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7 April 2022

The Manager
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Dear Sir / Madam

Bidder's Statement – Off-market takeover bid by Gold Road Resources Limited

We act for Gold Road Resources Limited ACN 109 289 527 (ASX: GOR) (**Gold Road**) in relation to its off-market takeover bid (**Offer**) under Chapter 6 of the *Corporations Act 2001* (Cth) (**Corporations Act**) for all the current and to be issued ordinary shares in DGO Gold Limited ACN 124 562 849 (ASX:DGO) (**DGO**).

In accordance with item 5 of section 633(1) of the *Corporations Act 2001* (Cth) (**Corporations Act**), we enclose a copy of the bidder's statement dated 7 April 2022 (**Bidder's Statement**) prepared by Gold Road in relation to the Offer.

For the purposes of section 633(2) and section 633(4)(a) of the Corporations Act and pursuant to a written notice provided to DGO on 5 April 2022, Gold Road hereby gives ASX notice that Gold Road has set the time and date for determining the people to whom the Bidder's Statement is to be sent in accordance with items 6 and 12 of section 633(1) of the Corporations Act as those on the register as at 7.00pm (Sydney time) on 7 April 2022.

The Bidder's Statement has been lodged today with the Australian Securities and Investments Commission and served on DGO.

Yours faithfully

Corrs Chambers Westgarth

O. Carrick

Oliver Carrick
Partner

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Bidder's Statement Recommended Offer

by

Gold Road Resources Limited
ABN 13 109 289 527

to acquire all of your ordinary shares in

DGO Gold Limited
ABN 96 124 562 849

for 2.16 Gold Road Shares for each of your DGO Shares

Accept Now

This is an important document and requires your attention.

If you are in any doubt about how to deal with this document, you should contact your broker, financial adviser or legal adviser.

Offer Information Line

Please call 1300 620 417 (within Australia) or +61 3 9415 4653 (outside Australia), if you have any questions or require assistance with your acceptance. Further information relating to the Offer can be obtained from Gold Road's Offer website at www.goldroad.com.au.

Financial Adviser



Legal Advisor

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Key dates

Announcement Date	4 April 2022
Date of Bidder's Statement	7 April 2022
Date of the Offer	8 April 2022
Offer scheduled to close (unless extended or withdrawn*)	7.00pm (Sydney time) on 9 May 2022

* The Offer may be extended to the extent permitted under the Bid Implementation Agreement and the Corporations Act.

Important Information

Bidder's Statement

This document is the Bidder's Statement dated 7 April 2022 given by Gold Road Resources Limited ABN 13 109 289 527 (**Gold Road**) to DGO Gold Limited ABN 96 124 562 849 (**DGO**) in relation to the off-market takeover offer for all DGO Shares under Part 6.5 of the Corporations Act.

A copy of this Bidder's Statement was lodged with ASIC and filed with ASX on 7 April 2022. Neither ASIC nor ASX nor any of their respective officers take any responsibility for the content of this Bidder's Statement.

Definitions and interpretation

A number of important words and phrases with particular meanings are used in this Bidder's Statement. These terms are explained in **section 11** of this Bidder's Statement. **Section 11** of this Bidder's Statements also includes certain rules of interpretation which apply to this Bidder's Statement.

Investment decisions

This Bidder's Statement does not take into account the individual investment objectives, financial situation or particular needs of each DGO Shareholder or any other person. You may wish to seek independent financial and taxation advice before making a decision as to whether or not to accept the Offer made to you.

Information regarding DGO and the Combined Group

Any information in this Bidder's Statement concerning DGO or DGO's assets and securities, including information on the Combined Group to the extent that it incorporates or reflects information on DGO, has been prepared from publicly available information and limited information made available by DGO to Gold Road. This information has not been independently verified by Gold Road, and accordingly to the extent permitted by the Corporations Act, Gold Road makes no representations or warranties, express or implied, as to the accuracy or completeness of such information.

The information in this Bidder's Statement relating to DGO should not be considered comprehensive. Further information relating to DGO may be included in the Target's Statement which will be sent to you by DGO.

Forward looking statements

This Bidder's Statement may contain forward looking statements, which include statements other than statements of historical fact. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industry in which DGO and Gold Road operate as well as general economic conditions, prevailing exchange rates and interest rates, and conditions in the financial markets and other factors, many of which are beyond the control of Gold Road. Actual events, results, values, performance or achievements may differ materially from events, results, values, performance or achievements expressed or implied in any forward looking statement. The past performance of Gold Road is no guarantee of future performance.

None of Gold Road, any of the Gold Road Directors, officers or advisers, or any other person named in this Bidder's Statement with their consent or involved in the preparation of this Bidder's Statement, gives any representation, warranty, assurance or guarantee that the occurrence of the events

expressed or implied in any forward looking statements in this Bidder's Statement will actually occur. Accordingly, you are cautioned not to place undue reliance on any forward looking statements.

The forward looking statements in this Bidder's Statement only reflect views held as at the date of this Bidder's Statement.

Value of Gold Road Shares

As you are being offered Gold Road Shares as consideration for your DGO Shares, the implied value of the Offer will vary with the market price of Gold Road Shares. Further information on the implied value of the Offer is contained in the 'Reasons why you should accept the Offer' section of this Bidder's Statement.

Foreign Shareholders

DGO Shareholders should note that the consideration under the Offer is Gold Road Shares, which are shares in an Australian public company listed on ASX. The Offer is subject to disclosure requirements in Australia which are different from those applicable in other countries.

DGO Shareholders whose addresses in DGO's registers of securityholders are not in Australia, New Zealand, Singapore, United Kingdom or the United States (excluding DGO Shareholders who are not Accredited Investors) will not be entitled to receive Gold Road Shares on acceptance of the Offer (unless Gold Road determines otherwise). Foreign Shareholders who accept the Offer will be paid a cash amount calculated in accordance with **section 10.11** of this Bidder's Statement.

This Bidder's Statement does not constitute an offer to issue or sell, or the soliciting of an offer to buy, any securities referred to in this Bidder's Statement in any jurisdiction in which the offer or issue of such securities would be unlawful. In particular, the Gold Road Shares have not been, and will not be, registered under the US Securities Act 1933 or the securities laws of any US state or other jurisdiction. Accordingly, the Gold Road Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

To participate in the Offer, DGO Shareholders resident in the United States must sign and return a customary US investor certificate that is available from Gold Road.

New Zealand

This Bidder's Statement is not a New Zealand disclosure document and has not been registered, filed with or approved by any New Zealand regulatory authority under or in accordance with the Financial Markets Conduct Act 2013 or any other New Zealand law.

The offer of Gold Road Shares is being made to existing shareholders of DGO in reliance upon the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 and, accordingly, this Bidder's Statement may not contain all the information that a disclosure document is required to contain under New Zealand law.

Singapore

The Offer is made pursuant to the exemption under section 273(1)(b) of the Securities and Futures Act (Cap 289) (SFA). This Bidder's Statement and any document or material in connection with the offer or sale, or invitation for subscription or purchase of Gold Road Shares are not a prospectus as defined in the SFA and, therefore, have not been and will not be lodged or registered as a prospectus with the Monetary Authority of Singapore (**MAS**). Accordingly, statutory liability under the SFA in relation to the content of prospectuses will not apply. MAS assumes no responsibility for the contents of this Bidder's Statement. MAS has not in any way considered the merits of the Gold Road Shares being offered pursuant to the Offer as described in this Bidder's Statement. You should consider carefully whether this offer is suitable for you.

This Bidder's Statement and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of Gold Road Shares may not be circulated or distributed, whether directly or indirectly, nor may Gold Road Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore except pursuant to and in accordance with the exemption set out in section 273(1)(b) of the SFA or otherwise in accordance with any other relevant exemption under the SFA.

Any offer of Gold Road Shares is personal to you, as a shareholder of DGO, and is not made to you with a view to the securities being subsequently offered for sale to any other party. You are advised to acquaint yourself with the SFA provisions relating to on-sale restrictions in Singapore and comply accordingly.

United Kingdom

Neither this Bidder's Statement nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the Gold Road Shares.

The Gold Road Shares may not be offered or sold in the United Kingdom by means of this Bidder's Statement or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This Bidder's Statement is issued on a confidential basis in the United Kingdom to "qualified investors" (as defined in the UK Prospectus Regulation) and fewer than 150 other persons who are existing shareholders of DGO. This Bidder's Statement may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the Gold Road Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to Gold Road.

In the United Kingdom, this Bidder's Statement is being distributed only to, and is directed at, persons:

- (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005, as amended (**FPO**);
- (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO; or
- (iii) to whom it may otherwise be lawfully communicated,

(together, **relevant persons**). The investment to which this Bidder's Statement relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this Bidder's Statement.

United States

This Bidder's Statement has not been filed with, or reviewed by, the US Securities and Exchange Commission or any state securities authority and none of them has passed upon or endorsed the merits of the offer of Gold Road Shares or the accuracy, adequacy or completeness of this document. Any representation to the contrary is a criminal offence.

The Gold Road Shares have not been, and will not be, registered under the US Securities Act 1933 or the securities laws of any US state or other jurisdiction. The Gold Road Shares are not being offered in any US state or other jurisdiction where it is not legally permitted to do so.

DGO shareholders should note that the Offer is made for the securities of an Australian company in accordance with the laws of Australia and the Listing Rules of the Australian Securities Exchange. The Offer is subject to the disclosure requirements of Australia that are different from those of the United States. Any financial statements included in the Bidder's Statement have been prepared in accordance with Australian accounting standards and may not be comparable to the financial statements of US companies.

It may be difficult for you to enforce your rights and any claim you may have arising under US federal securities laws, since Gold Road is incorporated in Australia and some of its officers and directors are residents of Australia. You may not be able to sue Gold Road or its officers or directors in Australia for violations of the US securities laws. It may be difficult to compel Gold Road and its affiliates to subject themselves to a US court's judgment.

You should be aware that Gold Road may purchase securities other than under the Offer, such as in privately negotiated purchases.

Any pro forma historical financial information included in this Bidder's Statement does not purport to be in compliance with Article 11 of the SEC's Regulation S-X. The pro forma adjustments made in arriving at the pro forma historical financial information included in this Bidder's Statement may not be permissible under the SEC's rules and regulations on pro forma financial presentations.

No internet site is part of this Bidder's Statement

Gold Road maintains an internet site at goldroad.com.au. Any references in this Bidder's Statement to an internet site are a textual reference for information only and no information in any internet site forms part of this Bidder's Statement.

Privacy

Gold Road has collected your information from the registers of securityholders of DGO for the purposes of making the Offer, recording acceptances over your DGO shareholding and, if accepted, accounting to you for the Offer consideration including issuing your new shareholding in Gold Road. Under the Corporations Act, the name and address of security holders are required to be held in a public register. Gold Road and the share registry may disclose your personal information to their Related Bodies Corporate and external service providers and may be required to disclose such information to regulators, such as ASIC. The registered address of Gold Road is Level 2, 26 Colin Street, West Perth WA 6005.

Miscellaneous

All amounts are in Australian currency unless otherwise specified. All references to time are to the local time in Sydney, New South Wales. A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Bidder's Statement are subject to the effect of rounding. Accordingly actual figures may differ.

Chairman's Letter

Dear DGO Shareholder,

Recommended off-market takeover bid for DGO

On behalf of the Gold Road Board, I am pleased to present you with this Bidder's Statement which details Gold Road's Offer to acquire all of your DGO Shares.

The Offer has been unanimously recommended by the DGO Board and each DGO Director intends to accept the Offer in respect of all DGO Shares they own and control (representing approximately 16% of DGO Shares on issue), in each case in the absence of a Superior Proposal.

The all scrip offer represents an attractive and significant implied premium for every DGO Share, implying an offer price of \$3.55 per DGO Share¹, and an equity value of approximately \$308 million (partially diluted basis)².

The Gold Road offer represents an attractive and significant implied premium for DGO shareholders at various volume weighted average share prices (VWAPs)³:

- 20% over the last trading day VWAP (prior to the Announcement Date) of \$2.91 for DGO shares, at an implied offer price of \$3.49 based on Gold Road's last trading day VWAP;
- 28% over DGO's 10 trading day VWAP of \$2.77 for DGO shares, at an implied offer price of \$3.55 based on Gold Road's 10 day VWAP; and
- 37% over the 30 day VWAP of \$2.60 for DGO shares, at an implied offer price of \$3.56 based on Gold Road's 30 day VWAP.

Under the Offer, DGO Shareholders are provided an opportunity to obtain significantly elevated liquidity on their investments given the considerably higher trading liquidity of their resulting holding of Gold Road Shares relative to that of DGO Shares on the ASX, whilst realising an attractive and significant premium to the recent trading levels of DGO Shares.

DGO Shareholders will also gain immediate leverage to the gold price via Gold Road's 50% interest in the high quality Gruyere Gold Mine (**Gruyere**), which is targeting production to a sustainable 350,000 ounces (100% basis) per annum⁴ from calendar year 2023. Gruyere's mine life is greater than 10 years and is one of Australia's largest gold mining operations. In addition, you will gain exposure to Gold Road's industry leading exploration strategy across its 100% owned Yamarna tenements. Gold Road's dividend policy⁵ offers shareholders an opportunity to benefit from future shareholder returns. Importantly, DGO Shareholders will also continue to benefit from exposure to DGO's current suite of assets after they are incorporated in the combined group.

The Offer is conditional on an 80% Minimum Acceptance Condition by DGO shareholders, no disposal of any De Grey Mining Ltd listed securities and other standard conditions. Gold Road intends to waive all remaining conditions within 6 business days after the 80% Minimum Acceptance Condition is met provided there is no subsisting breach of conditions at that time (see **section 10.12** of this Bidder's Statement for the full list of conditions). At this time the Offer will become unconditional. Full details of the Offer, including its terms, are set out in this Bidder's Statement. I encourage you to read this Bidder's Statement carefully, and in its entirety, and then accept the Offer as soon as possible.

¹ Based on the 10 day VWAP of Gold Road shares on the ASX as of 1 April 2022, being the last trading day prior to the Announcement Date. The implied value of the Offer will change with fluctuations in the Gold Road share price.

² Calculated as \$3.55 multiplied by partially diluted shareholding of 86,748,194 shares. Excludes out of the money DGO Options and DGO Performance Rights.

³ Each Gold Road VWAP as of 1 April 2022, being the last trading day prior to the Announcement Date.

⁴ See Gold Road ASX announcements from 17 February 2022 entitled "2021 Annual Mineral Resource and Ore Reserve Statements", 31 January 2022 entitled "Yamarna Mineral Resource Grows and Exploration Update", and 15 February 2021 entitled "Gruyere 3-year Outlook, 2021 Guidance & Growth Strategy" available at goldroad.com.au. Gold Road confirms that all material assumptions underpinning the production target in the initial announcement continue to apply and have not materially changed.

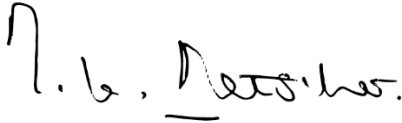
⁵ See Gold Road ASX announcement dated 16 September 2020.

The Offer is open for your acceptance until 7.00pm Sydney time on Monday, 9 May 2022, unless extended. To accept the Offer, please follow the instructions in this Bidder's Statement and the enclosed Acceptance Form.

If you have any questions about the Offer, please contact the Offer Information Line on 1300 620 417 (toll free) (within Australia) or +61 3 9415 4653 (outside of Australia), Monday to Friday between 8.30am and 5.00pm (Sydney time).

The Gold Road team strongly encourages you to carefully read this Bidder's Statement and then to contact your chosen broker to **ACCEPT** this offer.

We look forward to welcoming you as a Gold Road Shareholder.

A handwritten signature in black ink that reads "T. Netscher". The signature is written in a cursive style with a horizontal line under the name.

Tim Netscher
Non-Executive Chairman
Gold Road Resources Limited

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REASONS WHY YOU SHOULD ACCEPT THE OFFER

The Offer provides significant benefits to you as a DGO Shareholder. The key reasons why you should accept the Offer are as follows:

- 1 The Offer is unanimously recommended by DGO Directors**
- 2 The Offer represents an attractive and significant premium for your DGO Shares**
- 3 Opportunity to realise full value of your DGO portfolio**
- 4 De-risks your investment via exposure to an established high quality gold producer**
- 5 Opportunity for you to realise significant liquidity on your investment**
- 6 Avoid future funding and associated dilution risk**
- 7 You may be eligible for CGT roll-over relief**
- 8 You may not incur brokerage or stamp duty in accepting the Offer**
- 9 The DGO Share price may fall after the Offer lapses**

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1. Unanimous recommendation from the DGO Directors

The DGO Directors have announced that they will unanimously recommend that DGO Shareholders accept the Offer, in the absence of a Superior Proposal.

Each DGO Director has also confirmed that he or she intends to accept the Offer in respect of all DGO Shares they own and control on the day that is 21 days after the date of the Offer, again in the absence of a Superior Proposal. Collectively, the DGO Directors own or control approximately ~13.6 million DGO Shares representing approximately ~16%⁶ of all DGO Shares as at the Last Practicable Date prior to the date of this Bidder's Statement. This intention extends to any new DGO Shares issued upon exercise of DGO Convertible Securities owned or controlled by the DGO Directors (which they intend to accept the separate offers being made for those DGO Convertible Securities or immediately exercise and accept the Offer should those DGO Convertible Securities vest in accordance with their terms).

If you accept the Offer made to you and the Offer becomes or is declared unconditional, you will receive 2.16 Gold Road Shares for each of your DGO Shares.

As at the date of this Bidder's Statement, Gold Road is not aware of any Superior Proposal having been received by DGO and DGO has not made Gold Road aware of any party having an intention to make such a proposal.

2. The Offer represents an attractive and significant premium for your DGO Shares

The all scrip offer represents an attractive and significant implied premium for every DGO share, implying an offer price of \$3.55⁷, and an equity value of approximately \$308 million (partially diluted basis)⁸.

