



Notice of General Meeting and Explanatory Memorandum

DGR Global Limited

ACN 052 354 837

Date of Meeting: 30 September 2013

Time of Meeting: 11.00am (Brisbane time)

Place of Meeting: Level 7, Waterfront Place, 1 Eagle Street, Brisbane, Queensland,
4000

For personal use only

Notice is given that a General Meeting of shareholders of DGR Global Limited ABN 67 052 354 837 (**Company** or **DGR Global**) will be held at Level 7, Waterfront Place, 1 Eagle Street, Brisbane, Queensland, 4000, on 30 September 2013 at 11.00am (Brisbane time).

Agenda

ORDINARY BUSINESS

1. Resolution One – Approval for allotment of options to Mather Investments (Qld) Pty Ltd (as trustee)

To consider and, if thought fit, pass the following Ordinary Resolution with or without modification:

“That in accordance with Section 208(1) of the *Corporations Act 2011* and for the purposes of Listing Rule 10.11, and for all other purposes, the Shareholders of DGR Global Limited (**DGR Global**) approve the issue and allotment of 4,634,838 options (exercisable at 6 cents, expiring 12 months from allotment) to Mather Investments (Qld) Pty Ltd (as Trustee) on the terms set out in the Explanatory Memorandum, and pursuant to the Underwriting Agreement of 21 June 2013 executed by DGR Global and Mather Investments (Qld) Pty Ltd.”

A COPY OF THIS NOTICE AND THE EXPLANATORY MEMORANDA WHICH ACCOMPANIES THIS NOTICE, HAS BEEN LODGED WITH ASIC IN ACCORDANCE WITH SECTION 218 OF THE CORPORATIONS ACT. A DETAILED SUMMARY OF THE OPTIONS IS SET OUT WITHIN THE EXPLANATORY MEMORANDA.

VOTING EXCLUSION STATEMENT

The Company will disregard any votes cast on this Resolution by:

- Nicholas Mather; and
- any associate of Nicholas Mather.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

2. Resolution Two – Approval for the transfer of shares in DGR Zambia Limited to Archer Resources Limited

To consider and, if thought fit, pass the following Ordinary Resolution with or without modification:

“That the Shareholders of DGR Global Limited (**DGR Global**) give approval for the Company to transfer 100% of its shares in DGR Zambia Limited for nil consideration to Archer Resources Limited.”

VOTING EXCLUSION STATEMENT

The Company will disregard any votes cast on this Resolution by:

- any Director of Archer Resources Limited;
- any associate of such a person.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

GENERAL BUSINESS

To consider any other business as may be lawfully put forward in accordance with the Constitution of the Company. Specific comments relating to the Resolutions are set out in the Explanatory Memorandum.

By order of the Board



KM Schlobohm
Company Secretary
2 September 2013

Explanatory Memorandum

1. Introduction

This Explanatory Memorandum is provided to shareholders of **DGR Global Limited ACN 052 354 837 (DGR Global or Company)** to explain the Resolutions to be put to Shareholders at the General Meeting to be held at Level 7, Waterfront Place, 1 Eagle Street, Brisbane, Qld, 4000 on 30 September 2013 commencing at 11.00am (Brisbane time).

The Directors recommend Shareholders read the accompanying Notice of Meeting and this Explanatory Memorandum in full before making any decision in relation to the resolutions.

Terms used in this Explanatory Memorandum are defined in Section 4.

2. Resolution One – Approval for allotment of options to Mather Investments (Qld) Pty Ltd (as Trustee)

Resolution 1 seeks the approval of shareholders for the grant of 4,634,838 options over ordinary shares ("**Underwriting Options**") to Mather Investments (Qld) Pty Ltd (as Trustee) ("**Underwriter**"), an entity associated with Nicholas Mather, a director of DGR Global, pursuant to an Underwriting Agreement entered into on 21 June 2013 between the Company and the Underwriter in connection with the Company's over-subscribed entitlements issue of AUD\$1,655,300. The Underwriting Options are exercisable at \$0.06 each, vest immediately on their allotment, and will expire 12 months from the date of their allotment.

