

DGR Global Limited

5 October 2017

DGR Business Update

The Board of Directors of international resource company creator, DGR Global Limited (**the Company; ASX: DGR**), is pleased to provide a further periodic update with regard to the Company's interest in a number of its sponsored listed entities.

SolGold plc | LSE(AIM): SOLG (13.5% owned by DGR)

Overnight in Toronto at the Mines and Money Americas Conference, Nicholas Mather won the award for the CEO of the Year – Latin America. SolGold won the Exploration Award for Latin America. Ecuador (where SolGold's flagship Cascabel Copper-Gold Porphyry Project is located) won the Country Award for Latin America.



Photo from the Mines and Money Americas Conference in Toronto following the awards ceremony. Left to Right: Brian Moller (Chairman of SolGold and DGR Global Director), Santiago Vacca (SolGold Geologist), Jason Ward (SolGold Country Manager), Nick Mather (DGR and SolGold CEO), Pru Maclean (DGR Group IR and Business Development) and Benn Whistler (SolGold Technical Services Manager).

On 3 October 2017, SolGold confirmed the filing of its prospectus to move its listing from the AIM Board to the main market of the London Stock Exchange, effective 6 October 2017. A copy of the prospectus is available on SolGold's website.

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Australian shareholders of SolGold are advised that their shareholdings, including any held on certificate, will remain valid. However, shareholders should confirm with their brokers, as appropriate.

Copies of all of SolGold's market releases, presentations and videos are available on the Company's website (www.solgold.com.au).

Any Australian SolGold shareholders and stockbrokers seeking information on how to manage their holdings and how to move stock from the UK to Canada (TSX) are referred to the information contained on the SolGold website at <http://www.solgold.com.au/shareholding-faqs/>

The current value of DGR Global's investment in SolGold is approximately \$130 million.

Armour Energy Limited | ASX: AJQ (23% owned by DGR)

On 19 September 2017, Armour announced that it had been granted the exploration licence for the Kanywataba Block in the Albertine Graben in Uganda.

As DGR Global announced on 14 September 2017, the Kanywataba Block is to be initially granted to Armour, and subsequently placed into a Specific Project Company ("SPC"), subject to Ugandan Government consent. Under the arrangements agreed between Armour and DGR Global, Armour will retain 16.82% of the SPC, whilst DGR will hold 83.18% interest in the SPC, and will meet the tenement expenditure and work program commitments for the first two year period and indemnify Armour for these costs. Until the transfer is completed, Armour shall hold DGR Global's 83.18% interest in trust beneficially for DGR Global.

As reported by Armour, the Kanywataba block is located at the southern end of Lake Albert in the Albertine Graben where approximately 115 wells have been drilled, and 101 wells encountered hydrocarbons delivering an 88% success rate on economic discoveries. To date, discoveries in the Albertine Graben total approximately 6.5 billion barrels of oil initially in place, with estimated recovery being 1.5 billion barrels and oil being light to medium gravity (30-35 API) with associated wet and dry gas. The Albertine Graben is a Rift Basin, a geological formation known to host a third of the world's oil reserves and similar geology to the Gippsland Basin in Victoria, Australia.

The Albertine Graben is considered to provide world class reservoir qualities, multiple reservoirs and less than 40% of the Albertine Graben has been evaluated. Production licenses have been awarded to Total, Tullow and CNOOC on blocks to the north of the Kanyawataba block, on the east coast of Lake Albert. Armour considers the Kanywataba block to be a highly prospective oil play.

On 29 September 2017, Armour announced the commencement of gas sales from its Kincora Project.

Armour's re-commissioning of the dry gas circuit of the Kincora Gas Plant was an important first step toward the commencement of gas sales. With the Kincora to Wallumbilla pipeline and the new end of line facility at Wallumbilla now also operational, it has been possible to deliver gas to market. From next week Armour's gas sales are targeted at 5 TJ/day, with gas being sold under its gas sales agreement with Australia Pacific LNG.

Gas is presently being produced from Armour's Newstead gas storage facility, processed and compressed at Kincora, then delivered to market through the downstream pipeline facilities. The Newstead storage facility currently holds approximately 2.3 PJ of treated gas that only requires minimal re-processing (dehydration) to ensure compliance with the sales gas specification.

The next stage of Phase 1 of Armour's Kincora restart project will involve ramp-up of gas production from existing wells which are currently shut-in. This gas will be treated by the wet gas circuit (ie. the LPG and condensate systems) at the Kincora Gas Plant. Restart work on the wet gas circuit is underway and is expected to be completed by December 2017. Once the commissioning of the wet gas circuit at Kincora and the balance of field infrastructure (ie. gathering flowlines and field compressors) is completed, Armour's plans to increase gas production to 9 TJ/day.

