rata Entitlement Offer so that if all Eligible Shareholders take up their Entitlements and none of the Option Holders exercise their Existing Options, or Convertible Noteholders convert their notes, and participate in the Entitlement Offer, the voting power of all Eligible Shareholders will remain the same. In that event, there will be no actual or potential effect or consequences arising from the Entitlement Offer on the control of the Company. If an Eligible Shareholders does not take up their Entitlement in full it will result in their percentage holding in the Company being diluted by the Entitlement Offer. Details of the potential effect of the Entitlement Offer on the control of the Company are set out in section 5.7.

In the event of a Shortfall, the Directors reserve the right to place the Shortfall at their sole discretion subject to the provisions of the Underwriting Agreement, the Corporations Act and the Listing Rules.

5.6 Debt Conversion Facility

Under the Debt Conversion Facility, an Eligible Shareholder may elect to take up some or all of their Entitlement by means of the conversion of some or all of the existing debt owed to them by the Company. The conversion will be undertaken on a dollar for dollar basis at the Issue Price, and in the case of any Fractional Entitlements, the number of New Shares arising from the conversion of the debt shall be rounded up to the nearest whole number.

As the Debt Conversion Facility does not enable any creditor Eligible Shareholders to take up more New Shares under the Entitlement Offer than if the facility was not available, the Debt Conversion Facility will have no effect on the capital structure of the Company.

5.7 Effect of the Entitlement Offer on control of the Company

General effect and consequences

The potential effect that the Entitlement Offer will have on the control of the Company, and the consequences of that effect, will depend on a number of factors, including Shareholder take-up of the Entitlement Offer and the consequences of the Underwriting of the Entitlement Offer.

The Entitlement Offer is a pro-rata Entitlement Offer so that if all Eligible Shareholders take up their Entitlements and none of the Existing Options are exercised and none of the Convertible Notes are converted prior to the Record Date, the voting power of all Eligible Shareholders will remain the same. In that event, there will be no actual or potential effect or consequences arising from the Entitlement Offer on the control of the Company.

However, Eligible Shareholders who do not take up all of their Entitlements will have their interest in the Company diluted as a result of the Offer.

Where Entitlements not taken up

In the event that there are still New Shares not applied for following the issuance of the Additional New Shares under the Shortfall, the Company and the Directors reserve the right, as contemplated within the Listing Rules, to allocate any remaining Shortfall in their absolute discretion and subject to the terms of the Underwriting Agreement to conduct a placement of the remaining Shortfall to ensure a maximum amount of funds are raised. They will do so in a manner which will ensure that no Shareholder or other investor will, as a consequence of being issued any Shortfall, hold a Relevant Interest in more than 19.9% of all of the Shares in the Company after this Offer where such holding would be contrary to the Corporations Act or FATA (see sections 8.10 and 8.11).

Prospectus

Effect on Relevant Interest of Substantial Shareholders

As at the date of this Prospectus the Company has received substantial shareholding notices from the following parties:

Shareholder	Number of Shares	%
Nicholas Mather *	112,142,553	18.29
Tenstar Trading Limited	110,012,044	17.94

** Nicholas Mather's interests are held directly and indirectly, including through Samuel Holdings, one of the Underwriters.*

If the Entitlement Offer is fully subscribed and the interests associated with Nicholas Mather, a director of the Company (the **Mather Interests**), and Tenstar Trading Ltd (**Tenstar**) subscribe for all of their Entitlements pursuant to the Entitlement Offer, there will be no change to their Relevant Interests in DGR Shares.

The Mather Interests includes Samuel Holdings. Samuel Holdings has agreed to partially underwrite the Entitlement Offer up to \$2,585,966 (which will include Samuel Holdings' Entitlement under the Entitlement Offer). The balance of the Entitlement Offer is underwritten by Samuel Terry Asset Management as to \$2,585,966 and Phoenix Portfolios as to \$500,000.

If the Mather Interests subscribe for all of their Entitlements pursuant to the Entitlement Offer, but not all Eligible Shareholders subscribe for their Entitlements, and Samuel Holdings is called on to subscribe for some or all of its underwriting commitment, the Mather Interests' Relevant Interest in the Company will increase. The potential increase in the Mather Interests' Relevant Interest if none of the other Eligible Shareholders participate in the Entitlement Offer, is detailed in Table 4 below.

If Tenstar does not fully participate in the Entitlement Offer, its Relevant Interest will reduce.

Set out below are the Entitlements of the Shareholders that comprise the Mather Interests, Samuel Terry Asset Management, Phoenix Portfolios and Tenstar, together with the New Shares to be taken up under the Underwriting Agreement.

Shareholder	Entitlement	Underwritten Shares excluding Underwriters Entitlement
Mather Interests (excluding Samuel Holdings)	10,424,885	0
Samuel Holdings	17,610,754	52,280,224
Samuel Terry Asset Management	5,077,943	64,813,035
Phoenix Portfolios	3,266,653	10,246,860
Tenstar Trading Limited	27,503,011	0

Tables 1 to 4 below set out the number of Shares and potential voting power that the Mather Interests, Samuel Terry Asset Management, Phoenix Portfolios and Tenstar respectively could obtain in DGR based in various scenarios.

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Table 1 – Assumes the Mather Interests, Tenstar, Samuel Terry Asset Management and Phoenix Portfolios each take up their full Entitlements, the Directors take up their Entitlements to the extent set out in section 1.13 of this Prospectus, but no other Eligible Shareholder takes up their Entitlement (resulting in Samuel Holdings, Samuel Terry Asset Management and Phoenix Portfolios subscribing for the Shortfall under the Underwriting Agreement on the basis set out in sections 2.12 and 8.6 of this Prospectus)

	Mather Interests		Samuel Terry Asset Management		Phoenix Portfolios		Tenstar	
	Shares	%	Shares	%	Shares	%	Shares	%
Current holding	112,142,553	18.23	20,311,771	3.31	13,066,611	2.1	110,012,044	17.94
Entitlement	28,035,639	-	5,077,943	-	3,266,652	-	27,503,011	-
Underwriting	12,838,808 ⁽¹⁾	-	64,813,035 ⁽²⁾	-	10,246,860 ⁽²⁾	-	-	-
Holding post Entitlement Offer⁽⁴⁾	153,017,000	19.96	90,202,749	11.77	26,580,124	3.47	137,515,055 ⁽³⁾	17.94 ⁽³⁾

Notes:

- (1) Samuel Holdings underwriting commitment will be reduced by Applications received from any of the Mather Interest, Tenstar, Directors and certain other parties – refer to sections 1.7 and 2.12 for further details
- (2) Samuel Terry and Phoenix Portfolios underwriting commitment will each be reduced by Applications that they lodge in respect of their own Entitlements.
- (3) Given the restrictions placed on foreign persons from acquiring interests in Australian entities pursuant to FATA, the Company will not allow Tenstar to acquire an interest in more than 19.9% of the Company without satisfactory evidence of Tenstar's compliance with FATA. However given that the Offer is fully underwritten, even if Tenstar takes up its full Entitlement its Relevant Interest should not change, and will remain below 19.9%. For more details see section 8.10.
- (4) These numbers assume that no New Options that are issued to the relevant parties are exercised. If any of the New Options are exercised, then the relevant parties' percentage holdings may increase.

Table 2 – Assumes that the Mather Interests, Samuel Terry Asset Management and Phoenix Portfolios each take up their full Entitlements, the Directors take up their Entitlements to the extent set out in section 1.13 of this Prospectus, but no other Eligible Shareholder (including Tenstar) takes up their Entitlement (resulting in Samuel Holdings, Samuel Terry Asset Management and Phoenix Portfolios subscribing for the Shortfall under the Underwriting Agreement on the basis set out in sections 2.12 and 8.6 of this Prospectus)

	Mather Interests		Samuel Terry Asset Management		Phoenix Portfolios		Tenstar	
	Shares	%	Shares	%	Shares	%	Shares	%
Current holding	112,142,553	18.23	20,311,771	3.31	13,066,611	2.1	110,012,044	17.94
Entitlement	28,035,639	-	5,077,943	-	3,266,652	-	-	-
Underwriting	40,341,819 ⁽¹⁾	-	64,813,035 ⁽²⁾	-	10,246,860 ⁽²⁾	-	-	--
Holding post Entitlement Offer⁽⁴⁾	180,520,011	23.55	90,202,749	11.77	26,580,124	3.47	110,012,044	14.35

Notes:

- (1) Samuel Holdings underwriting commitment will be reduced by Applications received from any of the Mather Interest, Tenstar, Directors and certain other parties – refer to section 8.6 for further details.

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- (2) *Samuel Terry and Phoenix Portfolios underwriting commitment will each be reduced by Applications that they lodge in respect of their own Entitlements – refer to section 8.6 for further details.*
- (3) *Given the restrictions placed on foreign persons from acquiring interests in Australian entities pursuant to FATA, the Company will not allow Tenstar to acquire an interest in more than 19.9% of the Company without satisfactory evidence of Tenstar's compliance with FATA. However given that the Offer is fully underwritten, even if Tenstar takes up its full Entitlement its Relevant Interest should not change, and will remain below 19.9%. For more details see section 8.10.*
- (4) *These numbers assume that no New Options that are issued to the relevant parties are exercised. If any of the New Options are exercised, then the relevant parties' percentage holdings may increase.*

Table 3 – Assumes that the Mather Interests, Samuel Terry Asset Management and Phoenix Portfolios each take up their full Entitlements, but no other Eligible Shareholder (including Tenstar and the Directors) takes up their Entitlement (resulting in Samuel Holdings, Samuel Terry Asset Management and Phoenix Portfolios subscribing for the Shortfall under the Underwriting Agreement on the basis set out in sections 2.12 and 8.6of this Prospectus)

	Mather Interests		Samuel Terry Asset Management		Phoenix Portfolios		Tenstar	
	Shares	%	Shares	%	Shares	%	Shares	%
Current holding	112,142,553	18.23	20,311,771	3.31	13,066,611	2.1	110,012,044	17.94
Entitlement	28,035,639	-	5,077,943	-	3,266,652	-	-	-
Underwriting	41,855,340 ⁽¹⁾	-	64,813,035 ⁽²⁾	-	10,246,860 ⁽²⁾	-	-	-
Holding post Entitlement Offer⁽⁴⁾	182,033,532	23.75	90,202,749	11.77	26,580,124	3.47	110,012,044	14.35

