



## **DGR Global Limited**

**7 June 2018**

### **DGR Business Update**

The Board of Directors of international resource company creator, DGR Global Limited (**the Company; ASX: DGR**), is pleased to provide an update with regard to various recent developments within the Company's range of sponsored listed entities.

Interested shareholders are encouraged to read the full releases of each particular company mentioned below, as compliance with the ASX Listing Rules restricts what can be detailed by DGR Global in this announcement. Shareholders are also reminded that updates, photos and articles of relevance for each company are available via each company's Twitter account, and by registering to receive news directly via our electronic mail-out service, available for each company on their respective websites (refer below).

#### **SolGold plc | LSE / TSX: SOLG (12% owned by DGR)**

On 6 June 2018, SolGold provided the market with an update in relation to its 85% owned flagship Cascabel Copper-Gold Project in Northern Ecuador.

Approximately 114,000m of diamond drilling has been completed on the Cascabel Project to date. Currently, SolGold has 12 drill rigs active on site, with 10 rigs drilling on the Alpala cluster, and 2 rigs drilling at the Aguinaga prospect. SolGold's Cascabel drill program for 2018 comprises over 120,000m of planned drilling focussing on extending and infilling the Alpala deposit, as well as further drill testing of the rapidly evolving Aguinaga prospect. Drill testing of the Trivinio target continues, whilst the numerous other untested targets, namely at Moran, Cristal, Tandayama-America and Chinambicito, are flagged for drill testing as overall program demands allow.

Assay results from the initial 53,616m of drilling at Alpala were incorporated into the Alpala maiden Mineral Resource Estimate (**MRE**) completed in December 2017 and announced by SolGold on 3 January 2018. A further 60,300m of drilling has been completed since development of the MRE, and major resource growth is expected in a revised MRE.

SolGold geologists are observing extensive resource growth outside current inferred and indicated resource blocks at Alpala as well as observing substantial conversion of previously estimated resource tonnage to higher grades as drill hole density increases throughout the deposit area.

In addition to the Cascabel Project, SolGold has 100% ownership of a further 73 concession areas within Ecuador, and ongoing exploration across those areas continues to provide new discoveries of copper and / or gold prospective targets.

Copies of all of SolGold's market releases are available on the Company's website: [www.solgold.com.au](http://www.solgold.com.au)

The current value of DGR Global's investment in SolGold is approximately \$85 million.

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### **Armour Energy Limited | ASX: AJQ (22.4% owned by DGR)**

On 31 May 2018, Armour advised the market of the spudding of Myall Creek Well 4A, designed as a production well for the Company's Kincora Project on the Roma Shelf, which is currently producing and selling gas at the rate of 9TJ's per day. The Myall Creek 4A well has been located and designed on the basis of proximity to existing productive wells using state of the art seismic interpretation, and stimulation and completion techniques. Based on stimulated gas flows from wells in the Myall Creek Gas Field achieved historically by previous operators, Armour is confident of achieving economic flow rates of petroleum and slow decline rates. The well will be partly funded by a Federal Government Gas Acceleration Program (GAP) grant of up to \$6m to assist with the drilling of four (4) production wells over the next 12 months.

On 21 May 2018, Armour provided the market with an updated resources and reserves statement in relation to its Kincora Project on the Roma Shelf in Queensland.

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

The current value of DGR Global's investment in Armour Energy is approximately \$18.5 million (\$8m in shares at market value plus \$10.5m in Convertible Notes at face value).

### **Aus Tin Mining Limited | ASX: ANW (18.4% owned by DGR)**

On 20 April 2018, Aus Tin Mining announced that a new \$2.5M Convertible Security Funding Agreement (CSFA) had been executed with the Australian Special Opportunity Fund L.P, a fund managed by The Lind Partners (together **Lind**). Having fully repaid the previous Lind facility in January 2018, Aus Tin secured improved terms for the new CSFA arrangement, notably a fixed conversion price of \$0.035 per share for the first 10 months, representing a 105 percent premium to Aus Tin's prevailing 5-day VWAP. Aus Tin will utilise the funds to meet exploration, general corporate and working capital costs, and deliver Level 2 production at Granville, completion of pre-construction activities at Taronga and next stage exploration at Mt Cobalt. The terms of the CSFA arrangements are due to be approved by shareholders at an EGM convened by the Company for 22 June 2018.

