



24 June 2013

Dear Shareholder

DGR Global Limited (DGR Global) – Non-Renounceable Rights Issue (Rights Issue)

On behalf of the Directors, I am pleased to invite you, as a valued Shareholder of DGR Global Limited (**DGR or the Company**), to participate in the Company's fully underwritten 1 for 5 non-renounceable entitlement offer of new DGR ordinary shares (**New Shares**) at an issue price of \$0.025 per New Share (**Entitlement Offer**). Shareholder approval is not required for the purposes of this Offer.

Capital Raising

DGR will raise approximately \$1,655,300 through this Entitlement Offer. It is proposed that the funds raised will be applied to the costs of the Entitlement Offer, continue the implementation of DGR's long-term project generation and investment diversification strategy, and to provide general working capital.

The Directors intend to take up their Entitlements to New Shares.

The number of New Shares you will be entitled to subscribe for under the Entitlement Offer (**Entitlement**) will be set out in your personalised Entitlement and Acceptance Form that will accompany the Offer Booklet to be distributed to all shareholders. The issue price of \$0.025 per New Share represents a 16.7% discount to the five-day volume-weighted average Share price as at 20 June 2013. If you take up your full Entitlement, you can also apply for additional New Shares (**Additional New Shares**) under a Shortfall Facility (**Shortfall Facility**). The offer price for the Additional New Shares will be the Issue Price of \$0.025 per Additional New Share. Any Additional New Shares must be allocated from that pool of New Shares which remain available for allocation, after the allocation of all Entitlements to each Eligible Shareholder who has applied for their Entitlements (**Shortfall Shares**). Related Parties of the Company and their associates who are Eligible Shareholders must not apply for, and will not be issued Additional New Shares. Further, DGR will not allocate Additional New Shares to any Eligible Shareholder to the extent that the allocation will result in that Eligible Shareholder acquiring a holding of more than 20% in DGR.

The Entitlement Offer is fully underwritten by Mather Investments (Qld) Pty Limited (as trustee for the Mather Family Trust) (**Underwriter**), which is an entity associated with Mr Nicholas Mather, the Managing Director of DGR Global. Only once Directors have exhausted efforts to allocate the Additional New Shares pursuant to the Shortfall Facility, will DGR call on the Underwriter to take up the balance of the Shortfall Shares. Full details of the underwriting arrangements and the potential impact on the Company will be outlined in the Offer Booklet to be distributed to all Eligible Shareholders.

DGR Global Limited ACN 052 354 837

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Effect of the Offer on the Company's Share Capital

The impact of the Offer on the share capital of the Company will be as follows, on the assumption that no other allotments are made by the Company under any other financing proposals (refer Chairman's Letter within the Offer Booklet):

Shares on issue as at 24 June 2013 (announcement of the Entitlement Offer)	331,059,886
New Shares to be issued under the Entitlement Offer	66,211,977
Shares on issue following the Entitlement Offer	397,271,863

On this basis, once the Offer is completed the issued capital of DGR Global is expected to be 397,271,863 ordinary shares, 500,000 Convertible Notes, 32,550,000 Director and ESOP options exercisable at 28 cents each, and 4,634,838 underwriting options (subject to shareholder approval) exercisable at 6 cents each.

Eligible Shareholders

The Entitlement Offer is being offered to all Eligible Shareholders only. Eligible Shareholders are Shareholders on the Record Date who:

- (a) have a registered address in Australia, New Zealand or Hong Kong or are a Shareholder that DGR has otherwise determined is eligible to participate;
- (b) are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States; and
- (c) are eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a prospectus or other disclosure document to be lodged or registered.

Ineligible Shareholders

The Company has decided that it is unreasonable to make offers under the Entitlement Offer to Shareholders with registered addresses outside Australia, New Zealand and Hong Kong having regard to the number of Shareholders in those places, the number and value of the New Shares they would be offered and the cost of complying with the legal and regulatory requirements in those places. Accordingly, the Entitlement Offer is not being extended to, and does not qualify for distribution or sale by, and no New Shares will be issued to Shareholders having registered addresses outside Australia, New Zealand and Hong Kong.

The Company has appointed Ord Minnett Limited to act as the Nominee for the purposes of section 615 of the Corporations Act. Accordingly, the Company must issue to the Nominee the New Shares that would otherwise be issued to Eligible Shareholders having a registered address outside of Australia, New Zealand and Hong Kong who accept the Offer (**Foreign Shareholders**).

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The Nominee must sell such New Shares at a price and otherwise in a manner determined by the Nominee in its sole discretion. Neither the Company nor the Nominee, will be held liable for the sale of any such New Shares at any particular price or the timing of such sale. Any net proceeds of sale will be distributed to each of those Foreign Shareholders for whose benefit the New Shares are sold in proportion to the Foreign Shareholders' Entitlement, after deducting costs and the issue price.

The proposed timetable for the Rights Issue is set out in the table below:

Date	Event(s)
24 June 2013	Announce Issue
24 June 2013	Lodge Appendix 3B with ASX
26 June 2013	"Ex" Date – securities are quoted on an ex basis
2 July 2013	Record Date
8 July 2013	Dispatch offer documents to shareholders
8 July 2013	Issue Opens
22 July 2013	Issue Closes
25 July 2013	Notify ASX of under subscriptions
30 July 2013	Issue date
31 July 2013	Normal trading resumes

This timetable is indicative only and may be subject to change subject to the requirements of the *Corporations Act 2001 (Cth)* and the ASX Listing Rules.

The Board commends the Rights Issue to you and would like to take this opportunity to thank all shareholders for their support to date.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Mather".

Nicholas Mather
Managing Director
DGR Global Limited

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