

# 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")

30 June 2016

### Consolidated statement of cash flows

Cash flows related to operating activities <sup>1</sup>	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors including Goods & Services Tax	228	952
1.2 Payments for (a) exploration & evaluation	(263)	(1,080)
(b) development	-	-
(c) production	-	-
(d) administration	(677)	(3,490)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	435	1,560
1.5 Interest and other costs of finance paid	(1)	(1)
1.6 Income taxes paid	8	(2,188)
1.7 Other (provide details if material)	-	-
<b>Net Operating Cash Flows</b>	<b>(270)</b>	<b>(4,247)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	(350)	(3,844)
(c) other fixed assets	-	(37)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	624	757
(c) other fixed assets	-	-
1.10 Loans to other entities	(5,290)	(27,452)
1.11 Loans repaid by other entities	-	9,263
1.12 Other (Security Deposits, net)	68	1,890
<b>Net investing cash flows</b>	<b>(4,948)</b>	<b>(19,423)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(5,218)</b>	<b>(23,670)</b>

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1.13	Total operating and investing cash flows (brought forward)	(5,218)	(23,670)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	40	4,802
1.15	Proceeds from issue of shares in subsidiaries to outside equity interests	3	170
1.16	Proceeds from sale of forfeited shares	-	-
1.17	Proceeds from borrowings	530	530
1.18	Repayment of borrowings (leases and other)	-	-
1.19	Dividends paid	-	(813)
1.20	Other (Capital Raising Costs)	-	(125)
	<b>Net financing cash flows</b>	<b>573</b>	<b>4,564</b>
	<b>Net increase (decrease) in cash held</b>	<b>(4,645)</b>	<b>(19,106)</b>
1.21	Cash at beginning of quarter/year to date	5,176	19,637
1.22	Exchange rate adjustments to cash	-	-
1.23	<b>Cash at end of quarter</b>	<b>531</b>	<b>531</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	61
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 1.8(b) for the quarter ended 30 June 2016 represents participation in Aus Tin Mining Placement at \$0.005 per share.

Amount included at item 1.10 for the quarter ended 30 June 2016 represents cash loans made to related parties consisting of \$1.758m to Armour Energy Ltd and \$3.532m to SolGold plc.

*Note that the conversion of the convertible note in SolGold plc of \$1.25m and the conversion of SolGold loans of \$2.01m to ordinary shares has been disclosed on a grossed up basis in the year to date numbers, showing the equity investment under item 1.08(b) and also the loan repayment under item 1.11.*

**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	530	530
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	531	5,176
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>531</b>	<b>5,176</b>

As announced on 5 July 2016, the Company has access to a commercial loan facility of \$3m.

### 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 25982 <sup>1</sup>	Exploration Permit for Minerals	100%	Nil
	EPM 25984 <sup>1</sup>	Exploration Permit for Minerals	100%	Nil
	EPM 18808 <sup>2</sup>	Exploration Permit for Minerals	100%	Nil
6.2 Interests in mining tenements acquired or increased	EPM 25977 <sup>1</sup>	Exploration Permit for Minerals	Nil	100%

**Notes:**

- 1 Tenement acquired/surrendered by Albatross Bauxite Pty Ltd which is a 100% DGR Global subsidiary.
- 2 Tenement surrendered by Barlyne Mining Pty Ltd, which is a 100% Archer Resources Ltd subsidiary, in which DGR Global Ltd holds a 63% 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	Nil	Nil		
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	Nil	Nil		
7.5 <b>+Convertible debt securities</b> (description)	<u>Convertible Notes</u>	<u>Convertible Notes</u>	<u>Convertible Notes</u>	<u>Convertible Notes</u>
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	Nil	Nil		
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
	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	Nil			
7.9 Exercised during quarter	Nil			
7.10 Expired during quarter	4,400,000		6.5 cents	15/04/2016
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 ~~not~~\* (*delete one*) give a true and fair view of the matters disclosed.

Sign here:



Date: 29 July 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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