The Gold Road offer represents an attractive and significant implied premium for DGO shareholders at various volume weighted average share prices (VWAPs)⁹:

- 20% over the last trading day VWAP (prior to the Announcement Date) of \$2.91 for DGO shares, at an implied offer price of \$3.49 based on Gold Road's last trading day VWAP;
- 28% over DGO's 10 trading day VWAP of \$2.77 for DGO shares, at an implied offer price of \$3.55 based on Gold Road's 10 day VWAP; and
- 37% over the 30 day VWAP of \$2.60 for DGO shares, at an implied offer price of \$3.56 based on Gold Road's 30 day VWAP.

Under the Offer, DGO Shareholders will receive 2.16 Gold Road Shares for each of your DGO Shares held.

Figure 1 and Figure 2 below show the implied value of Gold Road's Offer for your DGO Shares relative to the various historical trading prices and benchmarks of DGO Shares on the ASX up to (and including where relevant) 1 April 2022 (being the last day of ASX trading prior to the announcement of Gold Road's Offer).

⁶ Based on current DGO Shares on issue of 83,477,112 and excludes any new DGO Shares to be issued upon any exercise/vesting of DGO Convertible Securities.

⁷ Based on the 10 day VWAP of Gold Road shares on the ASX as of 1 April 2022, being the last trading day prior to the Announcement Date. The implied value of the Offer will change with fluctuations in the Gold Road share price.

⁸ Calculated as \$3.55 multiplied by partially diluted shareholding of 86,748,194 shares. Excludes out of the money DGO Options and DGO Performance Rights.

⁹ Each Gold Road VWAP as of 1 April 2022 being the last trading day prior to the Announcement Date.

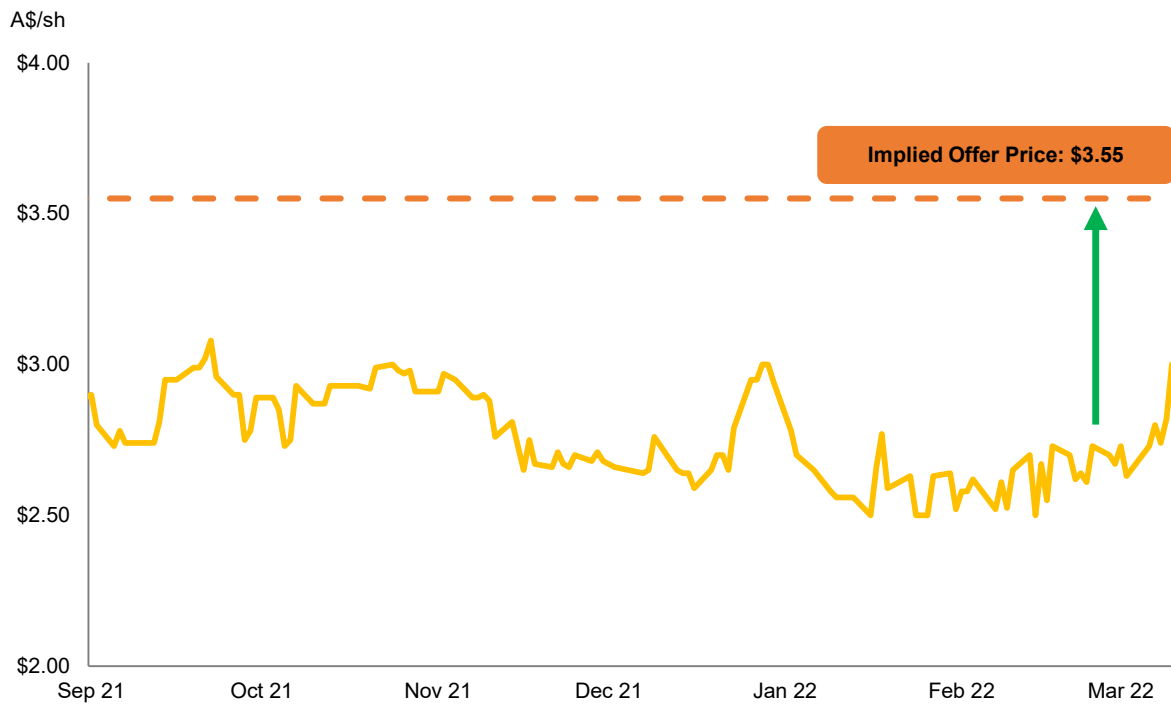


Figure 1 - Premium under implied value of Gold Road's Offer relative to DGO's historical trading price up to 1 April 2022, being the last trading day prior to the Announcement Date (Source: Bloomberg)

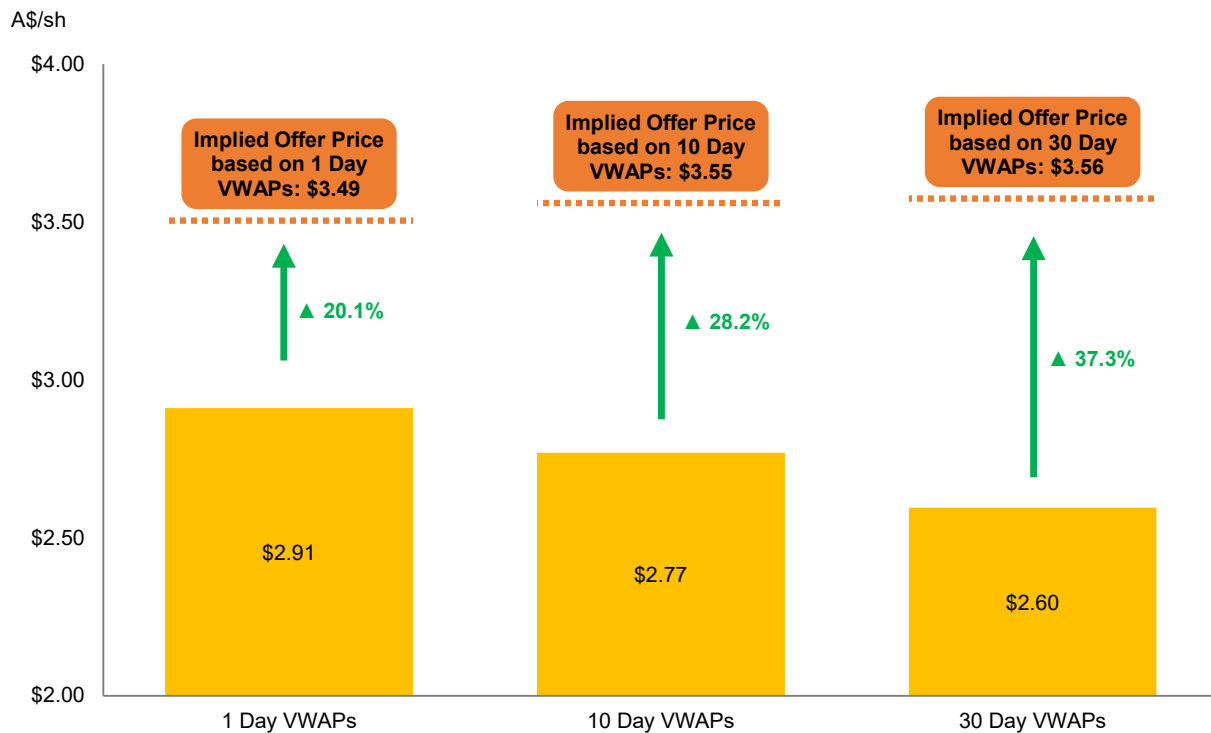


Figure 2 - Premium under implied value of Gold Road's Offer relative to DGO's historical trading benchmarks up to 1 April 2022, being the last trading day prior to the Announcement Date (Source: Bloomberg)

3. Opportunity to realise full value of your DGO portfolio

DGO's share price has historically traded at a discount to the underlying market valuation of the individual listed investments that make up a significant portion of DGO's portfolio of investments and exploration assets over the majority of the last six month period. Additionally, if DGO were to seek to monetise its portfolio holdings outside of Gold Road's Offer, this would likely have tax implications. This transaction offers DGO shareholders the opportunity to achieve fuller value for the portfolio, as well as complimenting it through exposure to the high quality Gruyere operation and Yamarna exploration tenure.

4. Maintain exposure to DGO's portfolio through a shareholding in a high quality ASX200 gold producer with Tier 1 production and exploration assets

Gold Road is an established ASX200 listed mid-tier Australian gold producer with a Tier 1 mine¹⁰ and exploration projects in the underexplored and highly prospective Yamarna Greenstone Belt in Western Australia's north-eastern Goldfields.

By becoming a Gold Road Shareholder, you will de-risk but maintain exposure to DGO's portfolio of assets through a shareholding in a high quality ASX200 gold producer as you gain immediate leverage to the gold price via Gold Road's 50% interest in the Gruyere Gold Mine (**Gruyere**). Gruyere was developed in joint venture with Gold Fields Ltd and produced first gold in June 2019. Gruyere is targeting production to a sustainable 350,000 ounces (100% basis) per annum from calendar year 2023.¹¹ Gruyere's mine life is greater than 10 years and is one of Australia's largest gold mining operations.

In addition to Gold Road's 50% interest in Gruyere, Gold Road controls 100% of tenements covering ~3,250 km² across the Yamarna Greenstone Belt with a Mineral Resource of 0.51 million ounces. Gold Road is executing an industry leading exploration strategy to discover the next multi-million-ounce gold deposits at Yamarna.

In 2021, Gold Road had attributable gold production of 123,265 ounces at a competitive All-in Sustaining Cost (**AISC**) of \$1,558 per ounce. In 2022, Gold Road expects attributable production from its 50% interest in Gruyere of between 150,000 to 170,000 ounces at an AISC of \$1,270 to \$1,470 per ounce.¹²

Gold Road benefits from strong cash flow generation at Gruyere and a strong balance sheet position (debt free with cash and equivalents of \$139.9 million as at 31 March 2022),¹³ placing it in a strong position to fund future exploration and potential development. Gold Road's dividend policy¹⁴ further offers shareholders an opportunity to benefit from future shareholder returns.

5. Opportunity for you to realise significant liquidity on your investment

Gold Road is an ASX200 listed company with a market capitalisation of approximately \$1.4 billion as at the Last Practicable Date prior to the date of this Bidder's Statement. Furthermore, Gold Road Shares have considerably higher trading liquidity relative to that of DGO Shares on the ASX (see Figure 3 below).

The Offer provides an opportunity for DGO Shareholders to obtain significantly elevated liquidity on their investments (and thus may more readily monetise their resulting holding of Gold Road Shares if desired) whilst realising a significant premium to the recent trading price of DGO Shares. In the six month period ending 1 April 2022 (being the last day of ASX trading prior to the announcement of Gold Road's Offer), the average daily turnover of Gold Road Shares was approximately \$7 million per day compared to the average daily turnover of DGO Shares of approximately \$71,000 per day.

¹⁰ Gold Road defines a Tier 1 mine as an operation that produces ~300,000 ounces per annum with a large mineral resource and ore reserve base. There is no commonly agreed definition of a Tier 1 mine in the gold industry.

¹¹ See Footnote 4 above for production target disclosure.

¹² See Gold Road ASX announcement dated 31 January 2022.

¹³ See Gold Road ASX announcement dated 7 April 2022.

¹⁴ See Gold Road ASX announcement dated 16 September 2020.

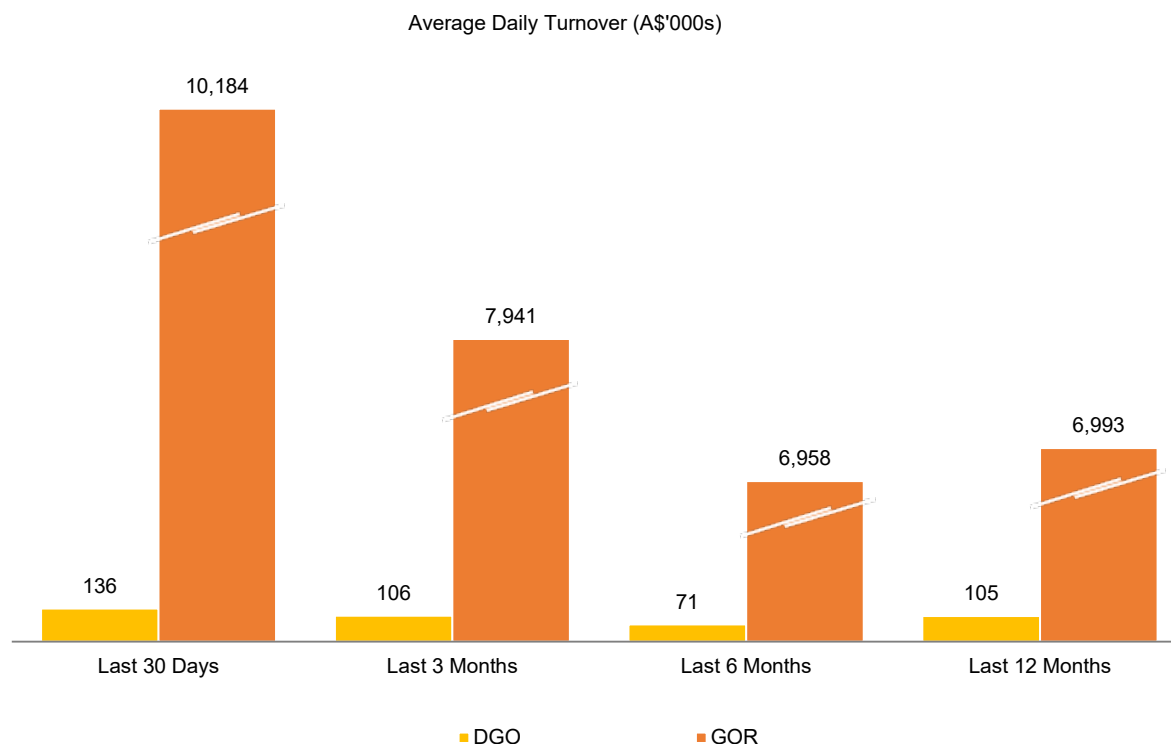


Figure 3 – Daily traded volumes of Gold Road and DGO Shares on the ASX for the twelve month period ending 1 April 2022, being the last trading day prior to the Announcement Date (Source: Bloomberg)

6. Avoid future funding and associated dilution risk

DGO currently has a latest disclosed net debt position of \$6.4 million¹⁵. Future funding would likely require raising further debt, future equity dilution and / or selling all or part of DGO's strategic listed investments.

Gold Road is well positioned with \$139.9 million in cash and no drawn debt¹⁶ to provide capacity for substantial future funding requirements without the need to dilute shareholder's equity or any forced sale of any strategic listed investments.

7. You may be eligible for CGT roll-over relief

DGO shareholders may benefit from CGT scrip for scrip roll-over relief if Gold Road is able to acquire at least 80% of all DGO Shares.

Information in relation to CGT roll-over relief and general Australian taxation implications of accepting the Offer are set out in **section 7**. The Australian tax guide does not take account of your individual circumstances and does not constitute tax advice. You should consult your own independent professional tax advisor for tax advice, taking into account your individual circumstances. To maximise the potential for CGT roll-over relief to be available, the Offer is subject to an 80% Minimum Acceptance Condition. Gold Road may only declare the Offer to be free of the 80% Minimum Acceptance Condition if there is a Superior Proposal or in the event the Bid Implementation Agreement is terminated for any reason.

¹⁵ Refer to DGO's and Gold Road's joint ASX announcement dated 4 April 2022. The drawdown on the debt facility with Bell Potter is \$6.5 million as at 31 March 2022.

¹⁶ Refer to Gold Road ASX announcement dated 7 April 2022.

8. You may not incur brokerage or stamp duty in accepting the Offer

If you accept the Offer and your DGO Shares are registered in an Issuer Sponsored Holding in your name, you will not incur brokerage on the transfer of your DGO Shares to Gold Road pursuant to the Offer.

If you accept the Offer and your DGO Shares are registered in a CHESS Holding, or if you are a beneficial owner whose DGO Shares are registered in the name of a Broker, bank, custodian, or other nominee, you should ask your Controlling Participant (usually your Broker) or that nominee whether it will charge any transactional fees or service charges in connection with acceptance of the Offer.

If you sell your DGO Shares on the ASX, rather than disposing of them via the Offer, you may incur brokerage charges (and, potentially, GST on those charges).

You will not be required to pay any stamp duty on the disposal of your DGO Shares under the Offer or on the acquisition of Gold Road Shares under the Offer.

9. The DGO Share price may fall after the Offer lapses

Since the Announcement Date, DGO Shares have traded at a level that reflects the implied value of the Offer.

If the Offer is not successful and an alternative third party proposal does not emerge, the DGO Share price may decline and may trade below the implied value of the Offer. As a result, DGO Shareholders who have not accepted the Offer before it lapses may not have another opportunity to sell their DGO Shares for the implied value of \$3.55¹⁷ per DGO Share as at 1 April 2022 (being the last day of ASX trading prior to the announcement of Gold Road's Offer).

¹⁷ Based on the 10 day VWAP of Gold Road shares on the ASX as of 1 April 2022. The implied value of the Offer will change with fluctuations in the Gold Road share price.

SUMMARY OF THE OFFER

The information set out in this section is a summary of the Offer and should be read in conjunction with the detailed information contained in this Bidder's Statement.

You should read this Bidder's Statement and DGO's Target Statement in their entirety before deciding whether to accept the Offer made to you.