The Directors have resolved to refer to members for approval the proposed grant of the Underwriting Options. The terms of the Underwriting Options are set out in more detail below.

Approval for the issue of the Underwriting Options is sought in accordance with the provisions of Listing Rule 10.11 and Part 2E of the Corporations Act. As approval is being sought under Listing Rule 10.11, approval will not be required under Listing Rule 7.1.

In order for the Underwriting Options to be granted to an associate of a Director, the requirements of Chapter 2E of the Corporations Act need to be observed.

2.2 Option Terms

A summary of the material terms of the Underwriting Options is set out below:

- The securities to be issued to the Underwriter are options to subscribe for fully paid Shares.
- The Underwriting Options are to be issued for no consideration.
- The exercise price of the Underwriting Option is \$0.06 (**Exercise Price**).
- The Underwriting Options will vest on the date of allotment.
- The Underwriting Options will expire 12 months from the date of their issue and allotment (**Expiry Date**).
- Shares issued on exercise of the Underwriting Options will rank equally with all existing Shares from the date of issue.
- The Underwriting Options, once vested, may be exercised wholly or in part by notice in writing to the Company received at any time on or before the Expiry Date together with a cheque for the Exercise Price of the Underwriting Option multiplied by the number of Shares in respect of which Underwriting Options are being exercised.
- The Underwriting Options shall be unlisted but shall be transferable.
- Upon allotment of Shares pursuant to the exercise of Underwriting Options, the Company shall use its best endeavours to have such Shares quoted and listed on the Official List of the ASX.
- As the holder of the Underwriting Options only, the Underwriter does not have any right to participate in new issues of securities in the Company made to Shareholders generally. The Company will, where required pursuant to the Listing Rules, provide the Underwriter with notice prior to the books record date (to determine entitlements to any new issue of securities made to Shareholders generally) to exercise the Underwriting Options, in accordance with the requirements of the Listing Rules.
- The Option holder does not participate in dividends or in bonus issues unless the Options are exercised and the resultant shares of the Company are issued prior to the record date to determine entitlements to the dividend or bonus issue.

- In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company:
 - the number of Underwriting Options, the exercise price, or both will be reconstructed (as appropriate) in a manner consistent with the Listing Rules, but with the intention that such reconstruction will not result in any benefits being conferred on the Underwriter which are not conferred on Shareholders; and
 - subject to the provisions with respect to rounding 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 Underwriting Options will remain unchanged.

- If there is a bonus issue to the holders of Shares, the number of Shares over which an Underwriting Option is exercisable will be increased by the number of Shares which the Underwriter would have received if the Options had been exercised before the record date for the bonus issue.

- If, during the life of any Underwriting Option, there is a pro rata issue (except a bonus issue), the Exercise Price of an Underwriting Option may be reduced according to the following formula:

$$O^1 = O - \frac{E [P - (S + D)]}{N + 1}$$

where

O^1 = the new exercise price of the Underwriting Options

O = the old exercise price of the Underwriting Options

E = the number of underlying securities into which one Underwriting Option is exercisable

P = the average market price per security (weighted by reference to volume) of the underlying securities during the five (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 = the dividend due but not yet paid on existing underlying securities (except those to be issued under the pro-rata issue)

N = the number of securities with rights or entitlements that must be held to receive a right to one new security

- The terms of the Underwriting 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 Underwriting Options shall not be changed to reduce the Exercise Price, increase the number of Underwriting Options or change any period for exercise of the Underwriting Options.

2.3 Regulatory Requirements

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of a public company without shareholder approval unless the benefit falls within one of various exceptions to the general prohibition. The process for and requirements that need to be met for the convening of the shareholder's meeting are set out in Chapter 2E of the Corporations Act.

A "related party" for the purposes of the Corporations Act is defined widely and includes a Director of a public company, and entities controlled by him or her.