Notes:

- (1) *Samuel Holdings underwriting commitment will be reduced by Applications received from any of the Mather Interest, Tenstar, Directors and certain other parties – refer to section 8.6 for further details.*
- (2) *Samuel Terry and Phoenix Portfolios underwriting commitment will each be reduced by Applications that they lodge in respect of their own Entitlements – refer to section 8.6 for further details.*
- (3) *Given the restrictions placed on foreign persons from acquiring interests in Australian entities pursuant to FATA, the Company will not allow Tenstar to acquire an interest in more than 19.9% of the Company without satisfactory evidence of Tenstar's compliance with FATA. However given that the Offer is fully underwritten, even if Tenstar takes up its full Entitlement its Relevant Interest should not change, and will remain below 19.9%. For more details see section 8.10.*
- (5) *These numbers assume that no New Options that are issued to the relevant parties are exercised. If any of the New Options are exercised, then the relevant parties' percentage holdings may increase.*

Table 4 – Assumes that the Mather Interests, Tenstar, Samuel Terry Asset Management, Phoenix Portfolios and all other Eligible Shareholders take up their Entitlement each take up their full Entitlements (resulting in none of Samuel Holdings, Samuel Terry Asset Management or Phoenix Portfolios subscribing for any Shortfall under the Underwriting Agreement)

	Mather Interests		Samuel Terry Asset Management		Phoenix Portfolios		Tenstar	
	Shares	%	Shares	%	Shares	%	Shares	%
Current holding	112,142,553	18.23	20,311,771	3.31	13,066,611	2.1	110,012,044	17.94
Entitlement	28,035,639	-	5,077,943	-	3,266,652	-	27,503,011	-
Underwriting	-	-	-	-	-	-	-	-
Holding post Entitlement Offer⁽²⁾	140,178,192	18.29	25,389,714	3.31	16,333,264	2.13	137,515,055 ⁽¹⁾	17.94

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Notes:

- (1) *Given the restrictions placed on foreign persons from acquiring interests in Australian entities pursuant to FATA, the Company will not allow Tenstar to acquire an interest in more than 19.9% of the Company without satisfactory evidence of Tenstar's compliance with FATA. However given that the Offer is fully underwritten, even if Tenstar takes up its full Entitlement its Relevant Interest should not change, and will remain below 19.9%. For more details see section 8.10.*
- (2) *These numbers assume that no New Options that are issued to the relevant parties are exercised. If any of the New Options are exercised, then the relevant parties' percentage holdings may increase.*

The Directors understand that, should Samuel Holdings' holding increase upon completion of the Entitlement Offer, its present intentions are to procure that the Company will:

- (a) generally continue the business of the Company;
- (b) not make any material changes to the business of the Company; and
- (c) continue the employment of the Company's present employees.

The Directors do not expect that the potential effects on control outlined above will result in any material change to the Company's current objectives and proposed actions.

5.8 Takeovers provisions

The Company understands that Samuel Holdings intends to rely on the "underwriting of fundraising" exception to Section 606 of the Corporations set out in item 13 of section 611, and the general exception for the issue of securities to an underwriter of a rights issue as set out in item 10 of section 611. See section 8.11 for more details.

5.9 FATA

The Company notes that if any foreign shareholder (including Tenstar) acquires an interest of 20% or more in the Company, it may require approval pursuant to the FATA. Accordingly, the Company will not allow any foreign shareholder to acquire more than 19.99% of the Company's issued share capital without evidence of any required approval under the FATA. See section 8.10 for more details.

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6. Risk factors

6.1 Introduction

The activities of the Company, as in any business, are subject to risks which may impact on its future performance. The Company has appropriate actions, systems and safeguards for known risks, however, some are outside its control.

Prior to making any decision to accept the Entitlement Offer, Eligible Shareholders should carefully consider the risk factors which the Company has previously disclosed (many of which are listed below), as well as those risks of which the Eligible Shareholders is aware, or should be aware of, through their own knowledge and enquiries.

Some of the risks may be mitigated by the Company using safeguards and appropriate systems and taking certain actions. However, as noted above and previously, some of the risks are outside the control of the Company and are not capable of mitigation. There are also general risks associated with any investment in shares.

There can be no guarantee that the Company will achieve its stated objectives or that any forward-looking statements will eventuate. An investment in a business with limited operating history, such as DGR, is considered speculative and an investor could lose most or all of any investment. There are also general risks associated with any investment in shares. More specifically, the risks are that:

- (a) the price at which the Applicant is able to sell the New Shares is less than the price paid due to changes in market circumstances;
- (b) the Applicant is unable to sell the New Shares;
- (c) the Company is placed in receivership or liquidation making it reasonably foreseeable that Shareholders could receive none, or only some of their initial investment; and
- (d) the Company fails to generate sufficient profit in order to pay dividends.

In the event of insolvency, the holders of fully paid ordinary shares would not normally be liable to pay money to any person. An exception could occur where a distribution, such as a dividend, has been made to Shareholders in circumstances where the Company was unable at that time to meet the solvency test set out in the Corporations Act. In that case, a liquidator may call for a return of such distributions.

Potential investors should therefore carefully consider all associated risks before applying for New Shares under this Prospectus and should consider their personal circumstances (including financial and taxation issues) and seek advice from their stockbroker, accountant, solicitor or other professional advisers before deciding whether to invest.

A number of material risk factors which may adversely affect the Group and the value of the New Shares offered under this Prospectus are set out in this section. The risks listed below (and previously disclosed by the Company) should not be taken as exhaustive of the risks faced by the Company. Factors other than those listed may in the future materially affect the financial performance of the Company and the value of the New Shares.

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6.2 General Risks

An investment in the New Shares should be considered speculative due to the nature of the mining industry generally. Resource exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. There can be no assurance that the Company's intended exploration targets will lead to the development of mining operations.

The operations of the Company in developing and commissioning a mine may be affected by a range of factors including the failure to obtain all government approvals (to commence mining), protected grades in exploration, mining and processing, technical difficulties encountered in commissioning and operating plant and equipment, mechanical failure, metallurgical problems which affect extraction rates and costs, adverse weather conditions, industrial and environment accidents, industrial disputes, unexpected shortages or increases in the cost of consumables, spare parts, plant and equipment.

A summary of the major general risks is outlined below:

(a) Dilution

Shareholders should be aware that to the extent that they do not accept their Entitlements in full, a Shortfall will arise and all or part of any Shortfall may be placed by the Company, in consultation with the Underwriters, to other parties in which case their interest in the Company may be significantly diluted (see section 5.5 for further details). Further the Entitlement Offer is not being extended to Shareholders with registered addresses outside of Australia, New Zealand, Papua New Guinea, Singapore, United Kingdom and Jersey (Channel Islands) and the holdings of those Shareholders in the Company will be diluted by the Entitlement Offer. Given the terms of the Entitlement Offer, the interests of a Shareholder in the Company may be diluted by up to 20% in the event that they elect not to accept their Entitlement in full if the Entitlement Offer is fully subscribed or alternatively, any Shortfall is fully placed.

Acceptance of Entitlements or the placement of any Shortfall may also result in existing Shareholders or new investors significantly increasing their interest in the Company or obtaining a substantial interest in the Company. However, the Shortfall will only be placed to the extent that such placement will not result in a party being in breach of either:

- (1) the Takeover Provisions (see section 8.11); or
- (2) the FATA (see section 8.10).

The Company will work in consultation with the Underwriters during and after the Retail Entitlement Offer in order to secure commitments to place, and subsequently to place, any Shortfall of New Shares not subscribed for by Eligible Shareholders.

(b) Share Market Risk

The market price of listed securities can be expected to rise and fall in accordance with general market conditions and factors specifically affecting the Australian resources sector and exploration companies in particular. The New Shares carry no guarantee in respect of profitability, dividends, return on capital, or the price at which they may trade on the ASX.

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There are a number of factors (both national and international) that may affect the share market price and neither the Company nor its Directors have control of those factors.

(c) **Liquidity of New Options**

The Company does not intend to seek listing of the New Options. This may impact on the liquidity of the New Options.

(d) **General Economic Conditions**

Changes in the general economic climate in which the Company operates may adversely affect the financial performance of the Company. Factors that may contribute to that economic climate include the general level of economic activity, interest rates, inflation, supply and demand, industrial disruption and other economic factors, such as the impact of the COVID-19 pandemic. The price of commodities will also be of particular relevance to the Company. These factors are beyond the control of the Company and the Company cannot, with any degree of certainty, predict how they will impact on the Company.

(e) **Share price fluctuations**

The market price of the Company's Shares will be subject to varied and often unpredictable influences in the share market. Both domestic and world economic conditions may affect the performance of the Company. Factors such as the level of industrial production, inflation and interest rates impact all commodity prices including minerals. Similarly, because the substantial assets of DGR are investments in other listed companies, variations in the market prices of those companies may also impact on the share price of DGR from time to time.

(f) **Unforeseen expenses**

While the Company is not aware of any expenses that may need to be incurred that have not been taken into account, if such expenses were subsequently incurred, the expenditure proposals of the Company may be adversely affected.

6.3 Risks specific to an investment in the Company

In addition to the general risks noted in section 6.2, Eligible Shareholders should be aware of risks specific to an investment in the Company, which may include, but are not limited to the following:

(a) **Current and future sources of funding**

The Company's ability to raise further funding to meet both its operating and capital expenditure requirements, depends upon a number of different factors. It is unlikely that the Company will be able to obtain any further debt financing, and the Tribeca Note Facility (\$10 million) must be repaid on 2 October 2020 unless Tribeca agrees to an extension of it on terms acceptable to the Company (see the section immediately below for a further discussion of the risks associated with this facility). Were the Company able to secure further debt financing, it would likely be required by the lender to accept negative pledges, covenants and other restrictions on its operating activities. The Company's day to day operations (being the supply of administrative services and support to group companies), are unlikely to generate sufficient cash flow to meet the Company's operating and capital expenditure needs in the near or medium

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terms. Meanwhile the Company's ability to raise further equity financing is very sensitive to negative market sentiment.

As at the date of this Prospectus the global economic outlook will make it challenging for the Company to raise new equity capital in the near future. Of particular note from the perspective of the Company's ability to raise future capital (either equity or debt), is the uncertainty arising from the spread of the COVID-19 virus and the reaction of both governments and financial markets to what has been declared a pandemic by the World Health Organisation⁷. Further the Company also notes that to the extent that the Company can raise further additional equity, that financing will dilute existing Shareholders.