Question	Answer	Further information
Who is Gold Road?	<p>Gold Road is an Australian public listed company with a market capitalisation of approximately \$1.4 billion as at the Announcement Date. Gold Road is a mid-tier Australian gold producer with a Tier 1 mine and exploration projects in the Yamarna Greenstone Belt in Western Australia's north-eastern Goldfields.</p> <p>See section 1 of this Bidder's Statement for further details regarding Gold Road's business.</p>	See section 1
What is Gold Road offering to buy?	<p>Gold Road is offering to buy all of your DGO Shares on the terms set out in this Bidder's Statement.</p> <p>This includes DGO Shares that are issued during the Offer Period as a result of the exercise of DGO Options.</p> <p>You may only accept the Offer for all the DGO Shares you own.</p>	See section 10
What will you receive if you accept the Offer?	<p>If you accept the Offer in respect of your DGO Shares and that Offer becomes or is declared unconditional, you will be issued 2.16 new Gold Road Shares for each DGO Share that you own¹⁸.</p> <p>If you are an Ineligible Foreign Shareholder or a Small Parcel Shareholder, you will not be provided Gold Road Shares. Instead you will be paid by the Sale Nominee the net proceeds of the sale of the Gold Road Shares you would have been entitled to. See section 10.11 for more details.</p>	See section 10
What is the value of the consideration under the Offer?	<p>The consideration under the Offer is 2.16 Gold Road Shares for each of your DGO Shares. The value of the Offer consideration is approximately \$3.55 per DGO Share, based on the 10 day VWAP of \$1.64 per Gold Road Share on 1 April 2022, the day prior to the Announcement Date.</p> <p>As Gold Road Shares are listed on the ASX, the market price of Gold Road Shares can fall as well as rise and may be subject to varied and unpredictable influences.</p> <p>Accordingly, there is no guarantee that a Gold Road Share will continue to be worth the equivalent of \$1.64 or more.</p> <p>See section 2 of this Bidder's Statement for further details regarding the value of Gold Road Shares.</p>	See section 10
When will you receive the Offer consideration?	<p>If you validly accept the Offer made to you, Gold Road will generally pay you the Offer consideration on or before the earlier of:</p> <ul style="list-style-type: none"> one month after the date of your acceptance or one month after the Offer becoming or being declared unconditional (whichever is later); or 21 days after the end of the Offer Period. <p>Ineligible Foreign Shareholders and Small Parcel Shareholders will be paid the cash proceeds of sale to which they are entitled under the Offer in accordance with section 10.11.</p>	See section 10.10

¹⁸ If you are a Foreign Shareholder, you should refer to the 'What if you are a Foreign Shareholder' question below.

Question	Answer	Further information
Will you need to pay brokerage or stamp duty on acceptances?	<p>Brokerage or stamp duty is not payable by you in respect of your acceptance.</p> <p>If your DGO Shares are registered in a CHESS Holding, or if you are a beneficial owner whose DGO Shares are registered in the name of a broker, bank custodian or other nominee, you should ask your Controlling Participant (usually your Broker) or that nominee whether it will charge any transactional fees or service charges in connection with acceptance of the Offer.</p>	See section 7 and section 10.11
Do the DGO Directors support the Offer?	<p>Yes, the DGO Directors have announced that they will unanimously recommend that DGO Shareholders accept the Offer, in the absence of a Superior Proposal.</p> <p>Each DGO Director has also confirmed that he or she intends to accept the Offer in respect of all DGO Shares they own and control no earlier than 21 days after the date of the Offer, again in the absence of a Superior Proposal.</p> <p>Collectively, the DGO Directors own or control DGO Shares representing approximately 16% of all DGO Shares as at the Last Practicable Date prior to the date of this Bidder's Statement. This intention extends to any new DGO Shares issued upon exercise of DGO Convertible Securities owned or controlled by the DGO Directors (which they intend to accept the separate offers being made for those DGO Convertible Securities or immediately exercise and accept the Offer should those DGO Convertible Securities vest in accordance with their terms).</p>	See " Reasons why you should accept the Offer " section
Can you accept the Offer for a portion of your holding?	No. You may only accept the Offer for ALL the DGO Shares you own.	See section 10.6
Can you sell your DGO Shares on market?	Yes, you can sell some or all of your DGO Shares on market, but only if you have not accepted the Offer.	N/A
What if you are an Ineligible Foreign Shareholder or hold a Small Parcel?	<p>Ineligible Foreign Shareholders and Small Parcel Shareholders that accept the Offer will not receive new Gold Road Shares. Instead, Ineligible Foreign Shareholders and Small Parcel Shareholders will be paid the net proceeds of the sale by the Sale Nominee of those Gold Road Shares that you would otherwise have been entitled to in respect of the Offer.</p> <p>Ineligible Foreign Shareholders should read section 10.11 which provides further information on Ineligible Foreign Shareholders and the Sale Nominee process. Gold Road's determination of whether a DGO Shareholder is an Ineligible Foreign Shareholder or Small Parcel Shareholder shall be final.</p>	See section 10.11
When will the Offer close?	The Offer is scheduled to close at 7.00pm (Sydney time) on Monday, 9 May 2022 unless the Offer is extended or withdrawn.	See section 10.3
Can Gold Road extend the time at which the Offer is to close?	Yes. Gold Road can extend the Offer Period in accordance with the Corporations Act provided that the extension does not extend beyond 8 October 2022 which is 6 months from the opening of the Offer unless prior to that date, Gold Road and its Associates together have relevant interests in more than 50.1% of DGO Shares (on a fully diluted basis), in which case Gold Road may extend the Offer Period to a date which is no later than 8 January 2023, which is 9 months from the opening of the Offer.	See section 10.3

Question	Answer	Further information
Is the Offer subject to conditions?	<p>The Offer is subject to a number of conditions, including:</p> <ul style="list-style-type: none"> • an Minimum Acceptance Condition of 80%; • no divestment of DGO's shares in De Grey (and other Marketable Securities except in certain circumstances); • DGO's tenements being maintained; • receipt of any regulatory approvals required; • no order, investigation or application being made which restrains, prohibits or impedes the Offer and the Takeover Bid; • no material adverse change in DGO occurs (which includes an event, change or circumstance reasonably likely to have the effect of the Adjusted Post Hemi Resource Announcement De Grey VWAP falling to a level that is 90% or less than the 5 day De Grey VWAP on ASX immediately prior to the Hemi Resource Announcement); • absence of 'prescribed occurrences' in DGO; • restrictions on the conduct of DGO's business; • no litigation in relation to DGO being announced or commenced; • no prohibited financial indebtedness being incurred; • no distributions being made; and • no material breach by DGO of the Bid Implementation Agreement occurs. 	See section 10.12
Can Gold Road waive the conditions to the Offer?	Gold Road may in its sole discretion declare the Offer to be free from any conditions at any time provided that Gold Road only declares the Offer to be free of the 80% Minimum Acceptance Condition if there is a Superior Proposal or in the event the Bid Implementation Agreement is terminated for any reason.	See section 9.1(b) and section 10.15
What happens if the conditions of the Offer are not satisfied or waived?	If the conditions of the Offer are not satisfied or are waived by the closing date, the Offer will lapse and your acceptance will be void.	See section 10.17
Offer in respect of DGO Convertible Securities	<p>Gold Road is not making a separate takeover offer to holders of DGO Convertible Securities.</p> <p>However, DGO Convertible Securityholders whose DGO Convertible Securities are exercised and converted into DGO Shares during the Offer Period will be able to accept the Offer in respect of the DGO Shares which they are issued.</p> <p>In addition, conditional only on Gold Road's Offer becoming unconditional, DGO and Gold Road will make the DGO Convertible Offer to each remaining holder of DGO Convertible Securities in a form approved by Gold Road to cancel their DGO Convertible Securities for:</p> <ul style="list-style-type: none"> • in the case of the DGO Optionholders, the DGO Option Consideration; and • in the case of all other Convertible Securityholders, nil consideration. 	See section 9.10

Question	Answer	Further information
<p>How do you accept the Offer?</p>	<p>You may only accept the Offer in relation to all your DGO Shares.</p> <p>Issuer sponsored securityholders</p> <p>If your DGO Shares are registered in an Issuer Sponsored Holding (such holdings will be evidenced by an 'I' prefix to your holder number on the accompanying Acceptance Form(s)), to accept the Offer, you must complete and sign the Acceptance Form accompanying this Bidder's Statement in relation to the Offer made to you, in accordance with the instructions on it and return it (using the accompanying pre-addressed envelope if you wish) together with all documents required by the instructions on it, so that they are received at the address given on the Acceptance Form before the end of the Offer Period.</p> <p>CHESS securityholders</p> <p>If your DGO Shares are registered in a CHESS Holding (such holdings will be evidenced by an 'X' prefix to your holder number on the accompanying Acceptance Form), you may accept the Offer by either:</p> <ul style="list-style-type: none"> • completing and signing the relevant Acceptance Form accompanying this Bidder's Statement in relation to the Offer made to you, in accordance with the instructions on it so that it is received in sufficient time for your Controlling Participant to act on your instruction before the end of the Offer Period. Return the Acceptance Form (using the accompanying pre-addressed envelope if you wish) and include all other documents required by those instructions on the Acceptance Form; or • instructing your Controlling Participant (normally your Broker) to accept the Offer made to you on your behalf, in sufficient time for that acceptance to be processed before the end of the Offer Period. <p>Participants</p> <p>If you are a Participant, acceptance of the Offer must be initiated in accordance with Rule 14.14 of the ASX Settlement Operating Rules in sufficient time for that acceptance to be processed before the Offer closes.</p>	<p>See section 10.6</p>
<p>Institutional Acceptance Facility</p>	<p>Gold Road has established an institutional acceptance facility in relation to the Offer which is open to professional investors (as defined in section 9 of the Corporations Act) that hold or beneficially own at least 150,000 DGO Shares. DGO Shareholders who are not Eligible Shareholders cannot participate in the Acceptance Facility.</p> <p>See section 10.7 for further details on the operation of the Acceptance Facility including details to contact the Facility Agent.</p>	<p>See section 10.7</p>
<p>Are there any risks in accepting the Offer?</p>	<p>If you accept the Offer and the Offer is declared unconditional, you will become a Gold Road Shareholder (unless you are an Ineligible Foreign Shareholder).</p> <p>There are risks associated with holding Gold Road Shares, summarised in section 8. In deciding whether or not to accept the Offer, you should carefully consider those risks.</p>	<p>See section 8</p>
<p>What are the tax implications if I accept the Offer?</p>	<p>See section 7 of this Bidder's Statement for some general comments around potential Australian tax implications of this Offer. However, tax implications for accepting the Offer for your DGO Shares will vary for each individual and those general tax comments are not tax advice. Accordingly, you are advised to consult your financial, tax or other professional adviser on the tax implications of acceptance.</p>	<p>See section 7</p>

Question	Answer	Further information
Can you withdraw your acceptance of the Offer?	<p>No. You will not be able to withdraw your acceptance of the Offer unless a right to withdraw arises under the Corporations Act.</p> <p>A withdrawal right will arise if, after you accept the Offer, the Offer remains subject to conditions and Gold Road varies the Offer in a way that postpones the time that Gold Road has to meet its obligations under the Offer for more than one month (for example, if Gold Road extends the Offer for more than one month while the Offer remains subject to any of the conditions of the Offer).</p>	See section 10.9
What happens if you do not accept the Offer?	<p>In those circumstances, you will remain a DGO Shareholder but if Gold Road becomes entitled to compulsorily acquire your DGO Shares, it will proceed with the compulsory acquisition. If this happens, you will need to claim the consideration under the Offer from DGO. You will receive the consideration sooner if you accept the Offer rather than having your DGO Shares compulsorily acquired.</p>	See sections 6.2, 6.3 and 6.4
Where you should go for more information	<p>For further information on how to accept the Offer made to you, please see the enclosed Acceptance Forms.</p> <p>For all queries in relation to the Offer, please contact your legal, financial or other professional adviser, or call the Offer Information Line on 1300 620 417 (toll free) (within Australia) or +61 3 9415 4653 (normal charges apply) (outside of Australia). Please note that any calls to these numbers may be recorded.</p>	

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1 Information on Gold Road

1.1. Overview of Gold Road

Gold Road is a public company limited by shares incorporated in Australia, with ABN 13 109 289 527.

Headquartered in Perth, Western Australia, Gold Road is listed on the ASX (ASX:GOR) with a market capitalisation of approximately \$1.4 billion (as at the Last Practicable Date prior to the date of this Bidder's Statement).

For the full year ended 31 December 2021, as reported in its 2021 Annual Report (which was prepared in accordance with Australian Accounting Standards), Gold Road reported full year consolidated revenue of \$274.8 million and consolidated net profit after tax of \$36.8 million. For the year ended 31 December 2021, Gold Road reported attributable gold production of 123,265 ounces at an All-In Sustaining Cost (**AISC**) of \$1,558 per ounce.¹⁹

For the full year ended 31 December 2020, as reported in its 2020 Annual Report (which was prepared in accordance with Australian Accounting Standards), Gold Road reported full year consolidated revenue of \$294.7 million and consolidated net profit after tax of \$80.8 million. For the year ended 31 December 2020, Gold Road reported attributable gold production of 129,087 ounces at an AISC of \$1,273 per ounce.²⁰

1.2. Gold Road's principal activities and operations

Gold Road is an Australian gold producer with a 50% interest in Gruyere, and with exploration projects in the underexplored Yamarna Greenstone Belt, in Western Australia's north-eastern Goldfields.

Gold Road discovered the Gruyere Deposit in 2013 as part of its exploration across Yamarna. In 2016, Gold Road entered into a joint venture with a wholly owned Subsidiary of Gold Fields Ltd (JSE:GFI) to develop Gruyere. Gruyere produced first gold in June 2019 and from first gold to 31 December 2021, Gruyere has produced 603,832 ounces (100% basis) with Gold Road's attributable production achieved at an AISC of \$1,373 per ounce from the attainment of commercial production²¹.

Gold Road's guidance for 2022 sees Gruyere production of 300,000 to 340,000 ounces (100% basis) at an attributable AISC of between \$1,270 to \$1,470 per ounce.²² Beyond this, the Gruyere joint venturers are targeting significant operational growth to sustain 350,000 ounces (100% basis) per annum from calendar year 2023²³. As at 31 December 2021, Gold Road has attributable Mineral Resources of 4.7 million ounces and an attributable Ore Reserve of 2.2 million ounces.²⁴

In addition to its 50% interest in Gruyere, Gold Road controls 100% of tenements covering ~3,250 km² across Yamarna with a Mineral Resource of 0.51 million ounces²⁵ (included in the above attributable Mineral Resources figure). Gold Road is executing an exploration strategy with the aim of discovering the next multi-million-ounce gold deposits at Yamarna.

Additional information on Gold Road may be found on Gold Road's website goldroad.com.au.

¹⁹ See Gold Road ASX announcement dated 28 March 2022.

²⁰ See Gold Road ASX announcement dated 10 March 2021.

²¹ See Gold Road ASX announcement dated 28 March 2022.

²² See Gold Road ASX announcement dated 31 January 2022.

²³ See Footnote 4 in this Bidder's Statement.

²⁴ See Gold Road ASX announcement dated 17 February 2022.

²⁵ See Gold Road ASX announcement dated 17 February 2022.

1.3. Gruyere Joint Venture

The Gruyere mine was developed as a joint venture between Gold Road and Gruyere Mining Company Pty Ltd, a member of the Gold Fields Ltd group (JSE:GFI) and the manager of the operation. Gold Road maintains a strong oversight of the Gruyere operation through the JV Management Committee and JV Technical Committee. Both joint venture partners have equal representation on the committees, sharing the Chair role which rotates annually between Gold Road and Gold Fields Ltd.

Gruyere is an operating open pit mine in Western Australia. Ore is currently sourced from one open pit, the Gruyere Open Pit. Future ore sources will include satellite open pits from the Golden Highway Ore Reserves located approximately 25 km to the west of Gruyere. Current mining activities are being performed via conventional truck and excavator operations by an experienced open pit mining contractor.

Gruyere's mineral processing facility consists of a primary gyratory crusher, ore stockpiling, a Semi-Autogenous Grinding (SAG) mill, ball mill and pebble crusher milling circuit, pre-leach thickening, standard carbon-in-leach (CIL) circuit, elution, and gravity recovery circuit. Circuit optimisation, mine to mill enhancements and technical studies have enabled debottlenecking learnings to assist with increased throughput rates. The process plant was designed to treat 7.5 Mtpa, however, subsequent work shows this can be increased to approximately 10 Mtpa.²⁶

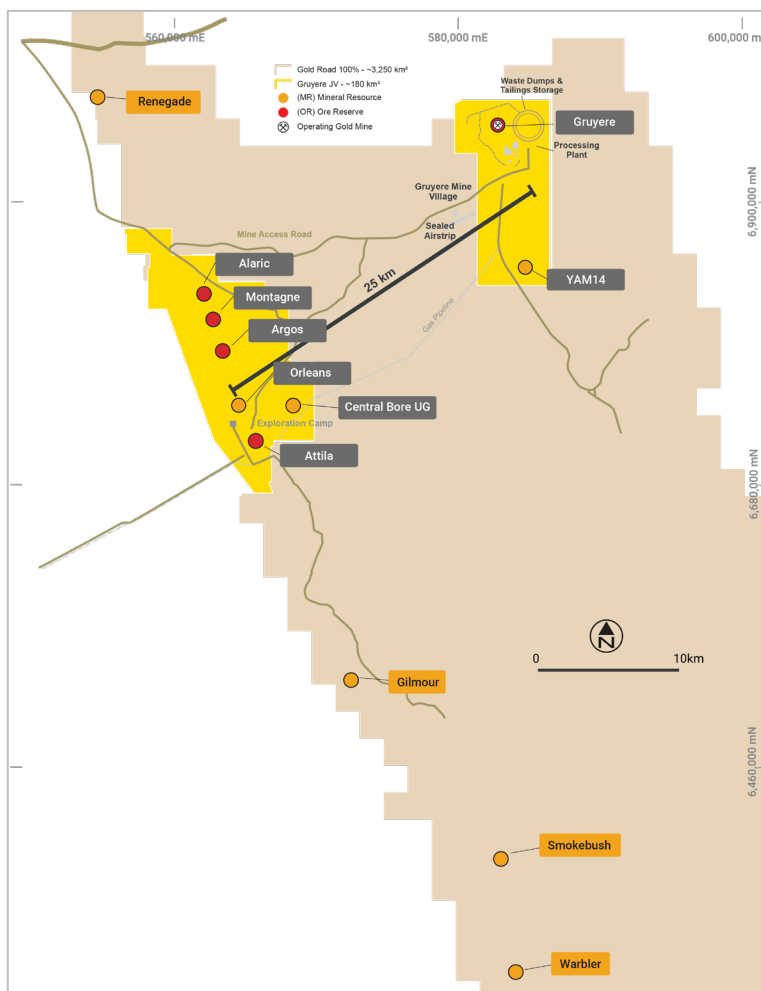


Figure 4 – Gruyere (50%) and Yamama (100%) Mineral Resource and Ore Reserve location map²⁷

Opportunity exists to extend mine life beyond the current Ore Reserve through the conversion of existing open pit and underground resources beneath the current Ore Reserve.²⁷

²⁶ See Gold Road ASX announcements dated 15 February 2021 and 27 October 2021.

