



DGR Global Limited

13 May 2015

DGR Business Update

Following the comprehensive market release of 14 April 2015, the Directors of DGR Global Limited (ASX: DGR) wish to provide shareholders and investors with a further update of its business and strategic plans, together with a summary of the latest developments within its wider resource industry interests.

Strategic and Business Plans

As previously outlined, DGR Global continues to pursue the low-cost, generative approach to exploration project identification and development. It is not the Company's intention to use its capital to acquire early stage / greenfields exploration projects. Other more advanced / production opportunities may be considered for acquisition in the current prevailing market as part of the evolutionary development of the DGR business model, recognizing that the current challenging market environment is presenting many opportunities.

In this regard, the Company is currently reviewing a number of available projects, focussing particularly on copper, and other base metals, high-grade gold, and oil. Key parameters for any acquisition remain that any identified opportunities must be well managed, high-grade, in a safe jurisdiction, without major technical or financial risks, show a five year reserve and resource life, and exhibit impressive local exploration upside and profitability with manageable and bankable capital costs.

As the identification of a particular project or productive asset opportunity materialises and the funding requirements for investment become clearer, the Company will turn its attention to the rights issue capital raising outlined in the previous market release. The Company is not presently progressing the rights issue and will update the market in due course as and when a decision is made to raise further capital, where needed.

As part of the emergence of DGR as a profitable resource project generation business, the Board currently intends to pay a modest dividend in July 2015. Further details will be announced in due course.

The Board continues to believe that global growth and urbanisation will fuel and accelerate demand for base metals, particularly copper and tin, and improved access to tenures in African and South American nations and technological advancements in exploration techniques, predominantly geophysics are key indices for DGR's efforts.

Investee Summaries

Armour Energy Ltd | ASX: AJQ – DGR 25% - 75m Shares | www.armourenergy.com.au

On 29 April 2015, Armour Energy Limited (ASX: AJQ) provided a market update on recent analysis of the emerging Tawallah Group source rock play in the MacArthur Basin of the Northern Territory. The Tawallah group source rock play is newly recognised, and could potentially add very significant oil and gas resources to Armour's portfolio, in addition to those previously identified.



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The Tawallah Group source rocks are believed to underlie the McArthur Group (which includes the prospective Barney Creek Shale) throughout Armour's EP176, extending east to the Queensland border and south across the Company's EP191. The extent of this newly recognised exploration play within the Company's permits is currently estimated to be 52,000 km².

A recent CSIRO study commissioned by Armour has confirmed oil and gas generative potential in two Tawallah Group shale horizons: the Wologorang and McDermott Formations. Cores from a number of historic mineral wells, drilled within Armour's permit areas, were sampled and analysed. The results from this analysis have shown these Formations contain good organic rich oil and gas source rock in the oil to wet gas generative window, based on total organic carbon (TOC) measurements and organic geochemical markers. Another phase of sampling and analysis is underway which is expected to increase the understanding of these prospective horizons, and inform future exploration activities to appraise the potential.

Discussions on farming out the North Queensland and Northern Territory gas projects are continuing.

SolGold plc | LSE(AIM): SOLG – DGR 10% - 74.5m Shares | www.solgold.com.au

SolGold Plc (LSE(AIM): SOLG) recently completed an Open Offer to shareholders, raising approximately \$4.3 million (GBP £2.2 million) before costs.

SolGold is currently in the process of drilling Hole 11 (CSD-15-11) at the Alpala prospect of its flagship Cascabel copper-gold project in Ecuador. As part of a strategy to deliver results more rapidly, SolGold is in the process of mobilizing a second rig to Cascabel, and also plans to drill deviated holes from existing Holes 5, 7, 8, 9, 10 and 11 to increase the rate of pierce points into the ore body. This strategy has the capacity to save up to 24 days drilling for each deviation hole, enabling up to 10 penetrations per rig per annum, an increase of up to 40% per rig. The second rig may also be used to extend the strike-length of the known Cu-Au mineralization at Alpala, which remains open.

If the determination is made to have two rigs drilling multiple deviated holes off the initial parent holes, the Company expects to be able to drill 20 more holes (18,000 metres) and reduce the all-in costs of drilling from \$720 to \$480 per metre.

On the basis of these planned changes, and the drilling results obtained to date, the Company is targeting the delivery a maiden inferred resource in approximately 12 months.

Aus Tin Mining Limited | ASX: ANW – DGR 14.1% - 133m Shares | www.austinmining.com.au

On 15 April 2015, Aus Tin Mining Limited (ASX: ANW) announced its decision to advance the development of the Taronga Tin Project (Taronga) with a proposed Stage 1 Development comprising trial mining and pilot scale operations. The decision will allow for the accelerated development of Taronga and the overall project as a result of the collection of key data for inclusion in the final project design.

It is contemplated that the trial mining will be undertaken over a 12 month period by a suitably qualified mining contractor, and is expected to generate sufficient revenue at current tin prices to meet all of the capital and operating costs associated with the trial. Run of Mine (ROM) ore from the open pit will be processed on-site using modular equipment including crushers and pre-concentration to produce an intermediate grade concentrate ahead of tin dressing using conventional gravity separation to produce a final concentrate. The trial mining and processing project is designed to demonstrate overall economics of the project and establish the feasibility of ore beneficiation to improve recoveries and reduce operation cost estimates. Aus Tin is in discussions with a global trading house to purchase the concentrate ex-mine gate.