A "financial benefit" for the purposes of the Corporations Act has a very wide meaning. It includes the public company paying money or issuing securities to a related party. In determining whether or not a financial benefit is being given, it is necessary to look to the economic and commercial substance and effect of what the public company is doing (rather than just the legal form). Any consideration which is given for the financial benefit is to be disregarded, even if it is full or adequate.

This proposed Resolution 1, if passed, will confer a financial benefit on Mather Investments (Qld) Pty Ltd), which is an entity controlled by Nicholas Mather, a Director of DGR Global. By virtue of being a Director, Nicholas Mather, is a related party of DGR Global. As the Underwriter is controlled by Nicholas Mather the Underwriter itself is a related party of DGR Global Ltd. Accordingly, the Company seeks to obtain member approval for the conferring of a financial benefit on the Underwriter through the issue of the Underwriting Options, in accordance with the requirements of Chapter 2E of the Corporations Act. For this reason, and for all other purposes, the following information is provided to Shareholders.

(a) The related party to whom Resolution 1 would permit the financial benefit to be given

Nicholas Mather, being a Director of the Company.

(b) The nature of the financial benefit

The nature of the proposed financial benefit to be given is:

- (i) the grant of 4,634,838 Underwriting Options to Mather Investments (Qld) Pty Ltd (controlled by Nicholas Mather) as referred to in Resolution 1;
- (ii) the Underwriting Options shall be granted for no cash consideration; and
- (iii) the Underwriting Options shall be exercisable into shares at an exercise price of \$0.06 per Underwriting Option exercisable on or before 1 October 2013.

(c) Directors' recommendation

With respect to Resolution 1, Mr Stubbs, Mr Moller and Mr Mascolo recommend that Shareholders vote in favour of this Resolution. The reasons for their recommendation include:

- (i) the grant of the Underwriting Options is proposed in accordance with the Underwriting Agreement executed by the parties on 21 June 2013;
- (ii) the terms of the Underwriting Agreement were negotiated by Messrs Stubbs, Mascolo and Moller and considered to be arm's length having regard to the market conditions and nature of the underwriting offered to the Company; and
- (iii) should the approval for the grant of the Underwriting Options not be approved by shareholders, the Company will be liable to pay Mather Investments (Qld) Pty Ltd an additional cash fee of \$33,106 (equivalent to an additional 2% of the amount underwritten) pursuant to the terms of the Underwriting Agreement.

As Mr Mather is interested in the outcome of Resolution 1, he accordingly makes no recommendation to Shareholders in respect of this Resolution.

(d) Directors' interest and other remuneration

Mr Mather

Mr Mather has a material personal interest in the outcome of Resolution 1, as it is proposed that Underwriting Options be granted to Mather Investments (Qld) Pty Ltd, a company controlled by him.

Excluding the Underwriting Options, Mr Mather (and entities associated with him) holds 55,134,278 Shares in the Company and 6,500,000 options to subscribe for Shares in the Company, exercisable at \$0.28 on or before 28 November 2013. Please refer to the table below which indicates the holdings of Mr Mather (and entities associated with him).

Other than the Underwriting Options to be issued to Mr Mather pursuant to Resolution 1, Mr Mather receives remuneration of \$175,000 per annum (total cost to the Company) from the Company for his services as an Executive Director. In addition, Mather Investments (Qld) Pty Ltd was paid a cash fee of \$115,871 (being equivalent to 7% of the amount underwritten) pursuant to the Underwriting Agreement.

If all of the Underwriting Options granted are exercised by Mr Mather, the following will be the effect on his direct and indirect holdings in the Company:

Director (including associated entities)	Current Share Holding (Direct & Indirect)	% of Total Share Capital (411,002,681 shares on issue)	Current Options held	Shareholding Upon Exercise	% of Total Share Capital (415,367,519 shares on issue)
Mr Mather	55,134,278	13.41%	6,500,000	59,769,116	14.39%

(e) Valuation

The Underwriting Options are not currently quoted on the ASX and as such have no market value. The Underwriting Options each grant the Underwriter a right to subscribe for one Share upon exercise of each Underwriting Option and payment of the Exercise Price of the Underwriting Option described above. Accordingly, the Underwriting Options may have a present value at the date of their grant.