²⁷ See Gold Road ASX announcement dated 17 February 2022.

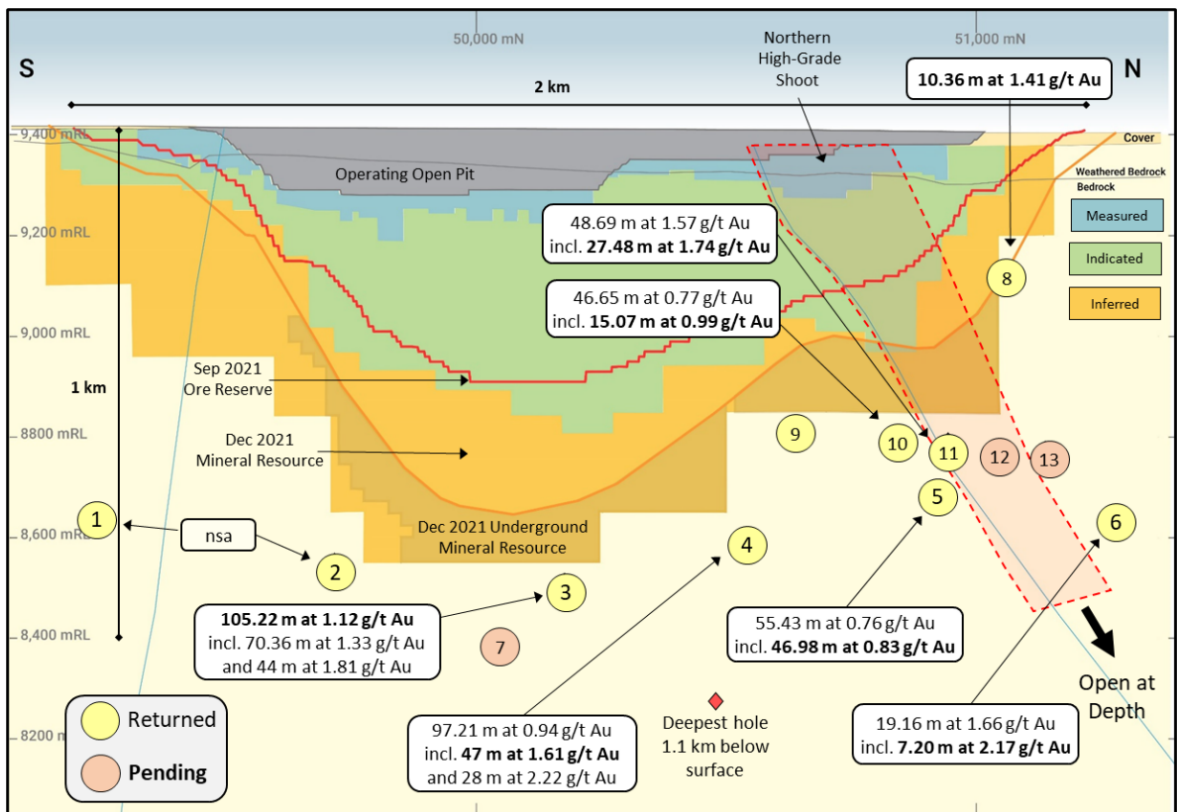


Figure 5– Drilling Beneath Gruyere Mineral Resource²⁸

1.4. Yamarna Exploration Project

Gold Road holds 100% ownership of tenements across almost 100% of the underexplored Yamarna Greenstone Belt that surrounds the Gruyere joint venture tenements. Gold Road holds a ~3,250 km² strategic land position on the Yamarna belt, which due to the remoteness and its masking veneer of sand cover remains underexplored. Yamarna offers a unique opportunity, combining:

- an underexplored greenstone belt geologically equivalent to the highly endowed Eastern Goldfields provinces of the Archean Yilgarn;
- being in the favourable mining jurisdiction of Western Australia;
- a low population density;
- a supportive local community; and
- relatively mild climatic conditions.

Gold Road's exploration strategy is directed at delivering economic value-adding gold deposits that can be developed as standalone mining operations, creating shareholder value through organic growth.

²⁸ See Gold Road ASX announcements dated 17 February 2022 and 31 January 2022.

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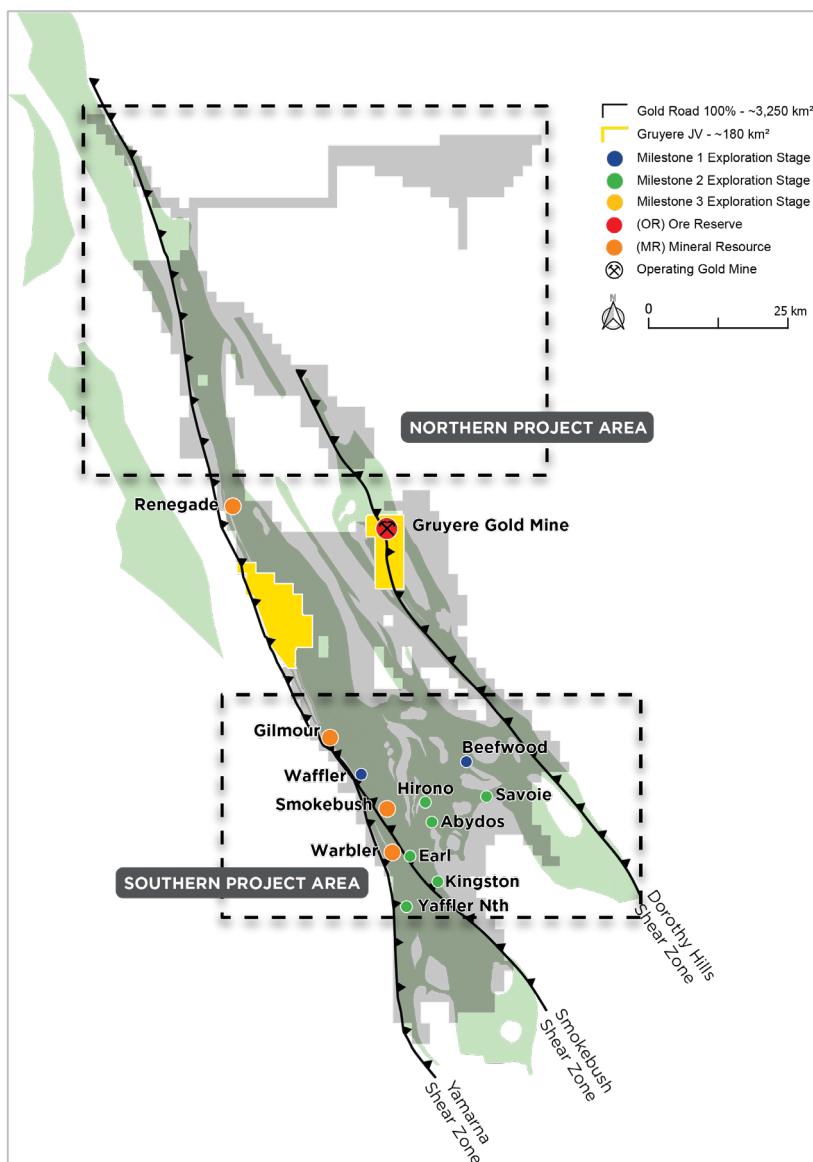


Figure 6 – Yamama tenement plan showing location of Yamama Mineral Resources and priority prospects as of January 2022²⁹

In 2021, exploration was primarily directed towards aircore and reverse circulation (RC) drill testing of promising new targets. High aircore drill productivity across the Southern Project Area successfully delineated several multi-kilometre gold-in-regolith anomalies and associated fertile structural fluid pathways. Advanced RC and diamond follow up drill testing of these results commenced during the December 2021 quarter.³⁰

The 2022 Yamarna exploration program focuses on priority targets within the Southern Project Area, an area exhibiting the key geological elements required for hosting major gold deposits, such as fertile regional structures, prospective host rocks and local structural complexity.

1.5. Other

Gold Road holds a 1.5% Net Smelter Royalty on Gold Fields Ltd's 50% share of production from the Gruyere joint venture after 2 million ounces (100% basis) is produced at Gruyere. As at 31 December 2021, 603,832 ounces had been produced at Gruyere (100% basis).³¹

Gold Road has a number of exploration leases under application in northeast Queensland.³¹ The applications are an early stage exploration project in an area that remains largely underexplored.

²⁹ See Gold Road ASX announcement dated 31 January 2022.

³⁰ See Gold Road ASX announcement dated 31 January 2022.

³¹ See Gold Road ASX announcement dated 28 March 2022.

1.6. Gold Road Mineral Resources and Ore Reserves

Gold Road's attributable Mineral Resources as at 31 December 2021 are shown in the table below.³²

Project Name / Category	Tonnes	Grade	Contained Metal
	Mt	g/t Au	Moz Au
Gruyere Mineral Resources			
Gruyere OP Total	76.31	1.33	3.26
Measured	8.31	1.07	0.29
Indicated	53.16	1.35	2.31
Measured and Indicated	61.47	1.31	2.60
Inferred	14.83	1.38	0.66
Golden Highway + YAM14 OP Total	8.36	1.43	0.38
Indicated	5.45	1.49	0.26
Measured and Indicated	5.45	1.49	0.26
Inferred	2.91	1.32	0.12
Central Bore UG Total Inferred	0.12	13.05	0.05
Total Gruyere	84.79	1.35	3.69
Measured	8.31	1.07	0.29
Indicated	58.62	1.37	2.57
Measured and Indicated	66.93	1.33	2.86
Inferred	17.86	1.45	0.83
Gruyere Underground Mineral Resources			
Gruyere UG Total Inferred	10.93	1.46	0.51
Gold Road Yamarna 100% Mineral Resources			
Renegade OP Total Inferred	1.86	1.13	0.07
Gilmour OP Total	2.29	2.80	0.21
Indicated	0.59	6.78	0.13
Inferred	1.70	1.42	0.08
Gilmour UG Total	0.59	5.14	0.10
Indicated	0.06	4.17	0.01
Inferred	0.53	5.25	0.09
Smokebush OP Total Inferred	1.09	2.61	0.09
Warbler OP Total Inferred	0.62	2.14	0.04
Total Gold Road 100% Owned	6.45	2.44	0.51
Indicated	0.65	6.55	0.14
Inferred	5.80	1.98	0.37
Total Gold Road Attributable Mineral Resources			
Total Gold Road Attributable	102.17	1.43	4.71
Measured	8.31	1.07	0.29
Indicated	59.27	1.42	2.71
Measured and Indicated	67.58	1.38	3.00
Inferred	34.59	1.54	1.72

Table 1 – Gold Road Attributable Mineral Resources Estimate (31 December 2021)

³² Tables subject to rounding. The information in respect of Gold Road's Mineral Resources and Ore Reserves set out in these tables are extracted from the report entitled "Gold Road 2021 Annual Mineral Resources and Ore Reserve Statements update" released to ASX on 17 February 2022. These Mineral Resource and Ore Reserve statements and their accompanying explanatory notes are available to be viewed at goldroad.com.au/ore-reserve-and-mineral-resources-statements. Gold Road is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The form and context in which the competent person's findings are presented have not been materially modified from the original market announcement.

Gold Road's attributable Ore Reserves are shown in the table below as at 31 December 2021.

Project Name / Category	Tonnes	Grade	Contained Metal
	Mt	g/t Au	Moz Au
Gruyere OP Total	50.89	1.27	2.08
Proved	8.37	1.04	0.28
Probable	42.51	1.32	1.80
Golden Highway Total	3.66	1.26	0.15
Proved	0.00	0.00	0.00
Probable	3.66	1.26	0.15
Total Gruyere	54.55	1.27	2.23
Proved	8.37	1.04	0.28
Probable	46.18	1.31	1.95

Table 2 – Gold Road Attributable Ore Reserves Estimate (31 December 2021)

1.7. Gold Road corporate governance

The profiles of the Gold Road Directors as at the date of this Bidder's Statement are set out below.

- **Tim Netscher (Independent Non-executive Chairman)**

Mr Netscher has significant broad-based experience working as a senior executive and company director in the international mining industry. Mr Netscher has had a distinguished career holding senior executive roles with Gindalbie Metals, Newmont Mining, Vale Australia, Pt Inco, BHP Billiton and Impala Platinum, giving him extensive operational, sustainability management, significant capital project development, business improvement and business development experience.

Mr Netscher is a highly experienced public company director and is currently Non-executive Chairman of St Barbara Mines Ltd and a Non-executive Director of Western Areas Ltd. Mr Netscher is a Chartered Engineer and holds a BSc in Chemical Engineering, Bachelor of Commerce and an MBA. He is also a Fellow of the Institution of Chemical Engineers and a Fellow of the Australian Institute of Company Directors.

- **Duncan Gibbs (Managing Director and CEO)**

Mr Gibbs has 35 years industry experience and prior to joining Gold Road held senior and executive positions with AngloGold Ashanti, Acacia and Shell-Billiton. Mr Gibbs was instrumental in leading the exploration, discovery, and development of the >10 Moz Tropicana gold mine and was the inaugural General Manager. Mr Gibbs was also the General Manager at Sunrise Dam, one of the largest underground gold mines in Australia. As AngloGold's head of exploration for Australasia, Mr Gibbs managed exploration teams across Australia, China, Mongolia and exploration interests in south-east Asia.

Mr Gibbs has extensive experience spanning operational management, project studies and construction, HSE management, community engagement, risk and compliance, gold exploration, mine geology, and technical IT. As Managing Director and CEO, Mr Gibbs is the conduit between the Board and management and is responsible for the implementation of Board approved sustainability and climate change strategies and policies. Mr Gibbs is a Member of the Australasian Institute of Mining and Metallurgy, Graduate of the Australian Institute of Company Directors, and holds a Bachelor of Science, Honours (First Class) in Geology from James Cook University. Mr Gibbs is a dual national with Australian and British citizenship.

- **Maree Arnason (Independent Non-executive Director)**

Ms Arnason is an experienced company director and senior executive whose career has spanned 30 years in the natural resources, energy and manufacturing sectors with companies including BHP Billiton, Carter Holt Harvey, Svenska Cellulosa AB (SCA) and Wesfarmers, working across various commodities including copper/gold, iron ore, timber, coal, mineral sands and natural gas. As a Co-Founder/Director of Energy Access Services, Ms Arnason has experience in the start-up, commercialisation and innovation space and was recognised as one of the Top 100 Global Inspirational Women in Mining in 2018.

In her executive career, Ms Arnason was a member of divisional leadership teams for several listed companies with businesses and services located globally. She has worked in many complex corporate, site and project environments with a focus on risk and reputation and has expertise in strategy, sustainability, risk, stakeholder relations, transformations, corporate affairs including government, indigenous and regulatory, divestments and integrations.

Ms Arnason is a Non-executive Director at Trigg Mining Ltd and Australian Solar Investments Ltd. Ms Arnason serves on the Australian Securities and Investment Commission (ASIC) Corporate Governance Consultative Panel, is an Australian Institute of Company Directors WA Division Councillor and a past State Advisory Committee member for the Committee for Economic Development of Australia in Western Australia. She holds a Bachelor of Arts and is a Fellow of the Australian Institute of Company Directors.

- **Brian Levet (Independent Non-executive Director)**

Mr Levet has worked for Rio Tinto Rhodesia, Zimbabwe Iron and Steel Corporation and Newmont Mining Corporation in exploration, project start-up and operational roles. Mr Levet retired from Newmont Mining in 2011 as Group Executive for Exploration. During his 27 years with Newmont Mining Corporation, Mr Levet's exploration and team leadership skills resulted in a number of major discoveries, including the Batu Hijau and Elang copper-gold deposits in Indonesia, the North Lanut gold deposit in North Sulawesi, Indonesia and the McPhillamys gold deposit in New South Wales. Mr Levet also played a significant role in the recognition of Yanacocha Gold Project Peru as a world-class gold mining camp.

Mr Levet is currently a Non-executive Director of EMX Royalty Corporation, which is listed on the TVX-V and NYSE stock exchanges. Mr Levet holds a Bachelor of Science in Geology from the University of London, is a Member of the Australasian Institute of Mining and Metallurgy, and brings over 40 years of diversified mineral industry experience to the Company.

- **Denise McComish (Independent Non-executive Director)**

Ms McComish has extensive financial, corporate, ESG and board experience across multiple sectors, principally in energy and natural resources, financial services and infrastructure, and is a highly experienced and credentialed accounting and audit professional. Ms McComish was a partner with KPMG for 30 years, specialising in audit and advisory services. Leadership positions held included KPMG Australia Board member and National Mining Leader.

Ms McComish is a Non-executive Director and Chair of the Audit Committee of ASX listed Webjet and Macmahon Holdings, and a Non-executive Director for the not-for-profit organisation, Beyond Blue. Ms McComish has been a member of the Australian Takeovers Panel since 2013 and is Chair of the Advisory Board for the School of Business and Law at Edith Cowan University.

Ms McComish is a Fellow of Chartered Accountants Australia and New Zealand and a Member of the Australian Institute of Company Directors. Ms McComish was awarded an honorary Doctorate of Business from Edith Cowan University and in 2018, she was recognised in the Top 100 Global Inspirational Women in Mining.

1.8. Historical financial information of Gold Road

The historical financial information below relates to Gold Road on a standalone basis and accordingly does not reflect any impact of the Offer (i.e. it excludes DGO). The following historical financial information has been extracted from the audited financial statements of Gold Road for the financial periods ended 31 December 2019,³³ 31 December 2020³⁴ and 31 December 2021.³⁵

The financial information presented in the tables below does not represent complete financial statements and should therefore be read in conjunction with the financial statements for the respective periods, including the description of accounting policies contained in those financial statements and the notes to those financial statements. Where appropriate, adjustments have been made to headings and classifications of historical data to provide a consistent basis of presentation.

