

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

DGR Global Limited

ABN

67 052 354 837

Quarter ended ("current quarter")

31 December 2015

### Consolidated statement of cash flows

Cash flows related to operating activities <sup>1</sup>	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors including Goods & Services Tax	220	406
1.2 Payments for (a) exploration & evaluation	(244)	(442)
(b) development	-	
(c) production	-	
(d) administration	(946)	(1,890)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	678	699
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	(2,196)	(2,196)
1.7 Other (provide details if material)	-	-
<b>Net Operating Cash Flows</b>	<b>(2,488)</b>	<b>(3,423)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	(27)	(132)
(c) other fixed assets	(16)	(33)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	(17,290)	(18,164)
1.11 Loans repaid by other entities	-	-
1.12 Other (Security Deposits, net)	22	1,801
<b>Net investing cash flows</b>	<b>(17,311)</b>	<b>(16,528)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(19,799)</b>	<b>(19,951)</b>

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1.13	Total operating and investing cash flows (brought forward)	(19,799)	(19,951)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	4,762	4,762
1.15	Proceeds from issue of shares in subsidiaries to outside equity interests	22	167
1.16	Proceeds from sale of forfeited shares	-	-
1.17	Proceeds from borrowings	-	-
1.18	Repayment of borrowings (leases and other)	-	-
1.19	Dividends paid	-	(813)
1.20	Other (Capital Raising Costs)	(123)	(125)
	<b>Net financing cash flows</b>	<b>4,661</b>	<b>3,991</b>
	<b>Net increase (decrease) in cash held</b>	<b>(15,138)</b>	<b>(15,960)</b>
1.21	Cash at beginning of quarter/year to date	18,584	19,637
1.22	Exchange rate adjustments to cash	231	-
1.23	<b>Cash at end of quarter</b>	<b>3,677</b>	<b>3,677</b>

**Payments to directors of the entity and associates of the directors**  
**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	197
1.25	Aggregate amount of loans to the parties included in item 1.10	-

1.26 Explanation necessary for an understanding of the transactions

Amount included at item 1.10 represents loans to related parties consisting of \$15.3m to Armour Energy Ltd, \$431k to Dark Horse Resources Ltd, \$1.2m to SolGold plc. In addition to the cash loans DGR Global Ltd invested \$1.25m in SolGold plc convertible notes.

Amount included at item 1.15 represents \$167k cash received from the issue of shares in Archer Resources Limited.

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

The total dividend paid during the year to date was \$1,035k of which \$222k was reinvested under the Company's Dividend Reinvestment Plan (DRP).

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

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### Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	150
4.2 Development	-
4.3 Production	-
4.4 Administration (net of management fees)	600
<b>Total</b>	<b>750</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	3,677	18,584
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>3,677</b>	<b>18,584</b>

### Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	EPM 1941 <sup>1</sup>	Exploration Permit for Minerals	100%	Nil
6.2 Interests in mining tenements acquired or increased	EPM 2598 <sup>2</sup>	Exploration Permit for Minerals	Nil	100%
	EPM 2598 <sup>3</sup>	Exploration Permit for Minerals	Nil	100%
	EPM 2598 <sup>4</sup>	Exploration Permit for Minerals	Nil	100%
	EPM 2600 <sup>2</sup>	Exploration Permit for Minerals	Nil	100%
	EPM 2602 <sup>3</sup>	Exploration Permit for Minerals	Nil	100%
	EPM 2596 <sup>3</sup>	Exploration Permit for Minerals	Nil	100%
	EPM 2596 <sup>4</sup>	Exploration Permit for Minerals	Nil	100%
	EPM 2596 <sup>4</sup>	Exploration Permit for Minerals	Nil	100%
	EPM 2596 <sup>4</sup>	Exploration Permit for Minerals	Nil	100%

**Notes:**

- 1 Tenement relinquished by Archer Resources Limited, in which DGR Global holds a 63% interest.
- 2 Tenement acquired by Albatross Bauxite Pty Ltd, in which DGR Global holds a 100% interest.
- 3 Tenement acquired by Archer Resources Limited, in which DGR Global holds a 63% interest.
- 4 Tenement acquired by Pinnacle Gold Pty Ltd, in which DGR Global holds a 94% interest

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**Issued and quoted securities at end of current quarter**

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference + securities</b> (description)	Nil	Nil		
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	550,881,877	550,881,877		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	129,228,486	129,228,486		
7.5 <b>+Convertible debt securities</b> (description)	<u>Convertible Notes</u>	<u>Convertible Notes</u>	<u>Convertible Notes</u>	<u>Convertible Notes</u>
	Nil	Nil		
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> (description and conversion factor)			Exercise price	Expiry date
	12,000,000		12 cents	30/11/2016
	9,500,000		12 cents	29/05/2017
	4,400,000		6.5 cents	15/04/2016
	1,000,000		6.5 cents	10/07/2016
	23,000,000		6.5 cents	30/09/2017
	22,950,000		6.5 cents	25/11/2017
	6,000,000		6.5 cents	14/12/2017
7.8 Issued during quarter	23,000,000		6.5 cents	30/09/2017
	22,950,000		6.5 cents	25/11/2017
	6,000,000		6.5 cents	14/12/2017
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 <b>Debentures</b> (totals only)	Nil			
7.12 <b>Unsecured notes</b> (totals only)	Nil	Nil		

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## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does ~~does not~~\* (*delete one*) give a true and fair view of the matters disclosed.

Sign here:



Date: 29 January 2016

(Company Secretary)

Print name:

**Karl Schlobohm**

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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