The Underwriting Options may acquire future value dependent upon the extent to which the Shares exceed the Exercise Price of the Underwriting Options during the term of the Underwriting Options.

As a general proposition, options to subscribe for ordinary fully paid shares in a company have value. Various factors impact upon the value of options including things such as:

- the period outstanding before the expiry date of the options;
- the exercise price of the options relative to the underlying price or value of the securities into which they may be converted;
- the proportion of the issued capital as expanded consequent upon exercise represented by the shares issued upon exercise (ie whether or not the shares that might be acquired upon exercise of the options represent a controlling or other significant interest);
- the value of the shares into which the options may be converted; and
- whether or not the options are listed (ie readily capable of being liquidated).

There are various formulae which can be applied to determining the theoretical value of options (including the formula known as the Black-Scholes Model option valuation formula and the Monte Carlo Simulation Model option valuation formula).

The Company has sought an independent valuation of the Underwriting Options from RFC Corporate Finance Ltd (“RFC”). The method used by RFC to value the options was the Black-Scholes Model, which is the most widely used and recognised model for pricing options. The value of an option calculated by the Black-Scholes Model is a function of the relationship between a number of variables, being the price of the underlying Share at the time of issue, the exercise price, the time to expiry, the risk-free interest rate, the volatility of the Company’s underlying Share price and expected dividends.

Inherent in the application of the Black-Scholes Model are a number of inputs, some of which must be assumed. The data relied upon in the valuation applying the Black-Scholes Model was:

- an exercise price of the Underwriting Options being \$0.06;
- a market price of Shares of \$0.051 being the closing price of Shares on 30 August 2013, as a proxy for the market price at the future date of issue, being the date of the General Meeting to approve the issue;
- the Underwriting Options vesting on the date of issue, estimated as being 1 October 2013;
- the Expiry Date of 1 October 2014, being 12 months from the estimated allotment / vesting date;
- a volatility measure of 100%;
- a risk-free interest rate of 2.61%; and
- a dividend yield of 0.00%.

Some relatively minor variables were included in the calculation to estimate the value of the Underwriting Options as “American style” options (being exercisable at any time prior to the stated expiry date). Theoretically, the Black-Scholes Model prices “European style” options (being exercisable only on a particular exercise date).

Based on the valuation provided by RFC, the Company has adopted an indicative value for the Underwriting Options of \$0.016 each.

On that basis, the value of the Underwriting Options to be issued pursuant to Resolution 1 is approximately \$78,792.

(f) Any other information that is reasonably required by Shareholders to make a decision and that is known to the Company or any of its Directors

There is no other information known to the Company or any of the Directors save and except as follows:

Market price movements:

The valuation of the Underwriting Options noted above is based on a market price of the Shares at the time of the valuation dated 30 August 2013 of \$0.051.

There is a possibility that the market price of the Shares on the date of issue of the Underwriting Options will be different to this and that the market price of the Shares will change up to the date of the General Meeting. The effect on the valuation per Underwriting Option of movements in the market price of the Shares is set out below:

Market Price	Valuation per option
\$0.040	\$0.011
\$0.045	\$0.014
\$0.050	\$0.016
\$0.055	\$0.020
\$0.060	\$0.023
\$0.065	\$0.027
\$0.070	\$0.031

(i) Opportunity Costs

The opportunity costs and benefits foregone by the Company issuing the Underwriting Options is the potentially diluted impact on the issued Share capital of the Company (in the event that the Underwriting Options are exercised). Until exercised, the issue of the Underwriting Options will not impact upon the number of Shares on issue in the Company. To the extent that upon their exercise the dilutionary impact caused by the issue of the Shares will be detrimental to the Company, this is more than offset by the advantages accruing from the Company securing the services of Mather Investments (Qld) pursuant to the Underwriting Agreement.

It is also considered that the potential increase of value in the Underwriting Options is dependent upon a concomitant increase in the value of the Company generally.