Accordingly, there is no guarantee that the Company will be able to secure additional funding on terms favourable to the Company. If the Company is unable to obtain additional financing as required, it will be unable to continue to fund its existing projects, take part in capital raisings undertaken by its daughter entities, or take advantage of opportunities as they arise. Further, without additional funding the Company may not have sufficient working capital to be able to meet day to day expenses as and when needed.

(b) **Tribeca Convertible Note Facility**

The Company has the Tribeca Note Facility with Tribeca. Currently, the Tribeca Note Facility is fully drawn to \$10,000,000 and the Company is fully compliant with the terms of the Tribeca Note Facility. Whilst the Company has been in discussions with Tribeca in respect of the Tribeca Note Facility, no assurance can be given that the Company will secure an extension of existing funding or any further funding under the Tribeca Note Facility on terms acceptable to the Company. The Tribeca Note Facility is scheduled to mature on 2 October 2020 unless there is an agreement to extend it.

(c) **Armour Notes– poor demand impacting on ability to dispose of at full value**

The Company is contemplating the possible sale of some or all of its holding of Armour Notes with a face value of \$4.55m should it need to do so in order to fund ongoing operations. The Company has included the full value of those Armour Notes in its balance sheet as a non-current asset. However as noted above, at the date of this Prospectus the global economy (particularly in light of the uncertainty arising from the spread of the COVID-19) is facing significant challenges.

While the Company is hopeful of realising the Armour Notes as and when needed for their full face value, there is no guarantee that the Company will be able to find a buyer for all or any of those Armour Notes at their full face value or at all. If the Company is unable to realise those Armour Notes at or near their full face value, this may have a significant impact on the Company's continuing ability to fund its existing projects, take part in capital raisings undertaken by its daughter entities, or take advantage of opportunities as they arise. Further, without additional funding the Company may not have sufficient working capital to be able to meet day to day expenses as and when needed.

⁷ https://www.who.int/docs/default-source/coronaviruse/situation-reports/20200311-sitrep-51-covid-19.pdf?sfvrsn=1ba62e57_10

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(d) **Uganda Oil**

- (1) Pursuant to the terms of the Deed of Indemnity and Guarantee, the Company is indemnifying Armour Energy for 83.18% of the Ugandan Licence Liability. In the event that Armour Energy (or if the Ugandan Licence has been transferred to Armour Uganda, then Armour Uganda) does not meet the Second Exploration Period Minimum Work Program by 13 September 2021, the Ugandan Licence Liability would be approximately US\$7.5 million. In these circumstances the Company would be liable to Armour Energy for approximately US\$6,238,500 (being 83.18% of the Ugandan Licence Liability). Given the volatility in foreign exchange markets is not possible to state what that liability would be in Australian dollars as at the date of this Prospectus.
- (2) Further pursuant to the terms of the Uganda Project Letter Agreement, Armour Energy would likely be looking to the Company to fund the Second Exploration Period Minimum Work Program, or at least 83.18% of it. It is likely the cost of completion of this Work Program would be significantly greater than the Ugandan Licence Liability. However, the markets for oil and gas are currently (and in general) volatile. Oil and gas prices are a direct function of global demand, and the cost and availability of contractors to carry out exploration drilling programs, are a reflection of those oil and gas prices. Accordingly, it is not possible currently to state what that liability would be as at the date of this Prospectus.
- (3) While the Company is hopeful that negotiations with the Ugandan Government will be fruitful, if the Ugandan Government does not agree to a Uganda Licence Performance Guarantee of a lesser amount than US\$990,000, Armour Energy will look to the Company to fund at least US\$823,482 (being 83.18% of US\$990,000). Given the volatility in foreign exchange markets is not possible to state what that liability would be in Australian dollars as at the date of this Prospectus.
- (4) The Company understands that Armour wrote to:
 - the PAU (in response to a letter from the PAU on 25 March 2020), indicating that Armour would not be in a position to prepare an annual budget & work program for the calendar year 2020 as would normally be required by the Regulations, until such time as it had results from the 2D Seismic Survey; and
 - the Minister on 9 April 2020 invoking the *force majeure* provisions under section 188 of the Act and the PSA, in respect of all its obligations under the PSA generally, and its obligations to complete the 2D Seismic Survey in particular. The Event of Force Majeure (as defined in Armour' letter) was the COVID 19 pandemic which has disrupted and in some cases ceased supply chains and international travel, thus making it impossible for Armour's personnel to travel to Uganda.

The Company understands that Armour has not received a response from either the Minister or the PAU.

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(e) **Impact of equity market conditions on value of the Company's assets**

A large percentage of the Company's assets (by value), consists of listed securities, predominantly in daughter entities. The value of these listed securities can experience extreme price and volume fluctuations that are often unrelated to the operating performance of the issuers of those securities. In particular, the occurrence of the COVID-19 pandemic has resulted in significant market uncertainty in global equity markets. The effects of this pandemic are far reaching and uncertain outcomes may impact the value of the Company's assets.

The market price of these assets may fall as well as rise. Those prices are subject to varied and unpredictable influences on the market for equities in general, as well as on the market for issued securities of companies in the same line of business as those companies in which the Company holds securities (being predominantly companies involved in resource exploration). To some degree, the Company relies on the ability to sell those securities should it have no other sufficient form of financing. If the market for those securities becomes illiquid, or their value drops significantly, this may adversely impact the Company's ability to fund its on-going operational and capital expenditure needs.

(f) **Environmental regulations and risks**

National and local environmental laws and regulations affect nearly all of the operations of the Company. These laws and regulations set various standards regulating certain aspects of health and environmental quality, provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to remediate current and former facilities and locations where operations are or were conducted. The Company will minimise the potential impact of these laws and regulations by taking steps to ensure compliance occurs and, where possible, by carrying appropriate insurance.

Significant liability could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of properties acquired by the Company or non-compliance with environmental laws or regulations.

(g) **Insurance arrangements**

The Company intends to maintain insurance within ranges of coverage the Company believes to be consistent with industry practice and having regard to the nature of activities being conducted. No assurance however, can be given that the Company will be able to obtain such insurance coverage at reasonable rates or that any coverage it arranges will be adequate and available to cover any such claims.

(h) **Exploration and evaluation risks**

The Company has direct and indirect interests in numerous mining and exploration companies. Potential investors should understand that mineral exploration and development are high risk undertakings. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

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(i) **Commodity prices**

The Company's prospects and perceived value will be influenced from time to time by the prevailing short-term prices of the commodities targeted in its exploration programs. Commodity prices fluctuate and are affected by factors including supply and demand for mineral products, hedge activities associated with commodity markets, the costs of production and general global economic and financial market conditions.

These factors may cause volatility which in turn, may affect the Company's ability to finance its future exploration and/or bring Company's to market.

(j) **Tenement risks**

The rights to resource tenements carry with them various obligations which the holder is required to comply with in order to ensure the continued good standing of the tenement and, specifically, obligations in regard to minimum expenditure levels and responsibilities in respect of the environment and safety. Failure to observe these requirements could prejudice the right to maintain title to a given area and result in government action to forfeit a permit or permits.

There is no guarantee that current or future exploration permit applications or existing permit renewals will be granted, that they will be granted without undue delay, or that the holder of the mineral tenements can economically comply with any conditions imposed on any granted exploration permits.

(k) **Land access risk**

Land access is critical for exploration and evaluation to succeed. In all cases the acquisition of prospective tenements is a competitive business, in which propriety knowledge or information is critical and the ability to negotiate satisfactory commercial arrangements with other parties is often essential.

Access to land for exploration purposes can be affected by land ownership, including private (freehold) land, pastoral lease and regulatory requirements within the jurisdictions where the Company, its subsidiaries or companies it holds interests in operate.

(l) **Title Risk**

The exploration and prospecting permits and claims in which either the Company, its subsidiaries or companies it holds interests in has now, or may, in the future, acquire an interest, are subject to applicable local laws and regulations. There is no guarantee than any such claims, applications or conversions in which the Company, its subsidiaries or companies it holds interests in has a current or potential interest will be granted.

All of the projects in which the Company, its subsidiaries or companies it holds interests in has an interest will be subject to application for claim renewal from time to time. Renewal of the term of each claim is subject to applicable legislation. If the claim is not renewed for any reason, the Company may suffer significant damage through loss of the opportunity to develop and discover any mineral resources on that claim.

(m) **Contractual and joint venture risk**

The Company's ability to efficiently conduct its operations in a number of respects depends upon a third party product and service providers and

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contracts have, in some circumstances, been entered into by the Company and its subsidiaries in this regard. As in any contractual relationship the ability for the Company to ultimately receive benefits from these contracts are dependent upon the relevant third party complying with its contractual obligations.

To the extent that such third parties default in their obligations, it may be necessary for the Company to enforce its rights under any of the contracts and pursue legal action. Such legal action may be costly and no guarantee can be given by the Company that a legal remedy will ultimately be granted on appropriate terms.

The Company may wish to develop its projects or future projects through joint venture arrangements, while a number of the Company's projects are already the subject of joint venture arrangements. Any joint ventures entered into by, or interests in joint ventures assigned to the Company, could be affected by the failure or default of any of the joint venture participants.

Additionally, failure by contractors to perform in accordance with required timelines, may expose any project in which the Company its subsidiaries or companies it has an interest, to risk of forfeiture under applicable laws.

(n) **Sovereign Risk**

Any future material adverse changes in government policies or legislation in Argentina, Australia, Ecuador, Solomon Islands, Uganda, Côte d'Ivoire, Ghana, Chad, Gabon or any other jurisdiction in which the Company, its subsidiaries or companies it holds interests in undertakes or may undertake operations that affect foreign ownership, mineral exploration, development or mining activities, may affect the viability and profitability of the Company and its projects.

(o) **Operational risks and costs**

Prosperity for the Company and its subsidiaries will depend largely upon an efficient and successful implementation of all the aspects of exploration, developments, business activities and management of commercial factors.

Exploration has been and will continue to be hampered on occasions by unforeseen weather events, accidents, unforeseen cost changes, environmental considerations, natural events and other incidents beyond the control of the Company.

By its nature, the business of exploration is a highly speculative endeavour and involves significant risks. The Company's, its subsidiaries or companies it holds interests in performance depends on the successful exploration and/or acquisition of resources or reserves, competent operational management and efficient financial management. Further, the nature of exploration can sometimes result in industrial accidents and other incidents beyond the control of the Company.