Navaho Gold Ltd | ASX: NVG - DGR 19.9% - 113.5m Shares | www.navahogold.com

In its Quarterly Activities Report for the quarter ended 31 March 2015, Navaho Gold (ASX: NVG) outlined its strategy and plans for low-cost coal production and sale to local industries within the San Juan province of Argentina within 12-18 months. A key appointment of a Project Manager has been made in Argentina to bring these plans to fruition.

The next steps in the Company's plans are for a definitive exploration program and the delineation of JORC-compliant coal resources. A program of detailed geological mapping is planned during 2015 along the entire 50km strike length of the Carazal Formation. In conjunction with this geological definition work, a marketing campaign will be undertaken to identify individual industrial plants requiring fuel, and initial discussions will be held to determine supply requirements. A large number of market supply opportunities are evident in Western Argentina which may be available to a Navaho operated coal mine. The Company is also currently investigating opportunities to secure additional projects in the Desiado massif, where Mr Neil Stuart (Director) was previously instrumental in acquiring the highly prospective Cerro Negro Epithermal Gold Project and advancing the project until the company merged with Andean Resources Ltd, which was itself taken over by the large Canadian miner, Goldcorp in 2010 for \$3.7 billion.

Navaho subsidiary NavGas is continuing to source funding for its highly prospective Roma Shelf (Queensland) and Pirie Torrens Basin (South Australia) oil and gas projects. The South Australian project is specifically focussed on Proterozoic and Cambrian oil and gas accumulations, and includes the historic Wilkatana oil field, which was Santos's first Australian oil project.

IronRidge Resources Ltd | LSE: IRR – DGR 26.3% - 62.3m Shares | www.ironridgeresources.com.au

Iron Ridge has just announced the commencement of exploration, including drilling, at Quaggy, one of the Company's Australian project sites. IronRidge continues to advance a number of matters in preparation for the commencement of exploration programs within its flagship iron ore projects in Gabon. IronRidge Resources recently listed on the AIM Board of the London Stock Exchange, having closed a £9.7 million capital raising at 10p to fund the program. African high grade iron ore, chrome and manganese specialists Assore Ltd (30%) and Sumitomo Corporation (12%) have become significant shareholders as a result of the raising.

Archer Resources Limited | DGR 66.6% | 40 Million Shares (Unlisted)

DGR has recently taken steps to rejuvenate and re-advance Archer Resources towards fundraising and ultimately listing. Discussions are underway with a key executive experienced in copper gold porphyry exploration in South America and Queensland, in conjunction with plans for a \$1.5m seed capital raising. DGR will forgive its current loan to Archer and will also contribute up to 50% of the capital raising. DGR currently holds 40 million shares of the issued capital of 60 million shares.

The Company intends to focus on porphyry-cu-au mineralisation in Queensland at its key Mt Abbot, Calgoa –Colo, Pinnacle-Three Sisters project areas, epithermal gold mineralisation at Hawkwood, and high grade zinc mineralisation at Daddamarine.

Competent Persons Statement

The information herein that relates to Exploration Results is based on information compiled by Nicholas Mather B.Sc (Hons) Geol., who is a Member of The Australian Institute of Mining and Metallurgy. Mr Mather is employed by Samuel Capital Pty Ltd which provides certain consultancy services including the provision of Mr Mather as the Managing Director of DGR Global Ltd (and a Director of DGR Global Ltd's subsidiaries and associates).

Mr Mather has more than five years experience which is relevant to the style of mineralization and type of deposit(s) being reported and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. This public report is issued with the prior written consent of the Competent Person(s) as to the form and context in which it appears.



On behalf of the Board
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Electronic copies and more information are available on the Company website: www.dgrglobal.com

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About DGR Global Limited

DGR Global Limited is focused on generating exploration and development companies in a wide array of minerals.

Projects are conceived directly through the skills and experience of DGR Global's accomplished team of exploration geoscientists (with an enviable track record), not by the costly purchase of exploration properties. Each project or exploration strategy is held in a separate subsidiary.

Investors can choose to invest specifically in a particular project/commodity, or by investing in DGR Global, invest in the resource company generating business which retains a significant carried interest in each project.

DGR Global projects tend to be very large, targeting new provinces with the potential to make world-class discoveries. The exploration concepts are often novel. While increased metal prices and advances in technology can turn former sub-economic deposits into viable projects, DGR Global subsidiary projects frequently emerge from detailed reassessment and reinterpretation of large databases – looking at things from a new angle and with a different focus using state of the art techniques. The DGR Global Directors and Managers have in the past applied new exploration models to extensive tenement areas which have led to identification of new mineral provinces and the discovery of nationally significant resources (e.g. Arrow Energy, Bow Energy, BeMax Resources, Waratah Coal, Auralia). These efforts are now being dedicated to DGR Global.

DGR Global currently holds 75 million shares (25%) in Armour Energy Limited (ASX: AJQ) currently focused on the discovery and development of world class gas resources in northern Australia, 74.5 million shares (10%) in SolGold plc (LSE: SOLG) currently exploring for gold and copper in Ecuador and Queensland, 133 million shares (14.1%) in Aus Tin Mining Limited (ASX: ANW) owner of the Taronga Tin Project, 62.3 million shares (26.3%) in IronRidge Resources Limited (LSE(AIM): IRR) an emerging African iron ore giant backed by Sumitomo and Assore, and 113.5 million shares (19.9%) in Navaho Gold Limited (ASX: NVG) owner of coal projects in Argentina, oil & gas projects in Australia, and Carlin style gold projects in the USA.