(ii) Trading History of the Shares

As at 30 August 2013, the closing price of Shares on ASX was \$0.051.

Set out below is the trading history of the Shares over the past 12 months.

	Market Price 6 months prior to Notice of Meeting	Market Prices 12 months prior to Notice of Meeting
High	\$0.057	\$0.065
Low	\$0.023	\$0.023
VWAP	\$0.036	\$0.042

(iii) **Taxation Consequences**

No stamp duty will be payable in respect of the grant of the Underwriting Options. No GST will be payable by the Company in respect of the grant of the Underwriting Options (or if it is then it will be recoverable as an input credit).

AASB 2 “Share Based Payments” requires that these payments shall be measured at the more readily determinable fair value of the equity instrument. Under the accounting standards this amount will be expensed in the statement of financial performance. Where the grant date and the vesting date are different the total expenditure calculated will be allocated between the two dates taking into account the terms and conditions attached to the instruments and the counterparties as well as management’s assumptions about probabilities of payments and compliance with and attainment of the set out terms and conditions.

(iv) **Dilutionary Effect**

If all of the Underwriting Options granted are exercised by the Underwriter, the following will be the dilutionary effect on the current issued capital of the Company:

Shareholders	Current Share Capital	Share Capital On Exercise
Current Shareholders	411,002,681	415,637,519
TOTAL	411,002,681	415,637,519

Listing Rule 10.11

Listing Rule 10.11 requires an entity to obtain the approval of shareholders to an issue of securities to a related party. Accordingly, because the issue of the Underwriting Options will result in the Company issuing securities to a related party, approval under Listing Rule 10.11 is required.

For the purposes of Listing Rule 10.13, the Company advises as follows:

- The number of Underwriting Options to be issued to Mather Investments (Qld) Pty Ltd (a company controlled by Nicholas Mather) is 4,634,838.
- The Underwriting Options are intended to be granted as soon as possible following the meeting, but in any event, within one (1) week of the date of the Meeting.
- The Underwriting Options are being issued for nil consideration.
- No funds are being raised by the grant of the Underwriting Options (however approximately \$278,090 would be raised on their exercise).

In accordance with Listing Rule 7.2, as approval is being sought under Listing Rule 10.11, approval is not required to be obtained under Listing Rule 7.1.

Save as set out in this Explanatory Memorandum, the Directors are not aware of any other information that will be reasonably required by Shareholders to make a decision in relation to benefits contemplated by Resolution 1.

3. Resolution Two – Approval for the transfer of shares in DGR Zambia Limited to Archer Resources Limited

Resolution 2 seeks the approval of Shareholders for the transfer of 100% of the shares in DGR Zambia Limited (a company incorporated in Zambia) from DGR Global Limited to Archer Resources Limited for nil consideration.

The Board of DGR Global does not consider the proposed transaction to trigger a requirement for Shareholder approval pursuant to the ASX Listing Rules, as the shares in DGR Zambia Limited do not constitute a material asset to DGR Global. However, as three of DGR Global's Directors have a personal interest (either as a Director or minor shareholder of Archer Resources) in the outcome of Resolution 1, the Directors have resolved, in the interest of good corporate governance, to seek Shareholder approval for the transfer of the Tenements.

3.1 Rationale for the Transfer

The DGR Global resource generation business model is well publicised and well understood by DGR shareholders. Archer Resources aggregated a portfolio of Australian gold, copper and molybdenum focussed projects in the period from 2010 to 2012, seed capital was raised, and management appointed in preparation for an ASX listing. However, market conditions have precluded bringing this plan to fruition.

Interest in well placed and well credentialed African exploration strategies has been growing over the past few years (eg. Orbis Gold, Blackthorn Resources, IronRidge Resources). DGR Global created DGR Zambia in 2012 as one part of the program of initiatives created by the DGR Global New Opportunities Group. DGR Zambia has a number of tenements and applications within the well-regarded Central African Copper Belt. Further progress, including a comprehensive exploration program, will require funding independent of DGR Global.