The historical information is presented in abbreviated form and does not contain all the disclosures required by the Australian Accounting Standards applicable to annual reports prepared in accordance with the Corporations Act.

On 7 April 2022, Gold Road released preliminary production and financial information for the March 2022 quarter. Gruyere produced 71,135 ounces of gold (100% basis) during the March 2022 quarter, in line with expectations, and Gold Road had gold sales of 35,080 ounces at an average realised price of \$2,434 per ounce. Gold Road ended the quarter in a strong cash position with cash and equivalents of \$139.9 million and no debt, after payment of \$6.4 million in tax payments attributable to the prior period.³⁶

Other than as noted above, in the interval between 31 December 2021 and the date of this Bidder's Statement, there has not arisen any item, transaction or event of a material and unusual nature that is likely, in the opinion of the Directors of Gold Road, to significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity, in future financial years.

³³ See Gold Road ASX announcement dated 20 March 2020.

³⁴ See Gold Road ASX announcement dated 10 March 2021.

³⁵ See Gold Road ASX announcement dated 28 March 2022.

³⁶ See Gold Road ASX announcement dated 7 April 2022.

(a) Statement of financial position

Set out below is Gold Road's audited statement of financial position as at 31 December 2019, 31 December 2020 and 31 December 2021.

Statement of Financial Position	31 December 2019	31 December 2020	31 December 2021
	\$'000	\$'000	\$'000
Current assets			
Cash and cash equivalents	101,332	126,387	131,512
Receivables and other assets	2,964	6,671	3,496
Other financial assets	82	874	834
Inventories	18,292	23,376	36,780
Total current assets	122,670	157,308	172,622
Non-current assets			
Property, plant and equipment	330,564	333,886	346,709
Right-of-use lease assets	125,559	117,411	114,974
Exploration and evaluation	16,764	16,972	17,378
Other financial assets	577	1,541	711
Deferred tax asset	10,894	-	-
Total non-current assets	484,358	469,810	479,772
Total assets	607,028	627,118	652,394
Current liabilities			
Trade and other payables	27,689	29,378	30,538
Provisions	1,165	2,709	2,543
Borrowings	49,553		
Lease liabilities	8,572	9,695	10,738
Current tax liabilities	-	7,336	5,526
Other financial liabilities	10,814	8,174	4,708
Total current liabilities	97,793	57,292	54,053
Non-current liabilities			
Provisions	26,202	25,441	29,196
Borrowings	28,955		
Lease liabilities	113,295	106,287	104,878
Deferred tax liabilities	-	14,163	22,783
Other financial liabilities	4,651	4,468	-
Total non-current liabilities	173,103	150,359	156,857
Total liabilities	270,896	207,651	210,910
Net assets	336,132	419,467	441,484
Equity			
Contributed equity	203,949	203,949	204,576
Reserves	2,081	3,622	2,821
Retained income/(Accumulated losses)	130,102	211,896	234,087
Total equity	336,132	419,467	441,484

Table 3 – Gold Road Statement of Financial Position as at 31 December 2019, 31 December 2020 and 31 December 2021

(b) Statement of profit and loss and other comprehensive income

Set out below is Gold Road's audited statement of profit or loss and other comprehensive income for the financial years ended 31 December 2019, 31 December 2020 and 31 December 2021.

Statement of Profit or Loss	12 months ended 31 December 2019	12 months ended 31 December 2020	12 months ended 31 December 2021
	\$'000	\$'000	\$'000
Sales revenue	75,444	294,650	274,759
Cost of sales	(40,507)	(155,992)	(175,370)
Gross Profit	34,937	138,658	99,389
Other income	-	17,461	3,650
Fair value gain on derivatives	-	2,422	7,895
Total other income	-	19,883	11,545
Exploration expenditure	(17,638)	(24,697)	(34,129)
Corporate and technical services	(10,977)	(12,870)	(18,113)
Fair value loss on derivatives	(8,829)	-	-
Profit/(loss) before finance and income tax	(2,507)	120,974	58,692
Finance income	845	480	499
Finance expenses	(3,553)	(7,984)	(7,842)
Profit/(loss) before income tax	(5,215)	113,470	51,349
Income tax (expense)/benefit	560	(32,652)	(14,561)
Profit/(loss) for the year	(4,655)	80,818	36,788
Other comprehensive profit/(loss) net of	(74)	580	-
Total comprehensive profit/(loss)	(4,729)	81,398	36,788

Table 4 – Gold Road Statement of Profit or Loss and Other Comprehensive Income for the Financial Years Ended 31 December 2019, 31 December 2020 and 31 December 2021

(c) Statement of cashflows

Set out below is Gold Road's statement of cash flows for the financial years ended 31 December 2019, 31 December 2020 and 31 December 2021.

Statement of Cash Flows	12 months ended 31 December 2019	12 months ended 31 December 2020	12 months ended 31 December 2021
	\$'000	\$'000	\$'000
Cash flows from operating activities			
Receipts from customers	75,444	290,750	278,660
Interest received	829	468	511
Receipts from government	-	100	-
Interest and fees paid – lease liabilities	(1,119)	(4,294)	(4,148)
Interest and fees paid – borrowings	(1,557)	(2,253)	(2,521)
Payments to suppliers and employees	(22,356)	(119,238)	(140,627)
Payments for exploration and evaluation	(16,810)	(22,840)	(35,280)
Research and development tax benefit	120	-	-
Income tax paid	(508)	-	(7,353)
Net cash flow from operating activities	34,043	142,693	89,242
Cash flows from investing activities			
Payments for PPE	(37,282)	(43,461)	(60,344)
Acquisition of investments	(50)	(9,259)	(33,224)
Proceeds from sale of investments	-	27,334	36,849
Payments for exploration and evaluation	(4,176)	(1,616)	(399)
Proceeds from disposal of PPE	23	18	19
Payments for capitalised interest during development	(4,513)	-	-
Payments for derivatives	(513)	-	-
Transfers from security deposits	187	-	-
Payments for tenement acquisitions	(24)	-	-
Net cash flow from investing activities	(46,348)	(26,984)	(57,099)
Cash flows from financing activities			
Lease repayments	(7,739)	(8,778)	(10,026)
Dividends paid	-	-	(16,992)
Proceeds from borrowings	77,419	50,000	-
Repayment of borrowings	-	(130,419)	-
Transaction costs related to borrowings	-	(1,457)	-
Net cash inflow / (outflow) from financing activities	69,680	(90,654)	(27,018)
Cash and cash equivalents at beginning of year	43,957	101,332	126,387
Net increase in cash and cash equivalents	57,375	25,055	5,125
Cash and cash equivalents at end of year	101,332	126,387	131,512

Table 5 – Gold Road Statement of Cash Flows for the Financial Years Ended 31 December 2019, 31 December 2020 and 31 December 2021

1.9. Dividend and Dividend Reinvestment Plan

On 25 March 2022, Gold Road's Directors determined to pay a dividend of 0.5 cents per fully paid ordinary share, fully franked for an amount of \$4.410 million (**Dividend**).³⁷ The aggregate amount of the proposed Dividend is expected to be paid on 5 May 2022 out of retained earnings as at 31 December 2021. The Dividend Reinvestment Plan will apply to the Dividend, with a 2.5% discount to the applicable 10-day VWAP. The record date for the dividend was 4 April 2022 and the Dividend Reinvestment Plan election date was 5 April 2022.

1.10. Publicly available information on Gold Road

Due to the fact that Gold Road is offering Gold Road Shares as consideration for the acquisition of DGO Shares, the Corporations Act requires this Bidder's Statement to include all information that would be required for a prospectus for an offer of Gold Road Shares under sections 710 to 713 of the Corporations Act. Gold Road does not need to issue a prospectus for the Offer as the Offer is occurring under a takeover bid.

³⁷ See Gold Road ASX announcement dated 28 March 2022.

Gold Road is a disclosing entity for the purposes of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations imposed by the Listing Rules and the Corporations Act. In particular, Gold Road is required to continuously disclose to the market any information it has which a reasonable person would expect to have a material effect on the price or value of Gold Road Shares, subject to certain limited exceptions.

ASX maintains files containing publicly disclosed information about all listed companies. Gold Road's file is available for inspection at ASX during normal business hours. Copies of announcements made by Gold Road to ASX are available from the ASX website or from goldroad.com.au. A list of ASX announcements made by Gold Road since the lodgement of the annual report for the year ended 31 December 2021 is contained in **Annexure 1**.

In addition, Gold Road is also required to lodge various documents with ASIC. Copies of documents lodged with ASIC by or in relation to Gold Road may be obtained from, or inspected at, any office of ASIC.

Gold Road will provide a copy of the following documents free of charge to any DGO Shareholder who requests such documents during the Offer Period:

- Gold Road's annual financial report for the year ended 31 December 2021 (being the annual financial report most recently lodged with ASIC before lodgement of this Bidder's Statement with ASIC);
- any continuous disclosure notices given by Gold Road after the lodgement of the annual report for the year ended 31 December 2021 with ASIC and before the lodgement of this Bidder's Statement with ASIC; and
- any half year financial report lodged with ASIC by Gold Road after the lodgement of this Bidder's Statement with ASIC.

Requests for copies of these documents may be made by contacting Gold Road on +61 8 9200 1600 between 9.00am and 5.00pm (Perth time) Monday to Friday.

2 Information on Gold Road Securities

2.1 Securities on issue in Gold Road

As at the Last Practicable Date prior to the date of this Bidder's Statement, Gold Road had on issue the following securities:

- 882,534,175 Gold Road Shares; and
- 5,091,082 Performance Rights.

Otherwise, there are no other Gold Road securities on issue. Gold Road Shares may be issued under the Dividend Reinvestment Plan (as described in **section 1.9**) during the Offer Period.

2.2 Gold Road's substantial shareholders

As at the Last Practicable Date prior to the date of this Bidder's Statement, based on substantial shareholder notices lodged with the ASX, the substantial shareholders of Gold Road were:

Gold Road substantial shareholder	Gold Road Shares	Voting power (%) ³⁸
Van Eck Associates Corporation (and its associates)	90,295,096	10.23%

The actual number of Gold Road Shares held or voting power may differ from that shown above as there is no obligation to publicly disclose changes if the change in voting power is less than 1%.

2.3 Recent trading in Gold Road Shares

Gold Road Shares are quoted on ASX. Set out below is a table showing relevant trading prices of Gold Road Shares on ASX:

Comparative trading price of Gold Road Shares	Price
VWAP of Gold Road Shares on ASX for the 10 trading days up and including the Last Practicable Date prior to the date of this Bidder's Statement being lodged with ASIC	\$1.63
VWAP of Gold Road Shares on ASX for the 30 trading days up to and including the Last Practicable Date prior to the date of this Bidder's Statement being lodged with ASIC	\$1.65
Highest trading price in the 4 months up to and including the Last Practicable Date prior to the date of this Bidder's Statement being lodged with ASIC	\$1.81
Lowest trading price in the 4 months up to and including the Last Practicable Date prior to the date of this Bidder's Statement being lodged with ASIC	\$1.32
Closing trading price of Gold Road Shares traded on ASX on 1 April 2022, being the last trading day prior to the Announcement Date	\$1.60
Closing price of Gold Road Shares traded on ASX on the Last Practicable Date prior to the date this Bidder's Statement being lodged with ASIC	\$1.57

2.4 Rights and liabilities attaching to Gold Road Shares

(a) Introduction

The Gold Road Shares issued as consideration under the Offer will be fully paid and rank equally with existing Gold Road Shares from the date of their issue.

Gold Road Shares are quoted on the ASX under the code 'GOR'.

An application will be made within seven days of the date of this Bidder's Statement to the ASX for Official Quotation of the Gold Road Shares issued, or which will be issued, under the Offer. Quotation is not guaranteed or automatic on such an application to the ASX. Nothing in this Bidder's Statement will be taken to state or imply that the Gold Road Shares issued under this Offer will be quoted on the ASX, but quotation is expected in the ordinary course as Gold Road is already admitted to the Official List of the ASX.

³⁸ Voting power based on 882,534,175 Gold Road Shares on issue.

The rights and liabilities attaching to the Gold Road Shares that will be issued as the consideration under the Offer are set out in Gold Road's Constitution and are subject to the Corporations Act and the Listing Rules. Gold Road is proposing to amend its Constitution by a special resolution of its shareholders which will be notified to shareholders in a Notice of Meeting. If passed, the rights and liabilities attaching to the Gold Road Shares will be set out in the amended Constitution.

The main rights and liabilities attaching to the Gold Road Shares are summarised below. This summary does not purport to be exhaustive and must be read subject to the full text of Gold Road's Constitution, available on Gold Road's website at <https://goldroad.com.au/corporate-governance/>.

(b) Meetings of shareholders and voting rights

At a meeting of Gold Road Shareholders, each holder is entitled to attend and vote in person, by proxy, by attorney or by representative. Subject to the terms on which shares (or any class of shares) are issued, each Gold Road Shareholder has one vote on a show of hands and one vote per Gold Road Share on a poll for each share held. A quorum is two or more members present in person or by proxy at the meeting and entitled to vote on a resolution at the meeting.

Except where a resolution requires a special majority, questions arising at a general meeting must be decided by a majority of votes cast by the members present at the meeting. If the votes are equal on a proposed resolution, the chairperson of the meeting has a casting vote, in addition to any member vote.

A poll may be demanded by the Chairperson of the meeting, any 5 shareholders entitled to vote present in person or by proxy, attorney or representative or by any one or more shareholders holding not less than 5% of the total voting rights of all shareholders having the right to vote.

(c) Directors

The minimum number of Gold Road Directors is 3 and the maximum is 10. A director may be appointed by resolution at a general meeting. The Gold Road Directors may appoint a new director to fill a casual vacancy or as an addition to the Gold Road Board. If the Directors appoint a Director, Gold Road must confirm the appointment at the next annual general meeting. No Director, other than the Managing Director, may hold office for longer than 3 years without re-election.

(d) Dividends

Gold Road's Directors may determine or declare that a dividend is payable. To the extent permitted by law, the Directors may resolve to pay a dividend out of any available account, including the capital of Gold Road. Subject to the terms on which shares (or any class of shares) are issued, all dividends will be payable equally on all shares, except that a partly paid share will only be entitled to that proportion of the dividend that the amount actually paid on that share bears to the total amounts paid and payable on the share.

(e) Officers' Indemnities and Insurance

Under Gold Road's Constitution, to the extent permitted by law, Gold Road indemnifies every person who is or has been a director, secretary or officer of Gold Road or a Subsidiary of Gold Road against a liability incurred by that director, secretary or officer arising out of the conduct of any activity of Gold Road or relevant Subsidiary or the proper performance of any duty of that director, secretary or officer. Gold Road may also pay the premiums on directors and officers liability insurance in accordance with Corporations Act.

(f) Winding up

If Gold Road is wound up, a liquidator may (with the sanction of a special resolution) divide the whole or any part of Gold Road's property among members or classes of members as the liquidator decides.

(g) Transfer of shares

Gold Road Shares are generally freely transferable. The Gold Road Directors may refuse to register a transfer of Gold Road Shares or request Computershare (being Gold Road's share registry) to apply a holding lock to prevent a proper transfer, in the circumstances identified in the Gold Road Constitution or as otherwise permitted or required under the Corporations Act or Listing Rules.

(h) Issue of further shares

Gold Road Directors may, subject to any restrictions imposed by the Constitution, the Listing Rules and the Corporations Act, allot and issue further Shares with or without preferential rights on such terms and conditions as the Directors determine.

(i) Unmarketable parcels

Subject to the Listing Rules, Gold Road may sell the Shares of a member who holds less than a Marketable Parcel of Gold Road Shares.

(j) Alteration to Constitution

The Constitution can only be amended by special resolution passed at a general meeting of Gold Road. Gold Road must give at least 28 days' notice of its intention to propose a resolution as a special resolution.

As noted above, Gold Road is proposing to amend its Constitution by a special resolution of its shareholders at its forthcoming annual general meeting to modernise its constitution, including to provide greater flexibility and clarity around how Gold Road may conduct hybrid meetings in the future, particularly if the Corporations Act is permanently amended to be more facilitative of such meetings. More specifically, the proposed amendments to the Constitution will confirm the ability of Gold Road to hold meetings using or with the assistance of any technology approved by the directors or in any manner permitted by law (subject to it being a hybrid meeting). The proposed amendments do not permit wholly "virtual" online meetings. Consequential amendments are also proposed to provide clarity around procedural matters, including to ensure that 'online' attendees are treated as being present at the meeting and are counted for a quorum, and to confirm that the Directors may prescribe the detailed procedures by which meetings held with technological assistance may be conducted.

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3 Information on DGO

3.1 Disclaimer

The information on DGO in this **section 3** and elsewhere in this Bidder's Statement has been prepared by Gold Road using publicly available information. The information in this Bidder's Statement concerning DGO has not been independently verified. Gold Road and its Board of Directors do not, subject to applicable law, make any representation or warranty, express or implied, as to the accuracy or completeness of this information. The information on DGO is not considered comprehensive. For more details regarding DGO, you should refer to the Target's Statement, which DGO will send to Gold Road Shareholders as required by the Corporations Act.

3.2 Overview of DGO and its principal activities

DGO is incorporated in Australia and DGO shares are publicly traded on the ASX. DGO's registered office is Level 9, 63 Exhibition Street, Melbourne Victoria.

DGO is an exploration company whose principal activity is to provide participation in a discovery leveraged exposure to gold by allocating capital to major-company-scale discovery opportunities. This is achieved through investing in listed brownfield explorers and building strategic greenfield land positions, which satisfy key selection criteria. DGO's focus is on building a portfolio of Western Australian and South Australian brownfield gold, greenfield copper and gold discovery opportunities, through strategic equity investment, tenement acquisitions and joint ventures.³⁹

DGO's investments include a ~14.4% stake in De Grey Mining (ASX:DEG), a ~6.8% stake in Dacian Gold (ASX:DCN), and a ~20.1% stake in Yandal Resources (ASX:YRL). DGO also holds a 40% interest in Yilgarn Exploration Ventures (the other 60% is held by SensOre (ASX:S3N)).