There can be no assurances that the Company's, its subsidiaries or companies it holds interests in exploration programs described in this Prospectus or those relating to any projects or tenements that the Company may acquire in the future, will result in the discovery of a significant mineral target. Even if a significant target is identified, there is no guarantee that it will be viable for economic exploitation. Ultimate success depends on the discovery and delineation of economically recoverable mineral resources, establishment of efficient exploration operations, obtaining necessary titles and access to projects, as well as government and other regulatory approvals.

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The exploration and mining activities of the Company, its subsidiaries or companies it holds interests in may be affected by a number of factors, including but not limited to geological conditions, seasonal weather patterns, technical difficulties and failures, continued availability of the necessary technical equipment, plant and appropriately skilled and experienced technicians, adverse changes in government policy or legislation and access to the required level of funding.

(p) **Management actions**

The Directors of the Company will, to the best of their knowledge, experience and ability (in conjunction with their management) endeavour to anticipate, identify and manage the risks inherent in the activities of the Company, but without assuming any personal liability for same, with the aim of eliminating, avoiding and mitigating the impact of risks on the performance of the Company and its Securities.

However, there is no assurance that the Directors will be able to successfully avoid circumstances giving rise to an adverse effect on the assets, operations and ultimately the financial performance of the Company and the market price of its securities.

(q) **Government policy**

Changes in relevant taxation, interest rates, other legal, legislative and administrative regimes, and Government policies in Uganda, Australia or any other jurisdiction in which the Company, its subsidiaries or companies it holds interests in undertakes or may undertake operations, may have an adverse effect on the assets, operations and ultimately the financial performance of the Company. These factors may ultimately affect the financial performance of the Company and the market price of its securities.

In addition to the normal level of income tax imposed on all industries, the Company its subsidiaries or companies it holds interests in may be required to pay government royalties, indirect taxes, GST and other imposts which generally relate to revenue or cash flows. Industry profitability can be affected by changes in government taxation policies.

Changing attitudes to environmental, land care, cultural heritage and indigenous land rights' issues, together with the nature of the political process, provide the possibility for future policy changes. There is a risk that such changes may affect the Company's, its subsidiaries or companies it holds interests in exploration plans or, indeed, its rights and/or obligations with respect to the tenements.

(r) **Reliance on Key Personnel**

The Company's or its subsidiaries' progress in pursuing its exploration and evaluation programmes within the time frames and within the costs structure as currently envisaged could be dramatically influenced by the loss of existing key personnel a failure to secure and retain additional key personnel as the Company's exploration programme develops. The resulting impact from such loss would be dependent upon the quality and timing of the employee's replacement.

Although the key personnel of the Company have a considerable amount of experience and have previously been successful in their pursuits of acquiring,

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exploring and evaluating mineral projects, there is no guarantee or assurance that they will be successful in their objectives pursuant to this Prospectus.

6.4 Speculative nature of Investment

The above list of risk factors is not to be taken as exhaustive of the risks faced by the Company or by Shareholders in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the New Shares offered under this Prospectus.

Accordingly, the New Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns, returns of capital or market value at any time. Shareholders should consider that an investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for New Shares.

7. Rights and liabilities attaching to New Securities

7.1 Rights and liabilities attaching to New Shares

The rights attaching to ownership of the New Shares (and the Shares issued upon the exercise of the New Options) are set out in the Company's Constitution, a copy of which is available for inspection at the registered office of the Company during business hours. The following is a summary of the principal rights of holders of the New Shares, subject to any special rights attaching to any class of share at a future time. This summary is not exhaustive, nor does it constitute a definitive statement of the rights and liabilities of the Company's Shareholders.

(a) **Voting**

At a general meeting of the Company on a show of hands, every member present in person, or by proxy, attorney or representative has one vote and upon a poll, every member present in person, or by proxy, attorney or representative has one vote for every Share held by them.

(b) **Dividends**

The New Shares will rank equally with all other issued Shares in the capital of the Company and will participate in dividend out of profits earned by the Company from time to time. Subject to the rights of holders of shares of any special preferential or qualified rights attaching thereto, the profits of the Company are divisible amongst the holders of Shares in proportion to the Shares held by them irrespective of the amount paid up or credited as paid up thereon. The Directors may from time to time pay to Shareholders such interim dividends as in their judgment the position of the Company justifies.

(c) **Transfer of the Shares**

Generally, the New Shares in the Company will be freely transferable, subject to satisfying the usual requirements of security transfers on the ASX. The Directors may decline to register any transfer of Shares but only where permitted to do so under its Constitution or the ASX Listing Rules.

(d) **Winding up**

Upon accepting the Entitlement to New Shares and paying the Application Monies, Eligible Shareholders will have no further liability to make payments to the Company in the event of the Company being wound up pursuant to the provisions of the Corporations Act.

(e) **Future increases in Capital**

The allotment and issue of any new Shares is under the control of the Directors. Subject to the Listing Rules, the Company's Constitution and the Corporations Act, the Directors may allot or otherwise dispose of new Shares on such terms and conditions as they see fit.

(f) **Variation of Rights**

At present, the Company has only ordinary Shares on issue. If the shares of another class were issued, the rights and privileges attaching to ordinary Shares could only be altered with the approval of a resolution passed at a separate general meeting of the holders of ordinary Shares by a three quarter

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majority of such holders or the written consent of the holders of at least three quarters of the ordinary Shares.

(g) **General Meeting**

Each holder of Shares will be entitled to receive notice of and to attend and vote at general meetings of the Company and to receive notices, accounts and other documents required to be furnished to Shareholders under the Company's Constitution, the Corporations Act and the Listing Rules.

For more particular details of the rights attaching to ordinary Shares in the Company, investors should refer to the Constitution of the Company.

7.2 Rights attaching to New Options

The New Options are issued subject to the following terms:

- (a) **Entitlement:** Each New Option entitles the holder to subscribe for one Share upon exercise of the New Option.
- (b) **Expiry Date:** The New Options are exercisable on or before 28 May 2022 and will, except to the extent earlier exercised, lapse on that date.
- (c) **Notice of Exercise:** The New Options may be exercised by notice in writing to the Company on or before 28 May 2022 by delivering a duly completed form of notice of exercise (see paragraph (d) below) together with a cheque for the exercise price of \$0.084 cents per New Option to the Company at any time prior to the expiry date.
- (d) **Holding statements:** Holding statements will be issued for the New Options. Both the option holding statement and the notice of exercise are required to be duly completed and sent to the Company or the Company's Share Registry when exercising the New Options. If there is more than one New Option on a holding statement and prior to the expiry date those New Options are exercised in part, the Company will issue another holding statement for the balance of the options held and not yet exercised.
- (e) **Exercise Price:** The price for exercise of each New Option is \$0.084 per Option.
- (f) **Dividends:** The New Option holders do not participate in any dividends unless the New Options are exercised and the resultant Shares of the Company are issued prior to the record date to determine entitlement to dividends.
- (g) **Issue of Shares:** Upon a valid exercise of the New Options the Company will issue Shares ranking *pari passu* with the then issued Shares. The Company does not intend to seek listing of the New Options on ASX. The Company shall apply for listing of the resultant Shares issued upon exercise of any New Option on the ASX.
- (h) **Transfer:** The New Options may be transferred at any time.
- (i) **Reconstruction:** In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company:
 - (1) The number of New Options, the Exercise Price of the New Options, or both will be reconstructed (as appropriate) in a manner consistent with the Listing Rules as applicable at the time of reconstruction, but

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with the intention that such reconstruction will not result in any benefits being conferred on the holders of the New Options which are not conferred on Shareholders of the Company: and

- (2) Subject to the provisions with respect to round of entitlements as sanctioned by a meeting of Shareholders of the Company approving a reconstruction of capital, in all other respects the terms for the exercise of the New Options will remain unchanged;
- (j) **Pro rata issue:** If there is a pro rata issue (except a bonus issue), the Exercise Price of the New Option may be reduced according to the following formula.
- $$O^n = O - \frac{E P - (S + D)}{N + 1}$$
- Where:
- O^n = the new exercise price of the New Option;
- O = the old exercise price of the New Option;
- E = the number of underlying securities into which one New Option is exercisable;
- P = the volume weighted average market price per security of the underlying securities during the 5 trading days ending on the day before the ex right date or the ex entitlements date;
- S = the subscription price for a security under the pro rata issue;
- D = dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue);
- N = the number of securities with rights or entitlement that must be held to receive a right to one new security.
- (k) **Bonus Issue:** If there is a bonus issue to the holder of Shares, the number of Shares over which the New Option is exercisable may be increased by the number of Shares which the option holder would have received if the New Option had been exercised before the record date for the bonus issue.
- (l) **Change of terms:** The terms of the New Options shall only be changed if holders (whose votes are not to be disregarded) of Shares approve of such a change. However, the terms of the New Options shall not be changed to reduce the Exercise Price, increased the number of Options or change and period for exercise of the New Options.

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8. Additional information

8.1 Transaction specific prospectus

The Company is a disclosing entity and therefore subject to regular reporting and disclosure obligations under the Corporations Act. Under those obligations, the Company is obliged to comply with all applicable continuous disclosure and reporting requirements in the ASX Listing Rules.

This Prospectus is issued under section 713 of the Corporations Act. This section enables disclosing entities to issue a prospectus in relation to Securities in a class of Securities which has been quoted by ASX at all times during the 12 months before the date of the Prospectus or options to acquire such Securities. Apart from formal matters, this Prospectus need only contain information relating to the terms and conditions of the Entitlement Offer, the effect of the Entitlement Offer on the Company and the rights and liabilities attaching to the New Shares and New Options.

Copies of the documents lodged by the Company with ASIC may be obtained from, or inspected at, an office of ASIC.

The Company will provide a copy of any of the following documents, free of charge, to any person who asks for a copy of the document before the Closing Date in relation to this Prospectus:

- (a) audited financial statements for the Company for the year ended 30 June 2019;
- (b) reviewed half-yearly financial statements for the Company for the periods ending 31 December 2018 and 31 December 2019; and
- (c) any other financial statements lodged in relation to the Company with ASIC and any continuous disclosure notices given by the Company to ASX, in the period starting immediately after lodgement of the annual financial report of the Company for the period ended 30 June 2019, and ending on the date of lodgement of this Prospectus with ASIC.

