



DGR Global Limited

27 November 2019

Chairman's Address to Annual General Meeting

Dear Shareholders,

Over the course of the past 12 months, and often as a result of indirect global factors, the international junior mining sector has experienced more than its fair share of headwinds. It is during these times that the quality of a company's management, projects and / or strategy come under the greatest internal and external pressures. In this regard, I remind shareholders that DGR Global continues to focus on the long game, banking on the continuing fundamental global demands that underpin and fuel the world's ongoing urban and technological development. The global mega trends of our time point to increasing population and living standards, increasing urbanization and infrastructure requirements, increasing life expectancies and ageing populations, shifting economic power towards Asia, and the ever-increasing demands for energy across the board. All of these trends require the production and consumption of more, not less, resources. The generation of projects in globally demanded resources will therefore remain at the core of DGR Global's business model.

Touching on some of the major developments within the broader DGR Group over the period since our 2018 AGM, I note the following:

1. In relation to **Armour Energy**, in the first quarter of 2019 DGR Global reinvested the majority of its proceeds from the redemption of Armour's Convertible Notes into its Corporate Bond issue. As readers of the Company's Quarterly Reports would know, DGR has commenced a process of slowly monetizing these Bonds, which essentially represents the realization of the loan originally made to Armour back in 2015, to facilitate Armour's purchase of the Kincora Oil & Gas Project in Queensland. The acquisition of this project has allowed Armour to become both an oil & gas explorationist and a producer. Armour's recently announced \$95m JV deal with Santos for part of its northern Australian acreage is a further encouraging initiative for that company's continued development. DGR continues to believe in the fundamental supply opportunity for the Australian domestic gas market, and the longer-term outlook for gas as an energy supply source even under published international climate change scenarios.
2. **SolGold** published its upgraded Mineral Resource Estimate and its Preliminary Economic Assessment for the Alpala Deposit within its flagship Cascabel Copper-Gold Porphyry Project in northern Ecuador. SolGold is now proceeding with work for a further Mineral Resource Estimate and a Pre-Feasibility Study for Alpala, as well as progressing the exploration of its regional package of tenements across Ecuador. This week SolGold announced a further equity investment by BHP, again at a premium to market, which will see BHP emerge as SolGold's largest shareholder.
3. **IronRidge Resources** continues to progress its lead lithium project in Ghana towards the publication of a maiden resource estimate in Q1, 2020. IronRidge is also preparing to drill test various targets at its highly prospective Zaranou Gold Project in Cote d'Ivoire in the coming weeks. This is a potential company-making opportunity for IronRidge. DGR recently participated in a £2m raising undertaken by IronRidge, which we think has tremendous upside given the quality of its project portfolio.
4. **Dark Horse Resources** has two gold projects in Argentina which have delivered highly encouraging initial results, and preparations are underway for the definition of drill targets to be pursued in the new year.

DGR Global Limited ACN 052 354 837

street: Level 27, 111 Eagle Street post: GPO Box 5261 Brisbane QLD 4001

p +61 7 3303 0680 f +61 7 3303 0681 e info@dgrglobal.com.au w www.dgrglobal.com.au

5. **Aus Tin Mining** experienced a set-back in September 2019 with regard to the operation of its Granville Tin Mine, and work is underway to identify the best pathway forward for that Project, with details to be published in due course.
6. DGR Global has continued to progress the **Armour Uganda Oil Project**, by funding and managing the first-phase exploration program and tenement renewal process. Work has currently been suspended in Uganda due to local flooding, but we are confident of a resumption in early 2020.

Raising capital within the junior exploration industry has proven to be very difficult in the last year, and Nick and Vince should be congratulated on their efforts as noted above. These market conditions have also impeded our IPO ambitions for Auburn Resources, which we have deferred until Q1, 2020.