Phase 2 of the Armour's restart project will involve the drilling of new wells plus workovers and stimulations of existing wells. This, together with any necessary further work on the Kincora Gas Plant, will allow Armour's gas production to be ramped up to 20 TJ/day over the next 12 to 18 months.

Full details of this, and all other Armour Energy announcements, are available on the Company's website (www.armourenergy.com.au).

The current value of DGR Global's investment in Armour Energy is approximately \$17.5 million (\$6.1m in shares at market value plus \$10.5m in Convertible Notes at cost, plus a residual loan amount of approximately \$0.95m which will be converted to additional shares under Armour's entitlement offer).

IronRidge Resources Limited | LSE(AIM): IRR (26% owned by DGR)

On 21 September 2017, IronRidge announced that encouraging trenching and soil sampling results had been received for its Dorothe gold project in Chad, Central Africa. The results demonstrate that multiple high-grade gold intersections were reported from the rock trenches.

IronRidge is finalising field its programs for the pending African dry season, and field teams are expected to mobilise within the coming months. Field programs at Dorothe will focus on infill trenching over the Dorothe target to define extensions of the high grade mineralisation intersected to date, as well as extensions to the south and north. Infill soil sampling and mapping will also be completed along the 3 target areas defined in soils to date, as well as broader spaced 400m x 50m soils south of the Dorothe prospect in the southern half of the license area.

Interested shareholders are encouraged to read the full and original IronRidge Resources market release, as compliance with the ASX Listing Rules restricts what can be detailed by DGR Global in this announcement.

About Chad

With a population of 13.6 million (World Bank, 2016), Chad covers a surface area of 1.2 million km². It is a stable Republic with a US\$2,500 GDP per capita per annum (2013 estimate), is a member of the OHADA and EITI, and has a projected economic growth of 11.2% (*African Economic Outlook, 2014*). Major oil companies including Total, Exxon, Chevron and Glencore have been active in Chad for several decades and the region is a major oil producer and refiner for the domestic and international markets.

Chad has an attractive Mining Code and investment framework. Mineral exploration licenses are granted for 5 years and are renewable twice for a total of 10 years. Mining licenses are granted for a 25 year term and are renewable. The licenses offer a tax holiday period up to a maximum of 10 years and a corporate tax rate of 35% (negotiable). The State has the right for a 10% free carry and 2% royalty.

Full details of this, and all other IronRidge announcements, are available on the Company's website (www.ironrideresources.com.au).

The current market value of DGR Global's investment in IronRidge Resources is approximately \$40 million.

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Dark Horse Resources Limited | ASX:DHR (24% owned by DGR)

On 29 September 2017, Dark Horse Resources provided a market update on the status of its project and business activities in Argentina, including:

1. the commencement of detailed exploration activities of the Pampa Lito lithium properties in San Luis and Cordoba provinces;
2. the completion of due diligence on the extensive portfolio of gold properties in the Santa Cruz and Rio Negro provinces and agreement with the vendor on the acquisition terms; and
3. notification to Trendix SA that Dark Horse wishes to terminate its involvement in the Pico Quemado coal project, so that the Company can focus on its lithium and gold projects.

The Dark Horse market releases of 15 and 29 September 2017 contain extensive details, figures and photographs relevant to matters 1 and 2 above. Accordingly, interested shareholders are encouraged to read the full and original Dark Horse market releases, as compliance with the ASX Listing Rules restricts what can be detailed by DGR Global in this announcement. Appended to this release is a photograph from the Dark Horse market release of 15 September 2017.

With respect to its lithium projects, Dark Horse's overriding objective is to discover and define a large lithium-rich pegmatite resource, develop mines to produce lithium ore, and ultimately a production facility in Argentina manufacturing battery grade lithium hydroxide for sale into the international battery and electronic markets. Future sales may extend into a new domestic market for lithium products as the economy in Argentina continues to transform under the market-reformed current administration.

Full details of this, and all other Dark Horse announcements, are available on the Company's website (www.darkhorseresources.com.au).

The current market value of DGR Global's investment in Dark Horse Resources is approximately \$2 million.

The Board of DGR Global will continue to update the market in relation to material developments within its portfolio of sponsored companies and subsidiaries.



On behalf of the Board
Karl Schlobohm
Company Secretary

Electronic copies and more information are available on the Company website: www.dgrglobal.com
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Photo from Dark Horse Resources' 15 September 2017 ASX release, featuring Dark Horse Executive Director David Mason highlighting extremely large spodumene crystals underground at one of its project sites.

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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 these 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 AIM-listed SolGold and IronRidge Resources and ASX-listed AusTin Mining, Dark Horse Resources and Armour Energy, and unlisted Auburn Resources, are expected over the coming years.

DGR Global has commenced an intended program of judicious dividend payments to its shareholders. The future of the dividend program will depend on circumstances from time to time. The previous resource exploration and funding activities of DGR's key personnel underscore the opportunities provided by the DGR business model.

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

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