The Board of DGR Global considers that Archer Resources, with its existing Australian portfolio of copper focussed projects is the ideal vehicle to take over ownership of DGR Zambia for the synergies available to management, shareholders, and ultimately DGR Global.

To date, DGR Global is carrying approximately \$155,000 in a loan account with DGR Zambia. This amount predominantly includes costs for establishing the company, securing the application and granted tenement areas within Zambia, and the preliminary exploration required for the advancement of the projects. This loan will remain on the Balance Sheet of DGR Zambia as a liability to DGR Global.

Further details of the DGR business model, Archer Resources and DGR Zambia are outlined below.

3.2 Terms of the Proposed Transfer

DGR Global currently owns 100% of the shares in DGR Zambia, and approximately 67% of the shares in Archer Resources.

DGR Global proposes to transfer 100% of the shares in DGR Zambia to Archer Resources for nil cash consideration.

As noted above, the Board of DGR Global believes that the commercial value of DGR Zambia will be better enhanced under the ownership and management of Archer Resources, which will, in turn, be reflected in the commercial value of DGR Global's shareholding stake in Archer Resources moving forward.

3.3 DGR Global's Business Model

DGR Global is a diversified global resource company generator and investment house with a strong track record of commercialising innovative exploration concepts.

Projects are conceived directly through the skills and experience of DGR Global's accomplished team of exploration geoscientists (with an enviable track record), not by the costly purchase of properties. Each project or exploration strategy is held in a separate subsidiary. Focused and specialist management is then engaged in the subsidiary, with project specific finance raised in that company, which is faster and less dilutive to DGR Global. As the project company further develops and starts to de-risk, it is separately capitalised (seed raisings followed by a capital market listing).

Investors can choose to invest specifically in a particular project/commodity, or by investing in DGR Global, invest in the resource company generating business which retains a significant carried interest in each project.

DGR Global currently holds the following investments in companies that have already been listed:

- **Orbis Gold Limited** (ASX: OBS) exploring for gold in Burkina Faso: 39 million shares (18%);
- **Armour Energy Limited (ASX:AJQ)** is dedicated to the discovery and development of world class gas resources in an extensive new province in Northern Australia: 75million shares (25%);
- **SolGold Plc** (LSE: SOLG) exploring for gold, copper and silver in Ecuador, the Solomon Islands and Queensland: 54 million shares (10%);
- **AusNiCo Limited** (ASX: ANW) owner of the Taronga Tin Project in NSW, and also exploring for nickel, copper and silver in Queensland : 60 million shares (14%); and
- **Navaho Gold Limited** (ASX: NVG) exploring for Carlin style gold mineralisation in Nevada USA, and owner of the NavGas Project in Sth Australia, prospective for shale gas: 28 million shares (27%).

DGR Global is also progressing the corporate and project development, ahead of planned capital raisings and ASX-listings of the following companies:

- **Archer Resources Limited** (refer section 3.4 below); and
- **IronRidge Resources Limited** which holds two (2) large-scale iron ore project areas in Gabon, West Africa which is complemented by a suite of Australian tenements.

Furthermore, DGR Global is currently developing plans for the potential addition of further unlisted subsidiary companies with interests in rare earths, copper, gold and antimony. This demonstrates the ability of DGR Global to continually repeat the creation of new mineral exploration and development companies year after year.

Typically DGR Global generates one or more new ventures per year through wholly owned subsidiaries established for that purpose. DGR Global raises seed capital, installs management and executives and organises capital raisings and stock exchange listings. In the crucial early life of such ventures as a listed company, substantial support is provided by DGR Global through the sharing of corporate overhead costs such as offices, administration and accounting, together with seconding key geological and field staff on an “as needs” basis until such time as the new company can justify its own staff. As the new company advances and grows over time, DGR Global intends to hold its position as a solid cornerstone shareholder enjoying capital appreciation.

In addition to the above-mentioned activities, DGR Global also maintains an active interest in the original “D’Aguilar Block” area in South East Queensland via its interest over nine (9) mining licences and an exploration permit within the region. In addition, DGR Global holds an interest in seven (7) exploration permits or applications in wholly-owned subsidiary companies, and three (3) exploration permits in its own name in Queensland and New South Wales.

