



DGR Global Limited

29 August 2016

DGR Business Update

Participation in SolGold Capital Raising

The Board of Directors of international resource company creator, DGR Global Limited (**the Company; ASX: DGR**), is pleased to provide the following update with regard to the Company's interest in LSE(AIM)-listed SolGold Plc (**SolGold**).

On Friday 26 August 2016 in London, SolGold announced the closure of the first stage of a significant capital raising program, in this instance led by Maxit Capital LP (**Maxit First Tranche**). Under the Maxit First Tranche, SolGold closed on agreements to issue new Ordinary Shares covering:

- a) the raising of USD15,709,381 in cash proceeds from Maxit and clients of Maxit;
- b) the conversion to equity of amounts owed to various parties, primarily SolGold's management and project employees;
- c) the conversion to equity by Maxit (at their election) of their fee due under the Maxit First Tranche raising arrangements; and
- d) the conversion to equity of USD4,389,000 (AUD5,700,000) of the debt funding provided by DGR Global Limited ("DGR Global") in accordance with the terms of the loan arrangements announced to the market on 1 July 2016.

SolGold intends to use the Maxit First Tranche proceeds to continue to fund the exploration of its flagship Cascabel Copper Gold Porphyry Project in Northern Ecuador, for general working capital purposes and ongoing corporate costs. SolGold intends to contract additional drill rigs to expand exploration on the overall Cascabel concession whilst also continuing to work towards the delivery of a maiden resource at the Alpala Prospect, the only one of the fourteen separately identified targets to be drill tested to date.

Commenting on the SolGold capital raising CEO Nick Mather said:

"We are very pleased to have Maxit and a number of its clients as shareholders, and now have the funds available to enable aggressive drill testing of the seven priority targets in the Cascabel cluster, and the definition of an expanded and larger maiden resource at Alpala."

DGR Global's interest in SolGold, as a result of the Maxit First Tranche settlement as outlined above, has increased from 152,532,214 shares (15.99%) to 207,394,714 shares (16.97%). The remainder of DGR Global's current loan with SolGold (approximately USD50,000) will be repaid and the facility closed out.

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On Thursday 25 August 2016 in London, SolGold provided an update of its overall capital raising program, which includes further arrangements led by Maxit (**Maxit Second Tranche**) and interest received by SolGold independent of Maxit.

Under the Maxit Second Tranche arrangements, SolGold and Maxit have agreed that, following the closure of the Maxit First Tranche, Maxit would hold an option to lead a further equity raising of up to US\$15 million at a price to be determined, with the amount able to be reduced at SolGold's election. Maxit is entitled to include third parties in the placement of shares, subject to the approval of SolGold. SolGold advised that demand for the Maxit Second Tranche has been strong from a number of major international mining and resource investment funds.

Arrangements for the Maxit Second Tranche are expected to be finalised by 10 October 2016, and are subject to SolGold shareholders approving the issue and allotment for Tranche 2 at a SolGold shareholder's meeting to be convened.

SolGold also revealed that, independent of its arrangements with Maxit, it had entered into a number of Confidentiality Agreements with unassociated third party major international mining companies, and that several of these had conducted detailed due diligence and project site reviews. SolGold is, as a result, in advanced negotiations for the potential participation of a major international gold mining company in its capital raising initiatives.

About SolGold's Cascabel Project

Cascabel is characterised by fourteen (14) identified targets, world class drilling intersections over 1km in length, and high copper and gold grades, as well as logistic advantages in location, elevation, water supply, proximity to roads, port and power services and a progressive legislative approach to resource development in Ecuador. SolGold has only drill tested one of the 14 targets, being Alpala.

To date SolGold has completed geological mapping, 25km² of soil sampling, 14km² and an additional 9km² Induced Polarisation and Magnetotelluric "Orion" surveys over the Alpala cluster and Aguinaga targets respectively. By June 2016, SolGold had also completed approximately 23,700m of drilling and expended a total of approximately US\$33m on the exploration program, corporate costs and investments into Cornerstone Capital Resources Inc (TSX:CGP). Intense diamond drilling is planned for the next 12 months with four drilling rigs.



On behalf of the Board
Karl Schlobohm
Company Secretary

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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 has recently 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 Archer 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.