DGO's greenfield exploration projects include Western Australian tenements of Bryah and Yerrida in the Murchison, Lake Randall, Black Flag and Deleta in the Eastern Goldfields, Mallina in the Pilbara and South Australian tenements of Pernatty in the Stuart Shelf.⁴⁰

Recent updates across DGO's portfolio include:

- De Grey's announcement in October 2021 of the results of a scoping study for the 9 million ounce Mallina Gold Project indicating a 10 year, 427,000 ounce per annum operation;⁴¹
- release of drilling results at Pernatty confirming the presence of Zambian style copper mineralisation;⁴²
- drilling updates at Yerrida highlighting sulphide mineralisation intersections and identification of further targets;⁴³ and
- commencement of drilling at Balagundi Gold Mine in Kalgoorlie, in relation DGO's earn-in interest through its stake in Yilgarn Exploration Ventures.⁴⁴

DGO has a partially drawn loan facility with Bell Potter with a credit limit of \$15 million. DGO's entry into the Bell Potter Finance Facility was announced to ASX on 13 July 2021. DGO has agreed to issue 15,000 Bell Potter Options per \$1 million of the maximum Facility drawn per quarter, or 225,000 DGO Options if \$15 million of the Bell Potter Finance Facility is drawn for 3 months, and 900,000 DGO Options if drawn for 12 months (with a strike price set at 50% premium to the 5 day VWAP at the time of entering into the Bell Potter Finance Facility).

3.3 Directors of DGO

As at the date of this Bidder's Statement, the DGO Directors are as follows:

- Eduard Eshuys – Executive Chairman
- Bruce Parncutt AO – Executive Director
- Ross Hutton – Non-executive Director
- Katina Law – Non-executive Director

³⁹ See DGO ASX announcement dated 11 March 2022.

⁴⁰ See DGO ASX announcement dated 11 March 2022.

⁴¹ See De Grey ASX announcement dated 5 October 2021.

⁴² See DGO ASX announcement dated 17 December 2021.

⁴³ See DGO ASX announcement dated 22 July 2021.

⁴⁴ See DGO ASX announcement dated 3 November 2021.

3.4 Financial information of DGO

DGO released its full consolidated financial accounts for the financial period ending 30 June 2021 on 29 September 2021 and its reviewed financial accounts for the half year ending 31 December 2021 on 11 March 2022. An electronic copy of this report can be obtained from DGO's website www.dgogold.com.au or from the ASX.

The historical financial information below relates to DGO on a standalone basis and does not reflect any impact of the Offer. It is an extract only. The full consolidated financial accounts for the financial periods ending 30 June 2020,⁴⁵ 30 June 2021⁴⁶ and half year ending 31 December 2021,⁴⁷ being the last two full year and half year audited financial statements prior to the date of this Bidder's Statement, which includes notes to the accounts, can be found in DGO's Annual Reports and Half Yearly Reports for those periods. Copies of those Annual Reports and Half Yearly Reports are available from DGO's website at www.dgogold.com.au.

(a) Consolidated statement of financial position

The consolidated statements of financial position of DGO set out below have been extracted from the audited financial statements of DGO for the years ending 30 June 2020, 30 June 2021 and half year ending 31 December 2021, being the last two full year and half year audited financial statements prior to the date of this Bidder's Statement.

Statement of Financial Position ⁴⁸	30 June 2020	30 June 2021	31 December 2021
	\$'000	\$'000	\$'000
Current assets			
Cash and cash equivalents	11,544	7,087	334
Trade and other receivables	368	600	504
Total current assets	11,912	7,686	838
Non-current assets			
Financial assets at fair value through profit or loss	2,032	22,477	22,849
Investments in associates	37,909	57,664	57,513
Property, plant and equipment	98	204	653
Right of use assets	314	199	373
Exploration and evaluation assets	4,823	11,107	18,188
Total non-current assets	45,177	91,651	99,576
Total assets	57,089	99,337	100,414
Current liabilities			
Trade and other payables	767	1,122	1,090
Lease liabilities	106	82	205
Loans payable	-	-	3,008
Provisions	50	76	128
Total current liabilities	924	1,280	4,431
Non-current liabilities			
Lease liabilities	241	159	171
Total non-current liabilities	241	159	171
Total liabilities	1,165	1,439	4,602
Net assets	55,924	97,898	95,812
Equity			
Issued capital	76,841	122,094	131,983
Reserves	4,906	8,597	9,328
Accumulated losses	(25,823)	(32,793)	(45,499)
Total equity	55,924	97,898	95,812

⁴⁵ See DGO ASX announcement dated 30 September 2020.

⁴⁶ See DGO ASX announcement dated 29 September 2021.

⁴⁷ See DGO ASX announcement dated 11 March 2022.

⁴⁸ Totals may not sum due to rounding.

(b) Consolidated statement of profit or loss and other comprehensive income

The consolidated statement of profit or loss and other comprehensive income of DGO set out below for the years ending 30 June 2020, 30 June 2021 and half year ending 31 December 2021 has been extracted from DGO's audited consolidated statement of financial performance for those periods.

Statement of Profit or Loss ⁴⁹	12 months ended 30 June 2020	12 months ended 30 June 2021	6 months ended 31 December 2021
	\$'000	\$'000	\$'000
Interest income	12	7	1
Other income	169	50	-
Net gains/(losses) on financial assets at fair value through profit or loss	3,079	(5,912)	(9,587)
Net gain on disposal of investment in associate	-	10,650	-
Administration and other expense	(754)	(1,187)	(372)
Consultants and contractor expense	(269)	(763)	(532)
Depreciation expense	(169)	(188)	(113)
Employee benefit expense	(143)	(421)	(301)
Exploration and evaluation expenditure	(103)	(775)	(37)
Finance cost	(230)	(30)	(16)
Share based payments expense	(957)	(6,568)	(542)
Share in net loss of investment in associates	(722)	(1,832)	(1,207)
Loss before tax	(88)	(6,969)	(12,706)
Income tax expense	-	-	-
Loss for the year	(88)	(6,969)	(12,706)
Other comprehensive profit/(loss) net of tax	-	-	-
Total comprehensive loss	(88)	(6,969)	(12,706)

⁴⁹ Totals may not sum due to rounding.

(c) Consolidated statement of cash flows

The consolidated statements of cash flows of DGO set out below for the years ending 30 June 2020, 30 June 2021 and half year ending 31 December 2021 has been extracted from DGO's audited consolidated statement of financial performance for those periods.

Statement of Cash Flows ⁵⁰	12 months ended 30 June 2020	12 months ended 30 June 2021	6 months ended 31 December 2021
	\$'000	\$'000	\$'000
Cash flows from operating activities			
Payments to suppliers and employees	(1,110)	(2,536)	(1,005)
Payments for exploration and evaluation activities	(103)	(358)	(102)
Other income	120	50	-
Net cash flow from operating activities	(1,093)	(2,844)	(1,107)
Cash flows from investing activities			
Interest received	21	7	1
Receipt of research and development tax rebate for exploration assets	298	-	-
Proceeds from sale of financial assets at fair value through profit or loss	-	1,062	-
Payments for plant and equipment	(149)	(188)	(443)
Payments for exploration and evaluation assets	(3,316)	(6,284)	(7,081)
Payments for financial assets at fair value through profit or loss	(110)	(6,911)	(9,771)
Payments for investment in associates	(11,000)	(26,103)	(1,056)
Payments for deposits	(32)	9	(34,930)
Net cash flow from investing activities	(14,287)	(38,409)	(53,280)
Cash flows from financing activities			
Proceeds from loans payable	2,500	-	5,000
Payments for loans payable	(2,500)	-	(2,000)
Proceeds from issues of equity securities	23,089	39,028	9,889
Payment for share issue costs	(659)	(2,096)	-
Finance costs	(210)	-	(1)
Principal paid on lease liabilities	(80)	(106)	(129)
Interest paid on lease liabilities	(20)	(30)	(20)
Net cash flow from financing activities	22,121	36,795	12,738
Net increase in cash and cash equivalents	6,741	(4,457)	(6,753)
Cash and cash equivalents at the beginning of the financial year	4,803	11,544	7,087
Cash and cash equivalents at end of year	11,544	7,087	334

3.5 Publicly available information on DGO

DGO is a listed disclosing entity for the purposes of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, as a listed company, DGO is subject to the Listing Rules which require continuous disclosure of any information DGO has concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.

In addition, DGO is required to lodge various documents with ASIC. Copies of documents lodged with ASIC by DGO may be obtained from, or inspected at, an ASIC office. A substantial amount of information about DGO, including its ASX announcements, is available in electronic form on the DGO website www.dgogold.com.au.

The most recent audited financial statements of DGO for the year ended 30 June 2021 were lodged with the ASX on 29 September 2021. DGO's reviewed financial statements for the half year ended 31 December 2021 were lodged with the ASX on 11 March 2022.

Further information about DGO will be contained in its Target's Statement.

⁵⁰ Totals may not sum due to rounding.

4 Information on DGO's securities

4.1 Securities on issue in DGO

According to documents provided by DGO to the ASX, as at the Last Practicable Date before the date of this Bidder's Statement, DGO's issued securities consisted of⁵¹:

- (a) 83,477,112 DGO Shares;
- (b) 4,068,582 DGO Options; and
- (c) 2,405,000 DGO Performance Rights.

Note that under the Bell Potter Finance Facility, DGO may be required to issue further Bell Potter Options based on existing and future drawdowns under the Facility. Any further issues of Bell Potter Options issued pursuant to the Bell Potter Facility will not form part of the bid class securities.

4.2 DGO's Options and Performance Rights (Convertible Securities)

DGO Options	Expiry	Exercise Price	Number
Tranche 1	30 June 2022	\$2.50	3,271,082
Tranche 2	31 July 2022	\$4.50	505,000
Tranche 3	13 July 2023	\$5.37	150,000
Tranche 4	31 December 2023	\$5.37	45,000
Tranche 5	31 March 2024	\$5.37	97,500

DGO Performance Rights	Issue Date	Exercise Price	Number
Series C	19 June 2020	Nil	1,000,000
Series D	1 December 2020	Nil	1,000,000
Series E	13 August 2021	Nil	405,000

Further details on the terms and conditions of the Convertible Securities will be set out in DGO's Target Statement to be released in late April 2022.

4.3 DGO's substantial shareholders

As at the Last Practicable Date prior to the date of this Bidder's Statement, based on substantial shareholder notices lodged with the ASX, the substantial shareholders of DGO were:

DGO Shareholder	Number	Percentage ⁵²
Regal Funds Management Pty Ltd	11,355,119	13.60%
Ginga Pty Ltd	10,489,483	12.57%
Jeffrey Bruce Parncutt AO	8,088,404	9.69%
Cairnglen Investments Pty Ltd	7,161,892	8.58%
Costa Asset Management Pty Ltd	7,075,289	8.48%
Jupiter Fund Management Plc	5,033,333	6.03%
John Barlow	4,360,680	5.22%
Eduard Eshuys	4,332,312	5.19%

The actual number of DGO Shares held or voting power may differ from that shown above as there is no obligation to publicly disclose changes if the change in voting power is less than 1%.

⁵¹ See DGO ASX announcement dated 4 April 2022.

⁵² Based on current DGO Shares on issue of 83,477,112 and excludes any new DGO Shares to be issued upon exercise/vesting of DGO Convertible Securities.

4.4 Recent trading in DGO Shares

DGO Shares are quoted on ASX. Set out below is a table showing relevant trading prices of DGO Shares on ASX:

Comparative trading period price of DGO Shares	Price of DGO Shares
Highest trading price in the 4 months up to and including the Last Practicable Date prior to the date of this Bidder's Statement being lodged with ASIC.	\$3.46
Lowest trading price in the 4 months up to and including the Last Practicable Date prior to the date of this Bidder's Statement being lodged with ASIC	\$2.50
Closing trading price on 1 April 2022, being the last trading day prior to the Announcement Date	\$3.00
Closing price of DGO Shares traded on ASX on the Last Practicable Date prior to the date this Bidder's Statement being lodged with ASIC	\$3.46

4.5 DGO's dividend history

No dividend has ever been paid on DGO Shares.

4.6 DGO incentive plan

As at the date this Bidder's Statement, DGO has not adopted an employee incentive plan.

4.7 Acquisition by Gold Road in past 4 months

Neither Gold Road nor any Associate of Gold Road has provided, or agreed to provide, consideration for DGO Shares under any purchase or agreement during the 4 months before the date of this Bidder's Statement.

4.8 Gold Road's interest in DGO Shares

As at the date of this Bidder's Statement, Gold Road and its Associates do not have a Relevant Interest in, or voting power in relation to, DGO Shares.

As at the date of this Bidder's Statement, the Gold Road Directors have no Relevant Interest in any DGO Shares.

4.9 No collateral or other benefits

During the 4 month period before the date of this Bidder's Statement, neither Gold Road nor any Associate of Gold Road gave, or offered to give, or agreed to give a benefit to another person which was likely to induce the other person, or an Associate of the other person, to:

- accept the Offer; or
- dispose of DGO Shares,

and which is not offered to all holders of DGO Shares under the Offer.

During the period from the date of this Bidder's Statement to the date before the date of the Offer, neither Gold Road nor any Associate of Gold Road gave, or offered to give, or agreed to give a benefit to another person which was likely to include the other person, or an Associate of the other person, to:

- accept the Offer; or
- dispose of DGO Shares,

and which is not offered to all holders of DGO Shares under the Offer.

4.10 No escalation agreements

Neither Gold Road nor any Associate of Gold Road has entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.

5 Profile of the Combined Group

5.1 Overview of the Combined Group

Following completion of the Offer you will become a shareholder in a financially stronger company with a positive growth outlook and continue to participate in the growth of DGO's business as its competencies are complementary to Gold Road's compelling strategic platform. Following the completion of the Offer, the Combined Group will have:

- a pro-forma market capitalisation of \$1.7 billion⁵³, making it a significant ASX200 mid-tier gold producer and explorer;
- a strong balance sheet of ~\$131 million in cash and short term debt of \$6.5 million⁵⁴;
- an expanded and diversified portfolio of direct ownership and strategic investments in exploration and operating assets, with a centre of gravity in Western Australia;
- an experienced and highly qualified management and exploration team with a proven track record of advancing exploration projects to production, based in Western Australia, with the skills, infrastructure, and balance sheet to advance this portfolio efficiently and effectively; and
- a diversified growth business underpinned by cash flow from a 50% interest in a Tier 1 gold mine, Gruyere.

The strategic benefits referred to above assume Gold Road achieves 100% ownership in DGO. These strategic benefits may not be achievable or may only be achievable to a lesser degree at lower levels of Gold Road ownership in DGO.

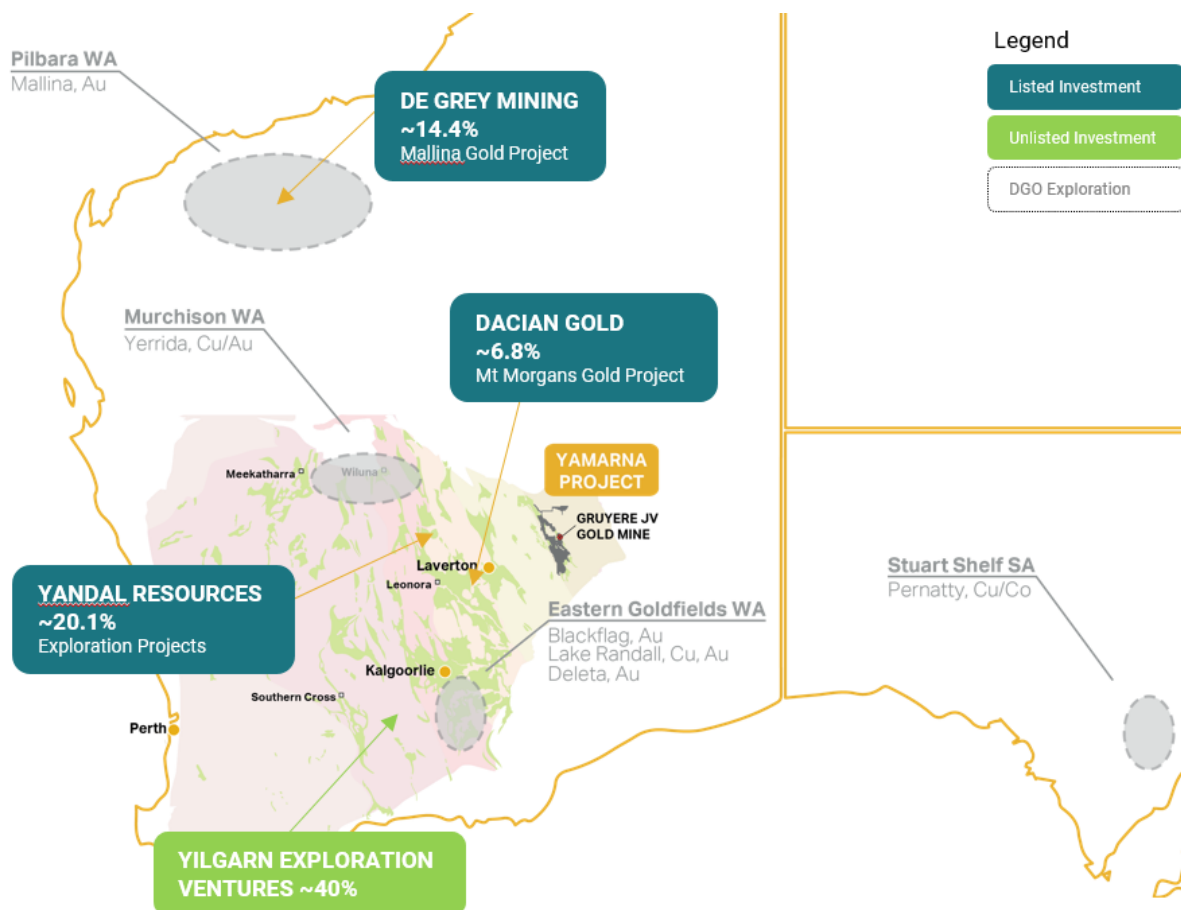


Figure 7 – Location of key pro-forma projects for the Combined Group

⁵³ Pro forma market capitalisation based on Gold Road's share price of \$1.57 (as at the Last Practicable Date prior to this Bidder's Statement) multiplied by Gold Road's pro forma ordinary shares including shares issued to DGO Shareholders and also Gold Road ordinary shares issued to holders of DGO Options.