8.2 ASX Information and Share information

The ASX Announcements that the Company has made since 31 March 2019 are set out in Appendix A of this Prospectus. Copies of ASX announcements made by the Company may be obtained on the ASX website or the Company's website: <https://www.dgrglobal.com.au>.

The highest and lowest prices of shares in the Company on the ASX in the six month period before the date of this Prospectus and the respective dates of those sales are set out below.

	High (cents)	Low (cents)	Volume weighted average (cents)
One month	7.5	3.9	5.88
Three months	7.9	3.7	6.35
Six months	9.5	3.7	7.06

The last market sale price of Shares as at 24 April 2020, the last trading day before lodgement, was \$0.075.

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8.3 Directors' interests

The nature and extent of the interest (if any) that any of the Directors of the Company hold, or held at any time during the last 2 years in:

- (a) the formation or promotion of the Company;
- (b) property acquired or to be acquired by the Company in connection with:
 - (1) its formation or promotion; or
 - (2) the Entitlement Offer; or
- (c) the Entitlement Offer,

is set out below.

Other than as set out below or elsewhere in this Prospectus, no one has paid or agreed to pay any amount, and no one has given or agreed to give any benefit to any Director or proposed Director:

- (a) to induce them to become, or to qualify as, a Director of the Company; or
- (b) for services provided by a Director in connection with:
 - (1) the formation or promotion of the Company; or
 - (2) the Entitlement Offer.

Set out below are details of the interest of the Directors in the Securities of the Company immediately prior to lodgement of the Prospectus with the ASIC. Interest includes those Securities held directly and indirectly. The table does not take into account any New Shares or New Options that the Directors may acquire under the Entitlement Offer.

Director	Number of Shares	Number of Existing Options
Nicholas Mather	112,142,553	8,250,000
Brian Moller	7,004,617	2,312,500
Vincent Mascolo	9,650,000	2,312,500
Ben Cleary	1,000,000	2,312,500

8.4 Directors Fees

Set out below is the remuneration paid to the current Directors of the Company and their associated entities for the past two years.

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Director	Financial Year ending 30 June 2018 Base fees/salary (\$)	Financial Year ending 30 June 2019 Base fees/salary (\$)	Year to 31 July 2019 Base fees/salary (\$)	Half year to 31 December 2019 Base fees/salary (\$)
Nicholas Mather	300,000 ¹	300,000	25,000	150,000
Brian Moller	50,000 ²	50,000	4,167	25,000
Vincent Mascolo	50,000 ³	50,000	4,167	25,000
Ben Cleary	37,121 ⁴	50,000	4,167	25,000

Notes: The above disclosure relates only to current Directors and does not include directors who resigned during the periods shown.

1. plus options with a Black-Scholes valuation of \$188,760.

2. plus options with a Black-Scholes valuation of \$52,910.

3. plus options with a Black-Scholes valuation of \$52,910.

4. plus options with a Black-Scholes valuation of \$52,910.

The Board considers that these fees are reasonable remuneration pursuant to section 211 of the Corporations Act and accordingly, member approval is not required.

Details of the intention of Directors to participate in the Entitlement Offer is set out in section 1.13.

8.5 Related party transactions

From time to time the Company may be party to transactions with related parties including:

- (a) employment and service arrangements;
- (b) underwriting agreements; and
- (c) payment of Directors fees.

The Company believes that it has made appropriate disclosure of past related party transactions and other than any further disclosure specifically set out below or made elsewhere in this Prospectus does not intend to make any further disclosure of such transactions which transactions will have either proceeded on an "arm's length" basis, reasonable remuneration basis or been approved by Shareholders in general meeting.

The Company discloses the following transactions with related parties which have either proceeded on an "arm's length" or reasonable remuneration basis or have been approved by Shareholders in general meeting. The transactions are:

- (d) the Underwriting Agreement;
- (e) proposed capital issues to Directors or interests associated with Directors;
- (f) employment agreements with related parties; and
- (g) payment of Directors' fees to Non-executive Directors.

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8.6 Underwriting Agreement.

The Company has entered into the Underwriting Agreement with Samuel Holdings, Samuel Terry Asset Management and Phoenix Portfolios. Pursuant to the Underwriting Agreement, the Underwriters have agreed to underwrite the following portions of the Entitlement Offer:

- Samuel Holdings – 45.6%, representing \$2,585,966 or 69,890,978 New Shares;
- Samuel Terry Asset Management – 45.6%, representing \$2,585,966 or 69,890,978 New Shares; and
- Phoenix Portfolios – 8.8%, representing \$500,000 or 13,513,513 New Shares;

Any Entitlement and Acceptance Form received by the Company in respect of:

- Samuel Holdings, Nicholas Mather, Judith Mather, Nicholas and Judith Mather as trustees for the Mather Superannuation Fund, and Samuel Capital Pty Ltd ACN 063 693 747;
- any Related Parties of the Company who are Eligible Shareholders as at the Record Date (and any of their related corporations), including without limitation the Directors;
- Eligible Shareholders holding over 5% of the Shares as at the Record Date, including without limitation Tenstar Trading Limited,

will go towards relieving Samuel Holdings' liability to underwrite its portion of the Underwritten Amount in respect of any Shortfall.

Any Entitlement and Acceptance Form received by the Company from Samuel Terry Asset Management, will go towards relieving Samuel Terry Asset Management's liability to underwrite its portion of the Underwritten Amount in respect of any Shortfall.

Any Entitlement and Acceptance Form received by the Company from either of JP Morgan Nominees on behalf of the Cromwell Phoenix Opportunities Fund or National Nominees on behalf of Fiducian Australian Smaller Company Shares Fund, will go towards relieving Phoenix Portfolios' liability to underwrite its portion of the Underwritten Amount in respect of any Shortfall.

The Company will pay each Underwriter a fee equal to 5% of the amount underwritten by that Underwriter in connection with their agreement to partially underwrite the Entitlement Offer.

The Company and the Underwriters may consider applications for Additional New Shares and the Company may accept any application for Additional New Shares as agreed by the Company and the Underwriters.

The key terms of the Underwriting Agreement are as follows:

- (a) The Company has agreed to pay the Underwriters an underwriting fee as described above.
- (b) The Company has agreed to indemnify the Underwriters and each of their respective Related Corporations, officers, employees, agents and servants (the **Indemnified Parties**), against any claim, action, damage, loss, liability, cost, expense or payment (but excluding consequential loss), which the Indemnified Party pays, suffers, incurs or is liable for (and including any reasonable legal

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costs and expenses and any reasonable professional consultant's fees on a full indemnity basis) in respect of: the Entitlement Offer; the Prospectus; the Underwriting Agreement; any reliance by an Indemnified Party on any representation or warranty given under the Underwriting Agreement, information supplied by the Company, or an advertisement, release, announcement, statement or publication made or distributed by or on behalf of the Company in relation to the Offer; or any investigation, enquiry or hearing by ASIC or the Stock Exchange.

- (c) The Underwriting Agreement is conditional upon a number of matters which are typical for an underwriting agreement in respect of an offer of the same or a similar type and size as the Offer, being made by an issuer similar to the Company, including in relation to such matters as the Underwriters' satisfaction with the Company's due diligence report in respect of the Offer, the Underwriters' approval of the Prospectus, and that the Offer proceeds in accordance with the timetable. In addition the Underwriters' obligations are also conditional on:
- (1) the agreement of each Director that 66% (by value) of any debts owed by the Company to that Director, his spouse, his children, his parents, or any entity controlled by any of him or them, will be satisfied through the issue of New Shares pursuant to the Debt Conversion Facility (or to the extent of their full Entitlement);
 - (2) the Directors resolving that any further expenditure to be incurred by the Company in respect of either DHR or ANW during the term of the Offer or from the proceeds of the Offer, must first be agreed to by Samuel Holdings acting reasonably;
 - (3) the Directors resolving that no further expenditure be incurred by the Company other than strictly in accordance with a budget (or an amendment to a budget) approved by the DGR board, and where that expenditure is to be incurred during the term of the Offer or paid from the proceeds of the Offer, that it is approved by Samuel Holdings; and
 - (4) the Directors resolving that the salaries of Directors, other officers and other employees of the Company will in general be reduced by 20% at the discretion of Samuel Holdings.
- (d) The Underwriting Agreement provides that the Underwriters may terminate their obligations to underwrite the Entitlement Offer upon the happening of any of a large number of events which are typical for an underwriting agreement in respect of an offer of the same or a similar type and size as the Offer, being made by an issuer similar to the Company, including the following:
- (1) there is an outbreak of hostilities (whether or not war has been declared) not presently existing, or a major escalation in existing hostilities occurs, involving any of the following:
 - (A) the Commonwealth of Australia;
 - (B) Japan;
 - (C) the United Kingdom;
 - (D) the United States of America;

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- (E) the People's Republic of China;
 - (F) Uganda;
 - (G) Ecuador; or
 - (H) the Middle East region;
- (2) the ASX 300 Index of the Stock Exchange is, at any time for four consecutive Business Days after the date of this agreement, 10% or more below its opening level as published in the Australian Financial Review on the last Business Day immediately before the date of the Underwriting Agreement;
 - (3) the Dow Jones Industrial Average is, at any time for four consecutive Business Days after the date of the Underwriting Agreement, 10% or more below its opening level as published in the Australian Financial Review on the last Business Day immediately before the date of the Underwriting Agreement;
 - (4) the Resources Index of the ASX Limited is, at any time for four consecutive Business Days after the date of this agreement 10% or more below its opening level as published in the Australian Financial Review on the last Business Day immediately before the date of the Underwriting Agreement;
 - (5) trading in securities generally has been suspended or materially limited, for at least one trading day, by any of the New York Stock Exchange, the London Stock Exchange or the ASX;
 - (6) there is a material omission from the results of the due diligence investigation performed in respect of the Company or the verification material or the results of the due diligence investigation or the verification material are false or misleading;
 - (7) any information supplied by the Company or on its behalf to the Underwriters in respect of the Entitlement Offer is or becomes false or misleading;
 - (8) any warranty, representation or material statement by the Company in the Underwriting Agreement is or becomes materially false, misleading or incorrect when made or regarded as made;
 - (9) there is a material omission from the Prospectus;
 - (10) there is a material statement in the Prospectus that is or becomes false or misleading;
 - (11) the issue of the Prospectus constitutes conduct that is misleading or deceptive or likely to mislead or deceive;
 - (12) the Company informs the Underwriters of any change, information or deficiency under the provisions of the Underwriting Agreement, or (except at the request of or with the prior written consent of the Underwriters acting reasonably) lodges a supplementary or replacement prospectus;

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- (13) quotation of the New Shares is not granted within the required timeframe;
- (14) a director of the Company is charged with an indictable offence;
- (15) the Company suffers an insolvency event;
- (16) the Company is in default of any material term and condition of the Underwriting Agreement; and
- (17) any change occurs in the financial position of the Company or a Related Corporation of the Company which, in the reasonable opinion of the Underwriters, may result in:
 - (A) a material adverse change in the financial position or prospects of the Company from that which exists at the date of the Underwriting Agreement; or
 - (B) the Underwriters' obligations under the Underwriting Agreement becoming materially more onerous than those which exist at the date of the Underwriting Agreement.