3.4 About Archer Resources

Archer Resources Limited is an unlisted public company which is owned approximately 67% by DGR Global and approximately 33% by private seed shareholders.

Archer Resources’ business model is currently focused on the development of its copper focussed projects, which are based in eastern Australia. Archer Resources initially aggregated – and has subsequently rationalised - its portfolio of Australian assets over the period from 2010 to 2013. Initial seed capital was raised by Archer Resources in 2010/11, and management appointed in preparation for an ASX listing in 2011 or 2012. However, market conditions have to date precluded bringing this plan to fruition.

DGR Global believes that the transfer of shares in DGR Zambia to Archer Resources would provide potential investors with a unique suite of copper focused projects in Zambia and Australia. The result would be to enhance the marketability of Archer Resources for the purposes of further capital raising (independent of DGR Global) and ultimately some form of further capital markets or other corporate transactions (eg. stock market listing, merger, trade sale, etc).

3.5 About DGR Zambia

Early in 2012, the DGR Global New Opportunities Group (NOG) was asked to investigate the possibility of securing prospective copper exploration tenements in the Central African Copper Belt.

Following the identification of 11 potential target areas, a local subsidiary DGR Zambia was incorporated in Zambia in April 2012 to facilitate the application for exploration licences. Two licences have recently been granted, and capital is now required to commence a comprehensive exploration program on each tenement to secure their ownership.

Licence 1699-HQ-LPL covers 50 km² and is located in the central north of Zambia in the 'Domes' Region, a new copper belt to the west of the traditionally recognised Zambian Copper Belt. It is immediately adjacent to the Lumwana Mine (Barrick – proven and probable reserves of 2.7Mt of contained copper¹) and contains historic copper occurrences.

Licence 17308-HQ-LPL is much larger, covering 950 km², and is located in central Zambia in the Hook Intrusive Complex (IOCG Province). While a greenfields exploration project (no modern exploration), the licence area abuts Barrick's (ex: Equinox) Mutapanda Permit area, with Blackthorn Resources Kitumba Project (87Mt @ 1.17% Copper²) to the south of the Barrick licence area.

in order to secure and explore its project areas, DGR Zambia will require access to several million dollars worth of working capital over the next three years. It is not part of its business model for DGR Global itself to provide funding of this nature and scale. Accordingly, the Board of DGR Global will seek independent funding for DGR Zambia. Such independent funding for DGR Zambia would be best served by it having a project portfolio "balance" with Australian copper focussed assets to complement the Zambian copper assets.

4. Interpretation

Archer Resources means Archer Resources Limited ACN 121 572 192

ASX means the ASX Limited ACN 008 624 691.

Board means the board of directors of the Company.

Company means DGR Global Limited ACN 052 354 837.

Corporations Act means the *Corporations Act* 2001 (Commonwealth).

DGR Zambia means DGR Zambia Limited, incorporated in Zambia.

Director means a director of the Company.

IPO means the initial public offering of securities pursuant to a prospectus issued pursuant to s 710 Corporations Act..

Listing Rules means the listing rules of the ASX.

Resolution means a resolution to be proposed at the Meeting.

Shares means ordinary fully paid shares in the issued capital of the Company.

Shareholder means a shareholder of the Company.

Any inquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to Mr Karl Schlobohm (Company Secretary):

DGR Global Limited

Street address: Level 27, 111 Eagle Street, Brisbane QLD 4000

Postal address: GPO Box 5261, Brisbane QLD 4001

Ph: (07) 3303 0680 **Fax:** (07) 3303 0681

Email: kschlobohm@dgrglobal.com

¹ www.barrick.com/operations/copper/lumwana

² Blackthorn Resources Ltd Quarterly Activities Report 29 July 2013

Proxy, Representative and Voting Entitlement Instructions

Proxies and Representatives

Shareholders are entitled to appoint a proxy to attend and vote on their behalf. Where a shareholder is entitled to cast two or more votes at the meeting, they may appoint two proxies. Where more than one proxy is appointed, each proxy may be appointed to represent a specific proportion or number of votes the shareholder may exercise. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes. The proxy may, but need not, be a shareholder of the Company.