⁵⁴ Refer to section 5.6 of this Bidder's Statement. Cash position is at 31 December 2021 before transaction costs and any repayment of debt.

5.2 Strategic and operational review

As described in **sections 6.2** and **6.3** of this Bidder's Statement, Gold Road intends to undertake a strategic and operational review with respect to DGO's operations with a view to integrating DGO's operations and personnel into Gold Road's operational and corporate structure. This is likely to involve:

- (a) a further detailed review of DGO's exploration assets;
- (b) closure of the DGO Melbourne office and relocation of certain activities carried out in this office to Gold Road's Perth office;
- (c) relocation of the DGO Perth office to Gold Road's Perth office to consolidate leased premises;
- (d) incorporation of DGO and its subsidiaries into Gold Road's income tax and GST consolidated groups (subject to 100% acquisition of DGO Shares);
- (e) repayment of the Bell Potter Finance Facility;
- (f) integration of DGO employees, into the Combined Group as required to manage the operations and activities of the Combined Group; and
- (g) review of exploration programs and budgets, with prioritisation of expenditure to the highest ranked geological targets.

5.3 Synergies

Gold Road is of the view that the Combined Group has the potential to realise synergies that may result in modest cost savings for the Combined Group in the event that certain offices are closed or relocated to Gold Road's Perth office, corporate and administrative functions are rationalised, debt is repaid and the tax consolidation of the Combined Group on the acquisition of 100% of the DGO Shares (noting Gold Road is currently in a tax paying position).

5.4 Capital structure of the Combined Group

Under the Offer, Gold Road is offering to issue Gold Road Shares to DGO Shareholders. The actual number of Gold Road Shares on issue at completion of the Offer will depend on the level of acceptances of the Offer and the number of DGO Options exercised during the Offer Period.

The potential effect of the Offer on Gold Road's capital structure, post-transaction, is summarised in the table below.

Capital structure of Combined Group	Number held by Gold Road Securityholders	Number held by DGO Securityholders	Total for Combined Group ⁵⁵
Ordinary shares ⁵⁶	882,534,175	182,712,808 ⁵⁷	1,065,246,983
Options	-	- ⁵⁸	-
Performance rights	5,091,082	- ⁵⁹	5,091,082
Total	887,625,257	182,712,808	1,070,338,065
Diluted percentage	83%	17%	100%
Undiluted percentage	83%	17%	100%

Based on information known to Gold Road at the time of this Bidder's Statement and the information provided by DGO at **section 4**, the table below summarises the substantial shareholders of the Combined Group assuming that Gold Road acquires 100% of DGO Shares and DGO Convertible Securities.⁶⁰

⁵⁵ Assumes no new securities are issued by Gold Road, except for as contemplated under the Offer contained in this Bidder's Statement. Note that some Gold Road Shares may be issued under the Dividend Reinvestment Plan during the Offer Period.

⁵⁶ Assumes that the Offer is accepted by all DGO Shareholders and DGO Convertible Securityholders and the conditions to the Offer are satisfied or waived prior to the close of the Offer Period.

⁵⁷ Includes Gold Road ordinary shares issued to DGO Shareholders and also 2,402,256 Gold Road ordinary shares issued to holders of DGO Options.

⁵⁸ A separate offer is being made for the DGO Options on similar terms to the Offer.

⁵⁹ DGO Performance Rights may or may not vest during the Offer Period subject to their respective terms of issues. Figure presented assumes no DGO Performance Rights vest.

⁶⁰ The table below assumes that DGO Options are cancelled and the DGO Performance Rights do not vest, as shown in the Capital Structure of Combined Group table above.

Name	Number of Gold Road Shares held post completion of the Takeover Bid	Current Relevant Interest in Gold Road (%) ⁶¹	Relevant Interest following completion of the Takeover Bid (%) ⁶²
Van Eck Associates Corporation (and its associates)	90,295,096	10.23%	8.48%

5.5 Offer Consideration

The consideration for the acquisition of the DGO Shares to which the Offer relates will be satisfied by the issue of Gold Road Shares. Based on the number of DGO Shares on issue as at the Last Practicable Date before the date of this Bidder's Statement, the maximum number of Gold Road Shares which would be required to be issued under the Offer if every DGO Shareholder accepted the Offer is 180,310,562 Gold Road Shares.

In addition, if during the Offer Period, all DGO Convertible Securities on issue as at the Last Practicable Date before the date of this Bidder's Statement are exercised or converted (irrespective of whether in or out of the money) and the Offer is accepted in respect of the DGO Shares issued, then an additional 13,982,937 Gold Road Shares would be issued. Gold Road has the capacity to issue the maximum number of Gold Road Shares which it may be required to issue under the Offer. Gold Road intends to apply for the quotation of Gold Road Shares issued under the Offer on the ASX within 7 days of the date of the Offer in accordance with the Corporations Act (see section 10.13).

The Offer itself is not subject to any financing conditions.

5.6 Pro-forma Historical Consolidated Financial Information for the Combined Group

This section contains pro-forma historical financial information in relation to the Combined Group comprising the Combined Group historical statement of financial position as at 31 December 2021 (**Combined Group Pro-Forma Historical Financial Information**).

In this Bidder's Statement, references to the Combined Group Pro-Forma Historical Financial Information, means the corporate group that will be formed as it will exist immediately following implementation of the Offer and refers to the Combined Group on an aggregated basis.

This section should be read in conjunction with the underlying financial information from which it is derived, Gold Road's current intentions regarding DGO set out in **section 6**, the risk factors set out in **section 8**, Gold Road's accounting policies, and other information contained within this Bidder's Statement and DGO's Target's Statement.

(a) Basis of presentation of pro-forma financial information

This section provides an overview of the financial effects of the Offer on Gold Road, based on the audited consolidated statements of financial position for each of Gold Road and DGO as at 31 December 2021, assuming that Gold Road acquires 100% or 80% of DGO Shares under the Offer and with the pro-forma adjustments explained in **section 5.6(c)** below. Gold Road's and DGO's annual reports are available from their respective websites or the ASX website (www.asx.com.au).

This financial information has been prepared for illustrative purposes only, to give an indication of the financial position of the Combined Group as if the Offer had been implemented as at 31 December 2021 and has been prepared on an abbreviated basis. It does not provide all the disclosure usually provided in an annual report in accordance with the Corporations Act.

⁶¹ Current Relevant Interest based on last substantial shareholder notice in Gold Road based on 882,534,175 Gold Road Shares on issue.

⁶² Relevant Interest following completion of the Takeover Bid based on 1,065,246,983 Shares on issue for the Combined Group, assuming all DGO Options as at Last Practicable Date before the date of this Bidder's Statement are exercised.

The Combined Group Pro-Forma Historical Financial Information has been prepared in accordance with the recognition and measurement principles contained in Australian Accounting Standards (including Australian Accounting Interpretations) adopted by the Australian Accounting Standards Board, which comply with the recognition and measurement principles of the International Accounting Standards Board and interpretations adopted by the International Accounting Standards Board.

The Combined Group Pro-Forma Historical Financial Information has been prepared in accordance with and should be read in conjunction with the accounting policies detailed in Gold Road's Annual Report for the year ended 31 December 2021. A preliminary assessment has not identified any significant material differences between the accounting policies adopted by Gold Road and DGO.

Pro-forma adjustments and assumptions have also been made to reflect the terms of the Offer. It is assumed that the acquisition will be accounted for as an asset acquisition in accordance with applicable accounting standards. The Combined Group Pro-Forma Historical Financial Information has been prepared using preliminary purchase price accounting estimates. Comprehensive fair value assessments of the DGO assets and liabilities will be completed upon completion of the Offer including fair value purchase price allocation and related tax effect accounting.

(b) Combined Group pro-forma historical consolidated statement of financial position as at 31 December 2021

Pro-forma Statement of Financial Position (100% DGO shares)	Gold Road	DGO	Pro-forma Adjustments	Combined Group
	\$'000	\$'000	\$'000	\$'000
Current assets				
Cash and cash equivalents	131,512	334	(1,326)	130,520
Trade and other receivables	3,496	504	-	4,000
Other financial assets	834	-	-	834
Inventories	36,780	-	-	36,780
Total current assets	172,622	838	(1,326)	172,134
Non-current assets				
Property, plant and equipment	346,709	653	-	347,362
Right-of-use lease assets	114,974	373	-	115,347
Exploration and evaluation	17,378	18,188	-	35,566
Other financial assets	711	-	-	711
Financial assets at fair value	-	22,849	261,062	283,911
Investment in associates	-	57,513	(53,997)	3,516
Total non-current assets	479,772	99,576	207,065	786,413
Total assets	652,394	100,414	205,739	958,547
Current liabilities				
Trade and other payables	30,538	1,090	7,700	39,328
Provisions	2,543	128	-	2,671
Lease liabilities	10,738	205	-	10,943
Current tax liabilities	5,526	-	-	5,526
Other financial liabilities	4,708	-	-	4,708
Loans payable	-	3,008	3,500	6,508
Total current liabilities	54,053	4,431	11,200	69,684
Non-current liabilities				
Provisions	29,196	-	-	29,196
Lease liabilities	104,878	171	-	105,049
Deferred tax liabilities	22,783	-	-	22,783
Total non-current liabilities	156,857	171	-	157,028
Total liabilities	210,910	4,602	11,200	226,712
Net assets	441,484	95,812	194,539	731,835
Equity				
Contributed equity	204,576	131,983	154,876	491,435
Reserves	2,821	9,328	(9,328)	2,821
Asset revaluation reserve	-	-	7,904	7,904
Retained income/(Accumulated losses)	234,087	(45,499)	41,087	229,675
Total equity	441,484	95,812	194,539	731,835

Pro-forma Statement of Financial Position (80% DGO shares)	Gold Road Adjusted	DGO Adjusted	Pro-forma Adjustments	Combined Group
	\$'000	\$'000	\$'000	\$'000
Current assets				
Cash and cash equivalents	131,512	334	(1,326)	130,520
Trade and other receivables	3,496	504	-	4,000
Other financial assets	834	-	-	834
Inventories	36,780	-	-	36,780
Total current assets	172,622	838	(1,326)	172,134
Non-current assets				
Property, plant and equipment	346,709	653	-	347,362
Right-of-use lease assets	114,974	373	-	115,347
Exploration and evaluation	17,378	18,188	-	35,566
Other financial assets	711	-	-	711
Financial assets at fair value	-	22,849	261,062	283,911
Investment in associates	-	57,513	(53,997)	3,516
Total non-current assets	479,772	99,576	207,065	786,413
Total assets	652,394	100,414	205,739	958,547
Current liabilities				
Trade and other payables	30,538	1,090	7,700	39,328
Provisions	2,543	128	-	2,671
Lease liabilities	10,738	205	-	10,943
Current tax liabilities	5,526	-	-	5,526
Other financial liabilities	4,708	-	-	4,708
Loans payable	-	3,008	3,500	6,508
Total current liabilities	54,053	4,431	11,200	69,684
Non-current liabilities				
Provisions	29,196	-	-	29,196
Lease liabilities	104,878	171	-	105,049
Deferred tax liabilities	22,783	-	-	22,783
Total non-current liabilities	156,857	171	-	157,028
Total liabilities	210,910	4,602	11,200	226,712
Net assets	441,484	95,812	194,539	731,835
Equity				
Contributed equity	204,576	131,983	98,260	434,819
Reserves	2,821	9,328	(9,328)	2,821
Asset revaluation reserve	-	-	5,568	5,568
Retained income /(Accumulated losses)	234,087	(45,499)	41,087	229,675
Non-controlling interests	-	-	58,952	58,952
Total equity	441,484	95,812	194,539	731,835

(c) Pro-forma adjustments and assumptions

The following adjustments and assumptions have been made in the preparation of the pro-forma historical consolidated statement of financial position of the Combined Group under the scenario set out in **section 5.6(b)**:

- Accounted for as asset acquisition in accordance with applicable accounting standards.
- The adjustment to share capital is comprised of:
 - \$283.1 million (80% acquisition: \$226.5 million) relating to issuance of 180.3 million (80% acquisition: 144.2 million) Gold Road Shares at an assumed price of \$1.57 per share (based on the closing share price of Gold Road on the Last Practicable Date).
 - \$3.7 million relating to the issuance of 2.4 million Gold Road Shares in settlement of outstanding share options at an assumed price of \$1.57 per share (also at Gold Road closing share price on the Last Practicable Date)
 - Less \$132.0 million relating to the elimination of DGO share capital
 - No adjustment for Performance Rights as these are assumed cancelled at nil cost.
- No adjustment has been made to the recognition of DGO tax losses or to reflect the tax effect of acquisition adjustments.
- The pro-forma balance sheet is indicative only and will vary in aggregate as well as asset and liability classes following the completion of a comprehensive fair value assessment of the DGO assets and liabilities upon completion of the Offer including fair value purchase price allocation and related tax effect accounting.

- The indicative fair value of financial assets, which are comprised of listed company investments, has been determined based on the relevant closing share price as at 5 April 2022. The fair value of all other acquired assets and liabilities has been estimated based on their book values.
- The pro-forma adjustments include recognising a payable for an estimate of transaction costs of both Gold Road and DGO.
- The pro-forma adjustments include the recognition of the following events subsequent to 31 December 2021:
 - Gold Road dividends announced and paid.
 - The further draw down of DGO's debt facility.
- The excess of the estimated fair value of the identifiable net assets acquired (\$294.8 million) over the fair value of the consideration (\$286.9 million for 100%) has been allocated to the asset revaluation reserve on the basis that the majority of the value of the assets are investments carried at fair value and that changes in those fair values will be recognised in other comprehensive income.
- A pro-forma balance sheet has also been presented as if Gold Road acquires 80% of the shares in DGO, rather than 100%.

(d) Material changes in the Combined Group's financial position since the most recent balance dates

Other than as disclosed to the market by Gold Road and DGO (in accordance with their reporting and disclosure obligations) since the date of the release of their respective 2021 Annual Report and 2022 Half Yearly Report (including the transaction announcement on the Announcement Date), or as disclosed in this Bidder's Statement, there are no material changes in the Combined Group's financial position since the most recent balance date.

5.7 Forecast financial outlook for the Combined Group

Gold Road has given consideration as to whether a reasonable basis exists to produce reliable and meaningful forward looking financial information in relation to the Combined Group (including revenue, earnings or profit forecasts). Gold Road has concluded that it would be difficult to do so at this stage, particularly given the focus on the post completion reviews referenced in **section 6** of this Bidder's Statement will focus on these matters. Until such time, Gold Road does not believe it is appropriate to provide any such combined forward looking financial projections.

5.8 Dividends

Gold Road intends to continue using its current dividend policy in relation to the Combined Group.

5.9 Effect of the Offer on Combined Group's Mineral Resources and Ore Resources

DGO does not currently have any direct interest in any Mineral Resources or Ore Reserves. Accordingly, the Combined Group's Mineral Resources and Ore Reserves will be identical to Gold Road's Mineral Resources and Ore Reserves, which are set out in section 1.6 of this Bidder's Statement.

6 Intentions of Gold Road

6.1 Approach and intentions of Gold Road

This **section 6** sets out the intentions of Gold Road on the basis of facts and public information concerning DGO which are known to Gold Road as at the Last Practicable Date before the date of this Bidder's Statement, in relation to the following:

- the continued operation of DGO;
- any major changes to be made to the operation of DGO, including any redeployment of the fixed assets of DGO;
- the future employment of DGO employees; and
- the compulsory acquisition of DGO Shares and the removal of DGO from the official list on the ASX.

While Gold Road has conducted limited due diligence on DGO. Gold Road does not have detailed knowledge of all material information necessary to reach final decisions as to its intentions. Gold Road will only reach final decisions in light of material facts and circumstances at the relevant time and following completion of the review of DGO's operations referred to below.

Accordingly, the statements set out in this **section 6** are statements of current intentions only and may vary as new information becomes available or circumstances change.

6.2 Intentions upon acquiring 90% or more of DGO Shares

This **section 6.2** describes Gold Road's intentions if at the end of the Offer Period, Gold Road:

- receives valid acceptances of at least 75% (by number) of the DGO Shares not held by Gold Road (and its Associates); and
- acquires a relevant interest in at least 90% (by number) of the DGO Shares then on issue.

(a) Compulsory acquisition of DGO Shares and removal from official list

If Gold Road and its Associates collectively have Relevant Interests in at least 90% of DGO Shares during, or at the end of the Offer Period, Gold Road will give a notice pursuant to Part 6A.1 of the Corporations Act to compulsorily acquire all outstanding DGO Shares, even if DGO Shares to which those notices relate are issued:

- after the Offer closes but before notices are given (pursuant to section 661A(4)(b) of the Corporations Act); or
- on exercise of DGO Options, up to 6 weeks after the notices are given (pursuant to section 661A(4)(c) of the Corporations Act).

If not all of the DGO Options are exercised or acquired by Gold Road and Gold Road is entitled to compulsorily acquire any outstanding DGO Shares, Gold Road intends to compulsorily acquire any outstanding DGO Options pursuant to Part 6A.2 of the Corporations Act, although it reserves the right not to do so.

DGO Shareholders should consult their legal advisors for a determination of their legal rights with respect to any compulsory acquisition.

The income tax consequences to a DGO Shareholder of a compulsory acquisition may differ from the income tax consequences to such DGO Shareholder accepting the Offer. See **section 7** for further information on taxation considerations for DGO Shareholders who dispose their DGO Shares under the Offer.

(b) DGO Board

Gold Road intends to replace all members of the DGO Board with its own nominees. The identity of such nominee directors has not yet been finally determined, but it is expected they will be predominantly drawn from the current directors and management of Gold Road.

(c) General operational review

After the Offer Period, Gold Road intends to undertake a general review of DGO's operations covering strategic, financial and operating matters, with an objective of realising maximum value of DGO's portfolio (as described in **section 5.2**). In doing so, Gold Road will keep all options open for value maximisation.