Details of the potential interests of each Underwriter if they are required to subscribe for their full commitment under the Underwriting Agreement are set out in section 5.7.

8.7 Uganda Project Letter Agreement

On or about 8 September 2017, the Company and Armour Energy entered into an agreement pursuant to which, amongst other things:

- (a) once the Ugandan Licence had been granted, Armour Energy will hold it on trust for the Company subject to Armour Energy retaining a 16.82% interest. Accordingly the Company has a beneficial interest in the Ugandan Licence of 83.18%;
- (b) Armour Energy will use its reasonable endeavours to procure the transfer of the Ugandan Licence to the Company or a nominated transferee. The parties agreed that the nominated transferee would be Armour Uganda. The parties' intention is that following the transfer of the Ugandan Licence to Armour Uganda, 83.18% of the issued share capital of Armour Uganda will be held by the Company; and
- (c) further exploration or administration costs will be funded by the Company as to 83.18% and Armour Energy as to 16.82%. Armour Energy can however choose not to fund its share, and its interest in the project will be diluted accordingly.

8.8 Deed of Guarantee and Indemnity (in favour of Armour Energy)

On or about 18 December 2019 the Company and Armour Energy entered into a deed pursuant to which the Company:

- (a) indemnifies Armour Energy against:
 - (1) all costs associated with complying with the obligations under the Ugandan Licence; and

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- (2) any claim, demand, debt, action, proceeding, cost, charge, expense, damage loss or other liability related to the obligations under the Ugandan Licence,

in each case for up to a maximum of 83.18% of the Armour Energy's liability, until such time as the Ugandan Government cancels or returns the Parent Company Guarantee to Armour Energy; and

- (b) pursuant to which the Company guarantees to and indemnifies Armour Energy for the due, punctual and complete performance by Armour Uganda of all of its obligations under the Ugandan Licence following the transfer to it of the Ugandan Licence, up to a maximum of 83.18% of Armour Energy's liability under the Parent Company Guarantee.

The Deed of Indemnity and Guarantee will remain in force until to the earlier of:

- (a) the duration of the PSA and the Ugandan Licence;
- (b) the replacement of the Parent Company Guarantee. Following the transfer of the Ugandan Licence the parties will use their reasonable endeavours to cause the Parent Company Guarantee to be cancelled and replaced with two further shareholder guarantees; and
- (c) the transfer of the Licence to a party whose obligations under the Ugandan Licence are not guaranteed or otherwise secured by Armour Energy.

8.9 Interests of experts and advisers

This section applies to persons named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus, promoters of the Company and stockbrokers or arrangers (but not sub-underwriters) to the Entitlement Offer (collectively **Prescribed Persons**).

Other than as set out below or elsewhere in this Prospectus, no Prescribed Person has, or has had in the last 2 years, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired in connection with the formation or promotion of the Company or the Entitlement Offer; or
- (c) the Entitlement Offer of New Shares or New Options under this Prospectus.

Other than that as set out below or elsewhere in this Prospectus, no benefit has been given or agreed to be given to any Prescribed Person for services provided by a Prescribed Person in connection with the:

- (a) formation or promotion of the Company; or
- (b) Entitlement Offer of New Shares or New Options under this Prospectus.

Samuel Holdings has acted as Underwriter to the Entitlement Offer, in respect of which they are entitled to receive a fee under the Underwriting Agreement as set out in section 2.12 above.

HopgoodGanim Lawyers have acted as solicitors to the Entitlement Offer and have performed work in relation to the Prospectus and in relation to preparing the due diligence and verification program and performing due diligence required on legal

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matters, however, they do not make any statement in this Prospectus. In respect of this work, the Company estimates that it will pay approximately \$45,000 (excluding disbursements and GST) to HopgoodGanim Lawyers. Further amounts may be paid to HopgoodGanim Lawyers in accordance with its normal time based charges.

8.10 Limitation on foreign ownership and acquiring interests in Australian land corporations

(a) *A foreign person acquiring a substantial interest in an Australian entity*

The only limitations under Australian law on the rights of non-Australian residents to hold or vote the Shares of an Australian company are set forth in the *Foreign Acquisitions and Takeovers Act* (the **FATA**). The FATA regulates acquisitions giving rise to ownership of substantial amounts of a company's shares.

Notification to the Treasurer is required under section 47(2)(b) of the FATA if a **foreign person** acquires a Substantial Interest in the Company (the Company being an "Australian entity" as defined in section 4 of the FATA).

A **foreign person** (as defined in section 4 of the FATA) is:

- (1) an individual not ordinarily resident in Australia; or
- (2) a corporation in which an individual not ordinarily resident in Australia, a foreign corporation or a foreign government holds a substantial interest; or
- (3) a corporation in which 2 or more persons, each of whom is an individual not ordinarily resident in Australia, a foreign corporation or a foreign government, hold an aggregate substantial interest; or
- (4) the trustee of a trust in which an individual not ordinarily resident in Australia, a foreign corporation or a foreign government holds a substantial interest; or
- (5) the trustee of a trust in which 2 or more persons, each of whom is an individual not ordinarily resident in Australia, a foreign corporation or a foreign government, hold an aggregate substantial interest; or
- (6) a foreign government; or
- (7) any other person, or any other person that meets the conditions, prescribed by the regulations.

Under section 4 of the FATA a **Substantial Interest** is if a person holds an interest of at least 20% in the entity.

The Notification process requires a foreign person wishing to acquire a Substantial Interest to give notice in the prescribed form for approval thereof to the Australian Treasurer and receiving such approval or receiving no response within the prescribed time under the FATA after such application was made (**Approval**).

Accordingly, the Company will not issue any New Shares or New Options to a foreign person, if as a result of that issue the foreign person would acquire a Substantial Interest in the Company, unless the foreign person provides satisfactory evidence to the Company that the foreign person has received the

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necessary Approval. The allocation policy to be applied by the Directors to the allocation Additional New Shares from any Shortfall reflects this.

- (b) A foreign person acquiring an interest in an Australian land Corporation

The FATA also regulates the acquisition by a foreign person of an interest in **Australian land**, which includes acquisition of any interest in an **Australian land corporation**.

However, under Regulation 37(2) of the *Foreign Acquisitions & Takeovers Regulations* (the **Regs**) provides an exemption in the case of an acquisition of an interest in Australian land by a foreign person if all of the following apply:

- (1) the acquisition is of an interest in Australian land that is an acquisition of an interest in shares or units in a land entity;
- (2) the land entity is or will be listed for quotation in the official list of a stock exchange (whether or not in Australia);
- (3) after the acquisition, the foreign person, alone or together with one or more associates, holds an interest of less than 10% in the land entity; and
- (4) the foreign person is not in a position:
 - to influence or participate in the central management and control of the land entity; or
 - to influence, participate in or determine the policy of the land entity.

Under Regulation 5 a **land entity** means an agricultural land corporation, an agricultural land trust, an Australian land corporation or an Australian land trust.

The Constitution of the Company contains no limitations on a foreign person's right to hold or vote the Company's Shares.

8.11 Takeover Provisions

Section 606 of the Corporations Act prohibits the acquisition of a Relevant Interest in voting shares if, because of that acquisition, a person's voting power in the company:

- (a) increases from under 20% to over 20%; or
- (b) increases from a starting point that is above 20%, and below 90%.

A person's "voting power" in a body is determined in accordance with section 610 of the Corporations Act. A person's voting power includes the total number of votes attached to all of the voting shares in the company in which that person or an associate has a Relevant Interest. For these purposes "associate" is defined in section 12 of the Corporations Act.

There are a number of exceptions to the prohibition in s606 which are set out in section 611. The most relevant of these for the purpose of the Offer are:

- (a) an acquisition that results from a rights issue, including an acquisition by an underwriter or sub underwriter of that rights issue (see item 10 of section 611).

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However, this exception will not, in the context of the Offer, extend to the allocation and allotment of New Shares from the Shortfall other than to the Underwriters. The allocation policy to be applied by the Directors to the allocation of Additional New Shares from any Shortfall reflects this; and

- (b) an acquisition that results from the issue of securities to an underwriter of an offer of securities made pursuant to a disclosure document (such as this Prospectus) (see item 13 of section 611).

8.12 Subsequent events

- (a) *ASIC query as to the Company's accounting treatment of its investment in SolGold and Aus Tin Mining*
 - (1) On 31 October 2019, the Company received a letter from the ASIC as part of its financial reporting surveillance program querying the Company's accounting for its investments in SolGold plc and Aus Tin Mining.
 - (2) Specifically, ASIC is concerned that the Company accounts for its equity interest in each of SolGold and Aus Tin Mining at *fair value*. Rather in ASIC's view, the Company should be accounting for its equity interest in each of those companies on the basis of *equity accounting*.
 - (3) The Company responded to the queries raised by ASIC reaffirming its view that it believes that the accounting basis adopted for its investments in SolGold and Aus Tin Mining is appropriate.
 - (4) On 2 March 2020, the Company received a letter from ASIC as a "final response" to the Company's letter stating that ASIC continues to disagree with the Company and that the Company should change its accounting treatment for its investments in SolGold and Aus Tin Mining.
 - (5) The Company wrote to ASIC again on 11 March 2020, engaged in a telephone conference with ASIC on 12 March 2020, and then on 26 March 2020 wrote to ASIC again enclosing an independent third-party expert's opinion to ASIC in support of the Company's position.
 - (6) The Company received a further letter from ASIC on 23 April 2020 which concluded with a requirement from ASIC that the Company "change the accounting treatment of its equity interest in [SolGold plc]" and providing further that "[t]he adjustment should be treated as a prior period error in the Company's financial report for the year ending 30 June 2020."
 - (7) Notwithstanding ASIC's letter dated 23 April 2020, the Company strongly disagrees with the view formed by ASIC. The Company continues to believe that this matter is one that requires significant professional judgement, and that the Company's view is consistent with the independent professional advice that it has received. As at the date of this Prospectus the Company is still considering its response to ASIC's letter and the course of action which ASIC wishes the Company to take.