Shareholders who are a body corporate are able to appoint representatives to attend and vote at the meeting under Section 250D of the *Corporations Act 2001 (Cth)*.

The proxy form must be signed by the shareholder or his/her attorney duly authorised in writing or, if the shareholder is a corporation, in a manner permitted by the *Corporations Act 2001 (Cth)*.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be **deposited at, posted to, or sent by facsimile transmission to the address listed below** not less than 48 hours before the time for holding the meeting, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

Karl Schlobohm, Company Secretary

DGR Global Limited

Street address: Level 27, 111 Eagle Street, Brisbane QLD 4000

Postal address: GPO Box 5261, Brisbane QLD 4001

Ph: (07) 3303 0680 **Fax:** (07) 3303 0681

kschlobohm@dgrglobal.com

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company.

A proxy form is attached to this Notice.

Voting entitlement

For the purposes of determining voting entitlements at the Meeting in accordance with Regulation 7.11.37 of the Corporations Regulations 2001, shares will be taken to be held by the persons who are registered as holding the shares at **7.00pm on 29 September 2013**. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Signing instructions

You must sign the proxy form as follows in the spaces provided:

Individual: Where the holding is in one name, the holder must sign.

Joint Holding: Where the holding is in more than one name, all of the security holders should sign.

Power of Attorney: To sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone.

Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary.

Please indicate the office held by signing in the appropriate place.

Proxy Form

APPOINTMENT OF PROXY

I/We being shareholder(s) of DGR Global Limited (Company) hereby appoint:

the Chairman of the Meeting **OR**
(mark with an "X")

Write here the name of the person you are appointing if this person is someone other than the Chairman of the Meeting

or failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the General Meeting of DGR Global Limited to be held at Level 7, Waterfront Place, 1 Eagle Street Brisbane, Qld on 30 September 2013 at 11.00am (Brisbane time) and at any adjournment of that meeting.

If the Chair of the meeting is appointed as your proxy, or may be appointed by default, and you do NOT wish to direct your proxy how to vote as your proxy in respect of the resolution/s, please place a mark in the box opposite.

By marking this box, you acknowledge that the Chair of the meeting may exercise your proxy even if he has an interest in the outcome of a resolution (Relevant Resolution) and that votes cast by the Chair of the meeting for the Relevant Resolution other than as proxy holder will be disregarded because of that interest.

If the Chair of the meeting is your proxy and you do not mark this box or direct the Chair of the meeting how to vote above, the Chair of the meeting will not cast your votes on the Relevant Resolutions and your votes will not be counted in calculating the required majority if a poll is called on the Relevant Resolution. The Chairman of the meeting intends to vote undirected proxies in favour of the resolutions.

If no directions are given, the Proxy may vote as the Proxy thinks fit or may abstain. By signing this appointment you acknowledge that the Proxy (whether voting in accordance with your directions or voting in their discretion under an undirected Proxy) may exercise your proxy even if he/s he has an interest in the outcome of the resolution and even if votes cast by him/her other than as proxy holder will be disregarded because of that interest.

If two proxies are appointed, the proportion of voting rights this proxy is authorised to exercise is%. (An additional proxy form will be supplied by the Company on request).

If you wish to appoint the proxy to exercise voting power over only some of your shares, the number of shares in respect of which this proxy is to operate is shares (Note: proxy will be over all shares if left blank).

I/we direct my/our proxy to vote as indicated below:

Ordinary Resolutions

- | | For | Against | Abstain |
|--|--------------------------|--------------------------|--------------------------|
| 1. Approval for the allotment of the Underwriting Options | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Approval for the transfer of the shares in DGR Zambia to Archer Resources | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Individual or Security holder 1

Sole Director and
Sole Company Secretary
(if appointed)

Security holder 2

Director

Security holder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date