On 7 June 2018, Aus Tin announced that following finalisation of its 2017 trial shipment, it had entered into a new, two year tin purchase agreement with Traxys Europe S.A for tin concentrate from its Granville Tin Project. Whilst the terms of the agreement are confidential, key elements of the previous agreement, including the purchase of the concentrate "ex-mine gate" and payment linked to the prevailing US dollar tin price as quoted on LME have been retained. Taking into account new thresholds for certain penalty elements, overall the new agreement provides for more favourable terms for Aus Tin.

Aus Tin also announced that work on its new Tailings Storage Facility (TSF) at Granville continues to progress, although the schedule has been delayed by approximately four weeks due to combination of weather and a more onerous engineering testing regime than that originally contemplated. The Company has appointed a second contractor to expedite the recovery of local materials for construction of the new TSF to limit any delay, and the additional testing has permitted the increased use of local material which will reduce capital costs. Separately, the Company has sought and obtained approval from EPA Tasmania for installation of a more economical HDPE liner which will reduce the cost and facilitate improved installation.

Full details of this, and all other Aus Tin Mining announcements, are available on the company's website: [www.austinmining.com.au](http://www.austinmining.com.au)

The current value of DGR Global's investment in AusTin is approximately \$6 million.

### **IronRidge Resources Limited | LSE(AIM): IRR (24.4% owned by DGR)**

On 2 May 2018, IronRidge provided a market update on its gold and lithium portfolio in Côte d'Ivoire, where four licenses have been granted, interim exploration programmes have been completed, and a new fieldwork program has commenced including auger drilling.

On 21 May 2018, IronRidge announced that it had encountered multiple, broad visible pegmatite intersections in reverse circulation drilling currently underway at the Ewoyaa Lithium Project in Ghana, West Africa. More specifically, multiple, broad visible pegmatite zones were intersected in the first nine reverse circulation (RC) holes completed over the central zone of the Ewoyaa Project. IronRidge's first phase 5,000m drilling programme is ongoing, currently assessing the southern and northern zones of the Ewoyaa Project and expected to be completed within the coming months. Samples from the first nine RC drill holes have been sent to SGS Ghana for sample preparation and analysis in SGS South Africa. Results are expected within one to two months.

Full details of this, and all other IronRidge announcements, are available on the Company's website: [www.ironridgeresources.com.au](http://www.ironridgeresources.com.au).

The current value of DGR Global's investment in IronRidge is approximately \$33 million.

### **Dark Horse Resources Limited | ASX:DHR (17.5% owned by DGR)**

Dark Horse Resources continues to explore its lithium tenement package in Argentina, and is expected to release results within the next week, as previously forecast in its December 2017 market releases.

On 16 May 2018, Dark Horse announced that it had received the drilling permit to commence diamond drilling at the Las Tapias Mine site in Cordoba Province, Argentina. Dark Horse had been anticipating the grant of the permit, and was making preparations on this basis. Accordingly, drilling was able to commence on site on 22 June 2018.

The first drill holes at Las Tapias have been sited to intersect the lithium-rich, massive spodumene zones identified by Dark Horse in the old underground caves, where two separate, continuous 30-metre sections were previously sampled and analysed, with encouraging assay results reported by Dark Horse. This rich zone will be chased along-strike and down-dip to determine its true extent and grade, and once sufficient data is obtained, a maiden JORC-compliant Resource Estimate will be prepared.

On 7 June 2018, Dark Horse provided a market update on the progress of the Las Tapias drilling program, and also reported that it had secured more favourable terms for the acquisition of the Las Tapias Mine from the local family vendors. Drilling continues.

Full details of this, and all other Dark Horse announcements, are available on the company's website: [www.darkhorseresources.com.au](http://www.darkhorseresources.com.au).

The current value of DGR Global's investment in Dark Horse Resources is approximately \$7 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.au](http://www.dgrglobal.com.au)

Email: [info@dgrglobal.com](mailto:info@dgrglobal.com)

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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 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](http://www.dgrglobal.com.au)