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(b) *No other matters arising*

There has not arisen, at the date of this Prospectus any item, transaction or event of a material or unusual nature not already disclosed in this Prospectus which is likely, in the opinion of the Directors of the Company to affect substantially:

- (1) the operations of the Company;
- (2) the results of those operations; or
- (3) the state of affairs of the Company.

8.13 Litigation

The Company is not engaged in any litigation which has or would be likely to have a material adverse effect on either the Company or its business.

8.14 Privacy

By submitting an Entitlement and Acceptance Form for shares you are providing to the Company personal information about yourself. If you do not provide complete and accurate personal information, your application may not be able to be processed.

The Company maintains the register of members of the Company through Link Market Services Limited an external service provider. The Company requires Link to comply with the National Privacy Principles with performing these services. The Register is required under the *Corporations Act* to contain certain personal information about you such as your name and address and number of shares and options held. In addition, the Company collects personal information from members such as, but not limited to, contact details, bank accounts and membership details and tax file numbers.

This information is used to carry out registry functions such as payment of dividends, sending annual and half yearly reports, notices of meetings, newsletters and notifications to the Australian Taxation Office. In addition, contact information will be used from time to time to inform members of new initiatives concerning the Company.

The Company understands how important it is to keep your personal information private. The Company will only disclose personal information we have about you:

- (a) when you agree to the disclosure;
- (b) when used for the purposes for which it was collected;
- (c) when disclosure is required or authorised by law;
- (d) to other members in the DGR group of companies;
- (e) to your broker;
- (f) to external service suppliers who supply services in connection with the administration of the Register such as mailing houses and printers, Australia Post and financial institutions.

You have the right to access, update and correct your personal information held by the Company and Link, except in limited circumstances. If you wish to access, update or correct your personal information held by Link or by the Company please contact our respective offices.

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If you have any questions concerning how the Company handles your personal information please contact the Company.

8.15 Expenses of the Entitlement Offer

All expenses connected with the Entitlement Offer are being borne by the Company. Total expenses of the Entitlement Offer on the basis that the Entitlement Offer is fully subscribed, are estimated to be in the order of \$390,000 (excluding GST) and are expected to be applied towards the items set out in the table below:

Item	\$
Underwriters' Fees (in aggregate)	\$283,500
Legal costs of the Entitlement Offer	\$45,000
ASX and ASIC costs	\$20,000
Printing, postage and Share Registry	\$41,500
Total capital raising fees	\$390,000

8.16 Consents and disclaimers

Written consents to the issue of this Prospectus have been given and at the time of this Prospectus have not been withdrawn by the following parties:

- Link Market Services Limited has given and has not withdrawn its consent to be named in this Prospectus as the Share Registry in the form and context in which it is named. It has had no involvement in the preparation of any part of this Prospectus other than recording its name as share registrar to the Company. It takes no responsibility for any part of the Prospectus other than the references to its name.
- Samuel Holdings has given and has not withdrawn its consent to be named in this Prospectus as Underwriter in the form and context in which it is named. It takes no responsibility for any part of the Prospectus other than references to its name.
- Samuel Terry Asset Management has given and has not withdrawn its consent to be named in this Prospectus as Underwriter in the form and context in which it is named. It takes no responsibility for any part of the Prospectus other than references to its name.
- Phoenix Portfolios has given and has not withdrawn its consent to be named in this Prospectus as Underwriter in the form and context in which it is named. It takes no responsibility for any part of the Prospectus other than references to its name.
- HopgoodGanim Lawyers has given and has not withdrawn its consent to be named in this Prospectus as lawyers to the Entitlement Offer in the form and context in which it is named. It takes no responsibility for any part of the Prospectus other than references to its name.

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8.17 Directors' statement

This Prospectus is issued by DGR Global Ltd.
Each director has consented to the lodgement of the Prospectus with ASIC.
Signed on the date of this Prospectus on behalf of DGR Global Ltd by

A handwritten signature in black ink, appearing to read 'B Moller', with a long horizontal flourish extending to the right.

Brian Moller
Non-Executive Director
DGR Global Ltd

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9. Definitions & glossary

Terms and abbreviations used in this Prospectus have the following meaning:

Acceptance	An acceptance of Entitlements
Act	See definition of Petroleum Act
Additional New Options	New Options that may be issued to Shareholders who apply for New Shares under the Entitlement Shortfall Facility
Additional New Shares	New Shares that may be issued to Shareholders who apply for New Shares under the Entitlement Shortfall Facility
Additional New Securities	The Additional New Shares and the Additional New Options, or either of them as the context requires
Applicant	A person who submits an Entitlement and Acceptance Form
Application Money	The Issue Price multiplied by the number of New Shares applied for
Armour Notes	8.75% Fixed Rate Secured Amortising Notes due 29 March 2024, issued by Armour Energy, the terms of which are set out in the Information Memorandum issued by Armour Energy dated 27 March 2019
AEST	Australian Eastern Standard Time
Armour Energy	Armour Energy Ltd (ASX: AJQ)
Armour Uganda	Armour Energy (Uganda) – SMC Ltd (registration number 800200007008745), a company incorporated in the Republic of Uganda pursuant to section 18 (3) of the <i>Companies Act 2012</i> (Uganda). Armour Energy (Uganda) – SMC Ltd is a wholly-owned subsidiary of Armour Energy International Pty Ltd ACN 622 043 654, which is in turn a wholly-owned subsidiary of Armour Energy
ASIC	Australian Securities & Investments Commission
ASX or Stock Exchange	ASX Limited
ASX Listing Rules	The official listing Rules of the ASX
ASX Settlement	ASX Settlement Pty Ltd
Aus Tin or ANW	Aus Tin Mining Ltd (ASX: ANW)
Board	The board of Directors of the Company
Business Day	Either: (a) a day, other than a Saturday or Sunday, on which banks are open for general banking business in Brisbane; or (b) is defined in the Listing Rules, as the context requires
CHESS	The Clearing House Electronic Sub-register System, an automated transfer and settlement system for transactions in securities quoted on the ASX under which transfers are effected in paperless form
Closing Date	The date by which valid Acceptances from Eligible Retail Shareholders must be received by the Share Registry, being 21

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	May 2020 or such other date determined by the Board and the Underwriters in accordance with the Listing Rules
Company	DGR Global Ltd ACN 052 354 837
Constitution	The Constitution of the Company
Convertible Notes	Those convertible notes described in the section 2.20 and 5.4
Corporations Act	<i>Corporations Act 2001</i> (Cth)
Dark Horse or DHR	Dark Horse Resources Limited (ASX: DHR)
Debt Conversion Facility	The facility described in section 3.7 under which Eligible Shareholders who are also creditors of the Company may elect to subscribe for their Entitlement by means of conversion (on a dollar for dollar basis) of some or all of the existing debt owed to them by the Company
Deed of Indemnity and Guarantee	The deed detailed in section 8.8
DGR	See definition of Company
Directors	The directors of the Company from time to time
Eligible Institutional Shareholder	A Shareholder as described in section 1.2
Eligible Retail Shareholders	A Shareholder as described in section 1.3
Eligible Shareholder	An Eligible Institutional Shareholder or Eligible Retail Shareholder
Entitlement	The entitlement to subscribe for New Shares (and where the context requires, New Options) under the Entitlement Offer and Entitled has a corresponding meaning
Entitlement and Acceptance Form	An entitlement and acceptance form in the form accompanying this Prospectus
Entitlement Offer	The pro rata, non-renounceable offer to Eligible Institutional Shareholders and Eligible Retail Shareholders to subscribe for one (1) New Share for every for every four (4) Shares held (with one (1) free attaching New Option for every four (4) Shares where the Eligible Shareholder subscribes for more than \$4000 worth of New Shares) at an Issue Price of \$0.037 per New Share and includes both the Institutional Entitlement Offer and the Retail Entitlement Offer
Entitlement Offer Ratio	A Shareholder's Entitlement to one (1) New Shares for every four (4) Share held by that Shareholder
Entitlement Shortfall Facility	The facility described in sections 1.12 and 3.4 of this Prospectus under which Eligible Shareholders may apply for Additional New Shares and Additional New Options in excess of their Entitlement, which Additional New Securities will be allocated from the Shortfall if any
Exercise Price	\$0.084 per New Option
Existing Options	All existing Options to subscribe for Shares currently on issue as at the date of this Prospectus
FATA	Has the meaning given to it in section 8.10

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First Exploration Period	The First Exploration Period provided for under the PSA and ending on 13 September 2019
Form	See definition of Entitlement and Acceptance Form
Fractional Entitlement	The extent to which the application of the Entitlement Offer Ratio to the Shareholding of an Eligible Shareholder results in that Eligible Shareholder being entitled to a fraction of a New Share
Group	The Company and each of its wholly owned or controlled subsidiaries
Ineligible Institutional Shareholder	A Shareholder who has been identified by the Company as a Professional or Sophisticated Shareholder but: <ul style="list-style-type: none"> • is in the United States and is a person (including nominees or custodians) acting for the account or benefit of a person in the United States; or • is ineligible under any applicable securities laws to receive the Entitlement Offer.
Institutional Entitlement	Entitlements under the Institutional Entitlement Offer
Institutional Entitlement Offer	The offer of Shares to Eligible Institutional Shareholders under the Entitlement Offer
Institutional Entitlement Shortfall	The shortfall between the number of Shares applied for under the Institutional Entitlement Offer and the number of Shares offered to Eligible Institutional Shareholders under the Institutional Entitlement Offer
Issue Price	When used in respect of each: <ul style="list-style-type: none"> (a) New Share applied for, then \$0.037; and (b) New Option applied for or otherwise issued pursuant to the Offer then \$0.00 (nil)
Link	See definition of Share Registry
Listing Rules	The official listing rules of the ASX
Mather Interests	The interests associated with Nicholas Mather, a director of the Company, including through Samuel Holdings
Minimum Exploration Expenditure	The Minimum Exploration Expenditure for the First Exploration Period or the Second Exploration Period as the case may be, in each case set out under the PSA
Minimum Work Program	The Minimum Work Program for the First Exploration Period or the Second Exploration Period as the case may be, in each case set out under the PSA
Minister	The Minister in charge of the Ministry of Energy and Mineral Development in the cabinet of the Ugandan Government
New Option	An Option granted to Eligible Shareholders to subscribe for a fully paid Share at an Exercise Price of \$0.084 on or before the New Option Expiry Date, to be issued to an Eligible Shareholders on the basis of one (1) New Option for every four (4) New Shares allotted to that Eligible Shareholders under the Offer, either under this Prospectus or the Entitlement Offer as a whole as the context requires