In the coming 12-24 months, DGR Global will aim to add not only Auburn Resources and the Ugandan Oil Project to its range of sponsored listed investments, but will also aim to add further projects and investments into the stable. As stated earlier, continuous exploration for new opportunities and large-scale projects is the core of our business model. In looking at other successful diversified resource industry players and investment vehicles, it is clear that the market is prepared to ascribe a higher pricing to those companies that have eight or more portfolio interests, including a number that derive income. Accordingly, at full maturity, the DGR Global business model would have a greater number of portfolio interests or investments, have a number of investments that generate income, be self-funding from a project generation and investment perspective, obviating the need for capital raisings, and operate profitably, lending itself to the payment of dividends.

In July of this year, DGR Global's long-standing General Manager, Greg Runge, retired from his full-time role with the Group. Greg was a DGR Global Group employee for 13 years and over that time handled a number of challenging operational and corporate issues with professionalism. On behalf of the Board, I would like to thank Greg for his dedication and many years of service, and I am pleased that he has agreed to remain a Director of Auburn Resources for the time being.

My fellow Board members and the Company's management team continue to work on the evolution and maturity of the Company's business model, and I thank them for their continued efforts in this regard. As always, DGR Global CEO Nick Mather has travelled tirelessly and extensively this year both raising funds and promoting the broader Group in various markets around the world. Nick's efforts across the broader DGR Group are often under appreciated, and he deserves our sincere thanks.

Finally, thank you to our shareholders for their continued support of the Company during a challenging period. There are a number of exciting initiatives underway across the broader group which may bear fruit in 2020, and the Board looks forward to bringing you news on these developments.

Bill Stubbs
Chairman
DGR Global Limited

Electronic copies and more information are available on the Company website: www.dgrglobal.com.au

Email: info@dgrglobal.com

Twitter: [@DGRGlobal](https://twitter.com/DGRGlobal)

For further information contact:

Mr Nicholas Mather
Managing Director
Ph: 07 3303 0680

Karl Schlobohm
Company Secretary
Ph: 07 3303 0680

Sarah Schuiringa
Marketing / PR
Ph: 07 3303 0680

DGR Global Limited ACN 052 354 837

street: Level 27, 111 Eagle Street **post:** GPO Box 5261 Brisbane QLD 4001

p +61 7 3303 0680 **f** +61 7 3303 0681 **e** info@dgrglobal.com.au **w** www.dgrglobal.com.au

About DGR Global Limited

DGR Global's business is the creation of resource exploration development and mining companies.

The business uses the skills of a core team of talented geoscientists to identify resource projects capable of yielding world class discoveries of attractive commodities.

This is achieved through:

- The identification of commodities with a favorable 20 year price outlook.
- Geological terranes with:
 - A demonstrated strong endowment for that commodity;
 - An under-explored history;
 - Opportunity for the application of recently developed exploration techniques;
 - Jurisdictions with improving socio-economic and regulatory frameworks;
 - Extensive available tenures.

DGR provides initial seed funding and management support to secure assets in subsidiaries and develop these assets to more advanced funding stages. The Company has a pipeline of projects in daughter companies at various stages of emergence, and in 2015 crystallised a significant return through the sale of its 15% holding in Orbis Gold for \$26million. Further development of its holdings in LSE and TSX-listed SolGold and AIM-listed IronRidge Resources, ASX-listed AusTin Mining, Dark Horse Resources and Armour Energy, and unlisted Auburn Resources and Armour Energy Uganda, are expected over the coming years.

Get regular news from DGR Global on social media

As a valued shareholder, you can now stay up to date of forces influencing the value of your investment in DGR Global by following us on Twitter. We regularly post information about the operations of us and the DGR companies as well as what is happening in our sectors around Australia and around the world - with links to documents in the media, brokers, and other authoritative sources so you can stay up to date. As well, our posts on Twitter will alert you to our latest ASX announcements. Join the hundreds who follow us on Twitter [@DGRGlobal](https://twitter.com/DGRGlobal). We've also added to our website a corporate newsroom with monthly news flow concerning DGR and the DGR sponsored companies. Located under News Bank in the investor section of the DGR website: www.dgrglobal.com.au