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New Option Expiry Date	28 May 2022
New Securities	The New Shares and New Options, or either of them as the context requires
New Shares	Either the Shares offered under this Prospectus or under the Entitlement Offer as a whole, as the context requires
Official List	The official list of entities that ASX has admitted and not removed
Official Quotation	Quotation on the Official List
Offer	See definition of Entitlement Offer
Opening Date	The date of commencement of the Retail Entitlement expected to be 5 May 2020
Option Holders	The holders of the Existing Options
Options	Options on issue in DGR from time to time
Parent Company Guarantee	The parent company guarantee dated on or about 11 January 2019 and provided by Armour Energy to the Ugandan Government as represented by the Ministry of Energy and Mineral Development, which guarantees the performance by Armour Uganda of its obligations under the Ugandan Licence
PAU	The Petroleum Authority of Uganda
Petroleum Act or Act	The <i>Petroleum (Exploration, development and Production) Act, 2013</i> of Uganda
Petroleum Regulations or Regulations	The <i>Petroleum (Exploration, development and Production) Regulations, 2016</i> of Uganda
Phoenix Portfolios	Phoenix Portfolios Pty Ltd ACN117 850 254
Production Sharing Agreement or PSA	The <i>Production Sharing Agreement for Petroleum Exploration, Development and Production in the Republic of Uganda between the Ugandan Government and Armour Energy for the Kanywataba Contract Area</i> , dated 14 September 2017, which sets out the terms on which the Ugandan Licence is issued
Professional or Sophisticated Shareholder	A Shareholder who is a professional or sophisticated investor for the purposes of section 708 of the Corporations Act
Prospectus	This prospectus dated 28 April 2020 as modified or varied by any supplementary prospectus made by the Company and lodged with the ASIC from time to time and any electronic copy of this prospectus and supplementary prospectus
Record Date	30 April 2020
Register	Register of DGR's members
Related Corporation	Related body corporate as that expression is defined in the Corporations Act
Related Entity	Has the meaning set forth in s 9 Corporations Act
Relevant Interest	Has the meaning given to that term in the Corporations Act
Retail Entitlement	Entitlements under the Retail Entitlement Offer

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Retail Entitlement Offer	The offer of New Shares (with attaching New Options) to Eligible Retail Shareholders in accordance with this Prospectus as part of the Entitlement Offer
Retail Entitlement Shortfall	The shortfall between the number of New Shares applied for under the Retail Entitlement Offer and the number of New Shares offered to Eligible Retail Shareholders under the Retail Entitlement Offer
Retail Shareholder	A Shareholder of the Company on the Record Date who is not an Eligible Institutional Shareholder or who was invited to participate in the Institutional Entitlement Offer but elected to take part in the Retail Entitlement Offer for all or part of their Entitlement
Samuel Holdings	Samuel Holdings Pty Ltd ACN 063 693 747 as trustee for the Samuel Discretionary Trust
Samuel Terry Asset Management	Samuel Terry Asset Management Pty Ltd ACN 108 611 785 as trustee for Samuel Terry Absolute Return Fund
Second Exploration Period	The Second Exploration Period provided for under the PSA which commenced on 14 September 2019 and which will end on 13 September 2021
Second Exploration Period Minimum Work Program	<p>The Minimum Work Program as defined in the PSA for each of the First Exploration Period and the Second Exploration Period (each of which term is defined in the PSA), to be completed as a condition of the renewal of the Ugandan Licence by 13 September 2021, and specifically consisting of:</p> <ul style="list-style-type: none"> • the completion of the 100 km lines of 2D seismic data (initially to have been completed by 13 September 2019); • drilling of one (1) exploration well at a location to be determined by the licensee following consultation, review and approval by the Ugandan Government and to a depth necessary for the valuation of the sedimentary section established by available data is the deepest objective formation and consistent with Best Petroleum Industry Practices (as that term is used in the PSA); and • undertaking Geological, Geophysical and Geochemical studies (as those terms are used in the PSA)
Securities	Has the same meaning as in section 92 of the Corporations Act
Settlement Operating Rules	The operating rules of ASX Settlement
Share Registry	Link Market Services Limited
Shares	The ordinary shares on issue in the Company from time to time
Shareholders	The holders of Shares from time to time
Shortfall	The aggregate of the Retail Entitlement Shortfall and Institutional Entitlement Shortfall
Shortfall Facility	See definition of Entitlement Shortfall Facility
Takeover Provisions	Has the meaning given to it in section 8.11
Tribeca	Tribeca Investment Partners Pty Ltd ACN 080 430 100
Tribeca Note Facility	The Company's existing convertible note facility with Tribeca

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2D Seismic Survey	Has the meaning given to it in section 4.3
Underwriters	Samuel Holdings Pty Ltd ACN 063 693 747 as trustee for the Samuel Discretionary Trust, Samuel Terry Asset Management Pty Ltd ACN 108 611 785 as trustee for Samuel Terry Absolute Return Fund and Phoenix Portfolios Pty Ltd ACN 117 850 254 (see Corporate Directory)
Underwriting Agreement	The agreement between the Underwriters and the Company summarised in Sections 2.12 and 8.6
Underwritten Amount	The amount the Underwriters have agreed to underwrite pursuant to the Underwriting Agreement, namely: <ul style="list-style-type: none"> • in respect of Samuel Holdings, \$2,585,966; • in respect of Samuel Terry Asset Management, \$2,585,966; and • in respect of Phoenix Portfolios, \$500,000.
Ugandan Government	The lawful government of the Republic of Uganda
Ugandan Licence	<i>Petroleum Exploration Licence No. 1/2017 (Kanywataba Block)</i> issued to Armour Energy by the Government of the Republic of Uganda pursuant to section 58 of the Act, which entitles the licence holder to undertake Exploration Activities (as defined in the Act) within the Contract Area (as that term is defined in the PSA) which was issued on or about 13 September 2017
Ugandan Licence Liability	An amount not exceeding US\$7,500,000, for which the licensee of the Ugandan Licence is liable to the Ugandan Government pursuant to the terms of the Ugandan Licence, in the event that the licensee does not fulfil the Second Exploration Period Minimum Work Program
Uganda Licence Performance Guarantee	A Performance Guarantee (Bank Guarantee) in the form set out in Annex C of the PSA, guaranteeing the performance by the licensee of the Ugandan Licence Liability.
Uganda Oil Project	The project further described in section 4.2
Uganda Project Letter Agreement	The Agreement detailed in section 8.7

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10. Corporate directory

Directors and Company Secretary	Solicitors to the Entitlement Offer
Mr Nicholas Mather (Managing Director) Mr Vincent Mascolo (Non-Executive Director) Mr Brian Moller (Non-Executive Director) Mr Ben Cleary (Non-Executive Director) Mr Karl Schlobohm (Company Secretary)	HopgoodGanim Lawyers Level 8, Waterfront Place 1 Eagle Street Brisbane QLD 4000 Tel: +61 7 3024 0000 www.hopgoodganim.com.au
Administration and Registered Office	Share Registry
DGR Global Limited Level 27 111 Eagle Street Brisbane QLD 4000 Tel: +61 7 3303 0680 www.dgrglobal.com.au	Link Market Services Limited Level 21 10 Eagle Street Brisbane QLD 4000 Tel: 1300 554 474 www.linkmarketservices.com.au
Underwriters	
Samuel Holdings Pty Ltd ACN 063 693 747as trustee for the Samuel Discretionary Trust, 30 Batman Street Clayfield QLD 4010 Samuel Terry Asset Management Pty Ltd ACN 108 611 785 as trustee for Samuel Terry Absolute Return Fund 120B Underwood Street Paddington NSW 2021 Phoenix Portfolios Pty Ltd ACN 117 850 254 as manager of each of the Cromwell Phoenix Opportunities Fund and Fiducian Australian Smaller Company Shares Fund 443 Little Collins Street Melbourne VIC 3000	

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Appendix A – ASX Announcements

Date	Title of Announcement
30/04/2019	Quarterly Cashflow Report
30/04/2019	Quarterly Activities Report
20/05/2019	Key IOCG and Lead Zinc Prospects Secured
21/05/2019	Progress Report
31/05/2019	Change in substantial holding for ANW
13/06/2019	Corporate Presentation - Energy Mines & Money
18/06/2019	Change in substantial holding for LKO
08/07/2019	Mather Corrective Notices
17/07/2019	Quarterly Activities Report
19/07/2019	Corporate Presentation - Noosa Mining Conference
31/07/2019	Quarterly Cashflow Report
17/09/2019	Change in substantial holding for DHR
30/09/2019	Full Year Statutory Accounts
30/9/2019	Appendix 4 G and Corporate Governance Statement
03/10/2019	Change in substantial holding for AJQ
03/10/2019	Change in substantial holding for ANW
14/10/2019	Business Update
16/10/2019	Business Update
17/ 10/2019	Notice of Annual General Meeting/Proxy Form
17/10/2019	Annual Report to shareholders
17/10/2019	Brisbane Resources Round-up Presentation
24/10/2019	Quarterly Activities Report
28/10/2019	AJQ: Operational Update-Uganda Oil Project
31/10/2019	Quarterly Cash flow Report
27/11/2019	Chairman's Address to Annual General Meeting
27/11/2019	Results of Meeting
10/01/2020	Pending Expiry of Employment Options
31/01/2020	Quarterly Cashflow Report
31/01/2020	Quarterly Activities Report
04/02/2020	Change in substantial holding for DHR
13/03/2020	Half Yearly Report and Accounts
27/03/2020	Pending Retirement of Chairman
31/03/2020	Appendix 3Z (William Stubbs)
24/04/2020	Corporate Presentation
27/04/2020	Trading Halt
27/04/2020	Accounting Treatment Update