As part of its review, Gold Road intends to further assess DGO's portfolio of brownfield investments and greenfield discovery opportunities, including a detailed review of DGO's geological database. The conclusions and outcomes of the review, as well as any new results from exploration, will inform Gold Road's preferred strategic approach to these opportunities.

(d) Operations and assets

DGO's portfolio of brownfield investments and greenfield discovery opportunities will be fully integrated into Gold Road's assets portfolio. Gold Road will leverage its technical and operational expertise in the gold mining and exploration industry and, subject to the outcomes of its strategic review, intends to provide capital to conduct further exploration activities.

Subject to property leasing commitments, Gold Road intends to close DGO's Melbourne and Perth offices.

(e) Impact on DGO's executives and employees

Following completion of the Offer, and as part of the general strategic and operational review described above, Gold Road intends to evaluate the future operation and management requirements of DGO and, over time, relocate all corporate, administrative and exploration functions to Gold Road's Perth office. As part of this review, Gold Road will seek to retain suitable DGO employees to meet Gold Road's organisational requirements.

(f) Financial and tax

Gold Road would seek to repay the Bell Potter Finance Facility from its existing cash position and provide working capital to the DGO Group to enable the ongoing efficient operation of DGO's business.

On obtaining a 100% Relevant Interest, Gold Road would include the DGO Group into its income and GST consolidated tax groups.

6.3 Intentions upon acquiring 50.1% or more of DGO Shares

This **section 6.3** describes Gold Road's intentions if it were to acquire a Relevant Interest in at least 50.1% but less than 90% of DGO Shares on issue. (Note that Gold Road may only declare the Offer to be free of an 80% Minimum Acceptance Condition if there is a Superior Proposal or in the event the Bid Implementation Agreement is terminated for any reason, as described in **section 9.1(j)**).

The ability of Gold Road to implement the intentions set out in this **section 6.3** will be subject to the legal obligations of the DGO Directors (including any nominees of Gold Road) to have regard to the interests of DGO and all DGO Shareholders, the requirements of the Corporations Act and (provided DGO remains listed) the Listing Rules relating to transactions between related parties. These shareholder protections may limit or modify the implementation of the intentions outlined below. As a result of those requirements, the approval of minority DGO Shareholders may be required for the implementation of some of the intentions outlined below.

The ability of Gold Road to implement any of the intentions set out in this **section 6.3** will be subject to, among other things:

- the legal obligations of the DGO Directors to have regard to the interests of DGO and DGO Shareholders;
- the requirements of the Corporations Act relating to transactions between related parties; and
- potentially the Listing Rules relating to transactions between related parties.

It should be noted that Gold Road expects that each of its nominees to the DGO Board will exercise their own independent judgement and skill when it comes to the operational, financial and business decisions relating to DGO. Gold Road's only influence will be through its position as a majority shareholder in DGO.

Subject to the limitations noted above, Gold Road's intentions for DGO as a part owned controlled entity are as follows:

(a) Directors

Subject to the Corporations Act and DGO's constitution, Gold Road intends to seek to replace some of the members of the DGO Board so that Gold Road nominees constitute at least a majority of the members of the DGO Board. No decision has been made at this stage about the identity of the proposed nominees to the DGO Board or which current DGO Directors would be removed.

Also, upon Gold Road acquiring a Relevant Interest of 50.1% of all DGO Shares (on a fully diluted basis) and payment of consideration of the Offer, if requested, DGO is under an obligation in the Bid Implementation Agreement to use best endeavours to assist Gold Road with the resignation of the existing DGO nominee directors on the board of De Grey and appointment of the directors nominated by Gold Road (subject to those persons having provided a consent to act as directors).

Gold Road will seek, to the extent possible through its nominees on the DGO Board, to implement the intentions detailed in **section 6.2** where they are consistent with DGO being a controlled entity of (but not wholly-owned by) Gold Road and are considered to be in the best interests of DGO Shareholders as a whole.

Gold Road would consider (but not necessarily comply with) the recommendations in the ASX Corporate Governance Principles and Recommendations when determining the composition of the DGO Board.

(b) General strategic and operational review

Gold Road is supportive of DGO's strategic direction, which primarily involves investing in ASX listed brownfield explorers and acquiring strategic greenfield discovery opportunities.

Consistent with Gold Road's model of business, following the end of the Offer, Gold Road would continue to monitor the performance of DGO and as appropriate conduct a general strategic and operational review of DGO's structure, assets, business, personnel and operations.

Following the general strategic and operational review process, the executive management of DGO may be enhanced or supplemented by Gold Road, with a view to ensuring that DGO has the best possible skills and resources available to undertake its business.

(c) Listing on ASX

Gold Road intends, subject to satisfying the relevant preconditions, to remove DGO from the official list of the ASX.

In relation to the removal of DGO from the official list of the ASX, ASX guidance indicates that the usual conditions that the ASX would expect to be satisfied in order for it to approve the removal of DGO from the official list in the context of a successful takeover bid include:

- at the end of the Offer, Gold Road owns or controls at least 75% of the DGO Shares and the Offer has remained open for at least two weeks after Gold Road attained ownership or control of at least 75% of the DGO Shares; and
- the number of DGO Shareholders (other than Gold Road) having holdings with a value of at least \$500 is fewer than 150, and in such case, the ASX will not usually require Gold Road to obtain DGO Shareholder approval for DGO's removal from the official list of the ASX.

In addition, the ASX may approve an application for DGO to be removed from the official list of the ASX with shareholder approval and, where such removal is sought later than one month after the close of the Offer, Gold Road would be entitled to vote on the resolution approving the removal.

If DGO is removed from the official list of the ASX, there may be risks related to remaining as a minority shareholder in DGO. These include reduced or non-existent liquidity if shareholders wish to sell their DGO Shares.

(d) Further acquisition of DGO Shares

Gold Road may, at some later time, acquire further DGO Shares in a manner consistent with the Corporations Act and any other applicable laws.

(e) Subsequent acquisition of interest in DGO

It is possible that even if Gold Road is not entitled to proceed to compulsory acquisition of minority holdings after the end of the Offer Period under Part 6A.1 of the Corporations Act, it may subsequently become entitled to exercise rights of general compulsory acquisition under Part 6A.2 of the Corporations Act; for example, as a result of acquisitions of DGO Shares in reliance on the "3% creep" exception in item 9 of section 611 of the Corporations Act. If so, it may exercise those rights.

6.4 Intentions if Gold Road does not acquire 50.1% of DGO

Gold Road may only declare the Offer to be free of the 80% Minimum Acceptance Condition if there is a Superior Proposal or in the event the Bid Implementation Agreement is terminated for any reason and so the circumstances in which it may acquire less than 50.1% of DGO are limited. Gold Road reserves its right to declare the Offer free from the 80% Minimum Acceptance Condition where it is permitted to do so. However, it has made no decision as to whether it will do so.

This **section 6.4** describes Gold Road's intentions if Gold Road were to declare the Offer free of the 80% Minimum Acceptance Condition (where permitted to do so) and acquire a relevant interest of less than 50.1% of DGO. In that circumstance:

- Gold Road does not expect to be in a position to give effect to the intentions set out in **sections 6.2** and **6.3** of this Bidder's Statement (other than Gold Road's intention to request appointment of Gold Road's nominees as DGO Directors); and
- Gold Road's current intention is to continue to hold any DGO Shares acquired with a view to maximising returns for Gold Road's shareholders (this may result in Gold Road and its Associates acquiring additional shares, to the extent permitted by law).

6.5 Limitations in giving effect to intentions

The ability of Gold Road to implement the intentions set out in this **section 6** will be subject to the legal obligations of the Gold Road Directors to have regard to the interests of Gold Road and all Gold Road Shareholders, and the requirements of the Corporations Act and the Listing Rules relating to transactions between related parties. Gold Road will only make a decision on the above mentioned courses of action following legal and financial advice in relation to those requirements.

6.6 Intentions generally

Subject to the above, Gold Road currently intends, on the basis of the facts and information concerning DGO which are known to it:

- to generally continue the operations of DGO; and
- not to make any major changes to the operations of DGO or redeploy any of the fixed assets of DGO.

7 Australian tax implications

7.1 Introduction

The following is intended only as a general guide of the Australian income tax, goods and services tax (GST) and stamp duty consequences for DGO Shareholders who dispose of DGO Shares in conjunction with the Offer.

The comments set out below are relevant only to those DGO Shareholders who hold their DGO Shares on capital account for tax purposes.

The comments below are not relevant to DGO Shareholders who:

- hold their DGO Shares as revenue assets or as trading stock;
- acquired their DGO Shares pursuant to an employee share, option or rights plan;
- are subject to the taxation of financial arrangement rules in Division 230 of the *Income Tax Assessment Act 1997* in relation to gains and losses on their DGO Shares;
- are non-residents of Australia who hold their DGO Shares in carrying on a business through a permanent establishment in Australia;
- are financial institutions, insurance companies, partnerships, tax exempt organisations, sovereign entities, trusts or superannuation funds; or
- are temporary residents, or have changed their tax residence while holding DGO Shares.

The guide does not take account of the individual circumstances of particular DGO Shareholder and does not constitute tax advice. It does not purport to be a complete analysis of the potential tax consequences of the Offer and is intended as a general guide to the Australian income tax, GST and stamp duty implications. DGO Shareholders should seek advice from an appropriate professional adviser in relation to the tax implications of the Offer based on their own individual circumstances.

The comments also do not take into account tax legislation of any country other than Australia. DGO Shareholders who are tax residents of a country other than Australia (whether or not they are also Australian tax residents, or are temporary tax residents of Australia) should take into account the tax consequences under the laws of their country of tax residence, as well as under Australian tax law, and any applicable tax treaty between Australia and that country, of acceptance of the Offer.

The following description is based upon the Australian tax law and administrative practice in effect at the date of this Bidder's Statement, but the descriptions are general in nature and are not intended to be an authoritative or complete statement of the tax laws applicable to the particular circumstances of every DGO Shareholder. Other than as expressly discussed or specified, the comments do not take into account or anticipate changes in Australian tax law or future judicial interpretations of law after this time.

7.2 Australian resident shareholders

(a) Shareholders who accept the Offer

If the Offer becomes unconditional, acceptance of the Offer will involve the disposal by DGO Shareholders of their DGO Shares by way of transfer to Gold Road. This will constitute a CGT event for Australian tax purposes.

The date of disposal for CGT purposes will be the date the contract to dispose of the DGO Shares is formed. As the conditions to which the Offer is subject are all conditions subsequent that do not prevent formation of a contract by acceptance of the Offer, the date of disposal will be the date that the Offer is accepted.

(b) Compulsory acquisition

If a DGO Shareholder does not dispose of their DGO Shares under the Offer and their DGO Shares are compulsorily acquired in accordance with Part 6A.1 of the Corporations Act, those DGO Shareholders will also be treated as having disposed of their DGO Shares for CGT purposes.

In that case, the date of disposal for CGT purposes will be the date when Gold Road becomes the owner of the DGO Shares.

(c) CGT

Calculation of capital gain or capital loss (apart from scrip for scrip roll-over relief)

DGO Shareholders who are Australian residents may make a capital gain or capital loss on the disposal of DGO Shares. DGO Shareholders will make a capital gain to the extent that their capital proceeds from the disposal of the DGO Shares are more than their cost base. Conversely, DGO Shareholders will make a capital loss to the extent that the capital proceeds are less than their reduced cost base of those DGO Shares.

The cost base of the DGO Shares generally includes the cost of acquisition and any incidental costs of acquisition and disposal that are not deductible to the shareholder. The reduced cost base of a DGO Share is usually determined in a similar, but not identical, manner.

The capital proceeds will be the market value of the 2.16 Gold Road Shares received per DGO Share (**Share Consideration**), calculated at the date of disposal for CGT purposes (discussed above).

Individuals, complying superannuation entities or trustees that have held DGO Shares for at least 12 months before the date of disposal may be entitled to discount the amount of the capital gain (after application of capital losses) from the disposal of DGO Shares. The discount is 50% in the case of individuals and trusts (except a trust that is a complying superannuation entity) or 33 1/3% for complying superannuation entities.

DGO Shareholders should seek specific advice on the availability of the CGT discount in their own circumstances. Capital gains and capital losses of a taxpayer in a year of income are aggregated to determine whether there is a net capital gain. Any net capital gain (after discount) is included in assessable income and is subject to income tax at the taxpayer's marginal tax rate. Capital losses may not be deducted against other income for income tax purposes, but may be carried forward to offset against future capital gains (subject to the satisfaction of any applicable loss utilisation rules).

Scrip for scrip roll-over relief

Scrip for scrip roll-over relief may be available if Gold Road attains at least an 80% shareholding in DGO through the Offer, including any DGO Shares already held. If scrip for scrip roll-over relief is available, Australian resident DGO Shareholders who have a capital gain on their DGO Shares attributable to the Share Consideration can choose to disregard that capital gain.

In order to choose scrip for scrip roll-over relief, DGO Shareholders must make an election prior to lodging their income tax return for the income year in which the CGT event occurs. The way you prepare the tax return is sufficient evidence of the making of the choice. Gold Road will not make a choice under section 124-795(4) of the *Income Tax Assessment Act 1997* to deny scrip for scrip roll-over relief.

Roll-over is not available if a capital loss arises on the exchange of the DGO Shares.

(d) Implications of holding Gold Road Shares

As a consequence of accepting the Offer, a DGO Shareholder will cease to be a shareholder of DGO and will become a shareholder of Gold Road. Dividends received by an Australian resident shareholder of Gold Road would generally be included in the assessable income of such a shareholder, and, if franked, may qualify for benefits under the dividend imputation regime.

(e) CGT on subsequent disposal of Gold Road Shares

A subsequent disposal of Gold Road Shares will generally result in Australian CGT implications as described above. The precise consequences will differ depending upon whether or not scrip for scrip roll-over relief was claimed in relation to the disposal of DGO Shares pursuant to the Offer.

Where scrip for scrip roll-over relief was not chosen or available

Where scrip for scrip rollover relief was not chosen or was not available in relation to the disposal of the DGO Shares, the cost base of the Gold Road Shares would include the market value of the DGO Shares at the acquisition date of the Gold Road Shares.

Other amounts may also be included in the cost base of the Gold Road Shares, such as any incidental costs to sell the Gold Road Shares.

The acquisition date of the Gold Road Shares will be when the contract for disposal of the DGO Shares was formed or the date the Gold Road Shares are issued if the DGO Shares were compulsorily acquired. The CGT discount may be available for certain shareholders if the Gold Road Shares are held for more than 12 months.

Where scrip for scrip roll-over chosen

Where a DGO Shareholder chooses scrip for scrip roll-over relief the cost base for the Gold Road Shares is determined by attributing, on a reasonable basis, the existing cost base of the DGO Shares disposed of to the Gold Road Shares acquired.

Other amounts may also be included in the cost base of the Gold Road Shares, such as any incidental costs to sell the Gold Road Shares.

A shareholder will be taken to have acquired the Gold Road Shares at the time the DGO Shares were originally acquired for CGT purposes, including for the purposes of determining whether the CGT discount may apply.

7.3 Non-resident shareholders

Non-resident DGO Shareholders that are Foreign Shareholders and that accept the Offer will not receive new Gold Road Shares. Instead, Foreign Shareholders will be paid the net proceeds of the sale by the Sale Nominee of those Gold Road Shares that they would otherwise have been entitled to in respect of the Offer.

For a DGO Shareholder who:

- is not, and has not been, a resident of Australia for Australian tax purposes;
- holds their DGO Shares on capital account; and
- does not hold their DGO Shares in carrying on a business through a permanent establishment in Australia,

the disposal of DGO Shares will generally only result in Australian CGT implications if those DGO Shares constitute an "indirect Australian real property interest" (**IARPI**). The DGO Shares will constitute an IARPI if:

- that DGO Shareholder together with its Associates held 10% or more of the DGO Shares at the time of disposal or throughout any 12 month period within two years preceding the disposal; and
- more than 50% of the market value of DGO's assets comprise direct or indirect interests in Australian real property assets (which includes Australian mining and exploration leases and licences).

Gold Road is obligated to pay an amount equal to 12.5% of the consideration payable to DGO Shareholders to the Australian Taxation Office in certain circumstances if those DGO Shares constitute an IARPI. Gold Road is currently of the view that the DGO Shares are not IARPIs and therefore does not expect to withhold any amount in respect of tax from the consideration.

For non-resident DGO Shareholders that are required to recognise a capital gain on the disposal of their DGO Shares and who are Ineligible Foreign Shareholders receiving net proceeds from the sale of Gold Road Shares, scrip for scrip roll-over relief should not be available.

For non-resident DGO Shareholders that are required to recognise a capital gain on the disposal of their DGO Shares and who receive Share Consideration, scrip for scrip roll-over is generally not available unless your Gold Road Shares received constitute an IARPI.

Non-residents should seek their own advice as to the tax treatment of dividends on the Gold Road Shares and any subsequent disposal of the Gold Road Shares. In general fully franked dividends will not attract dividend withholding tax; and unfranked dividends will attract withholding tax prima facie at a rate of 30% of the gross amount of the dividend, but subject to rate reduction under tax treaties.

7.4 Stamp Duty

If you accept the Offer you will not be required to pay any stamp duty on the disposal of your DGO Shares under the Offer or on the acquisition of Gold Road Shares under the Offer.

7.5 GST

DGO Shareholders should not be liable to pay any GST in respect of a disposal of those DGO Shares or acquisition of Gold Road Shares.

The disposal and acquisition of shares are 'financial supplies' for GST purposes. If DGO Shareholders incur any costs which include GST (such as advisor fees) relating to their participation in the Offer, they may only be entitled to input tax credits for such costs in certain circumstances and should seek specific advice.

For personal use only

8 Risk factors

8.1 Overview

If the Offer becomes unconditional, DGO Shareholders who accept the Offer (other than Ineligible Foreign Shareholders) will become shareholders in Gold Road, and Gold Road will acquire an interest in DGO.

A number of risks and uncertainties, which are both specific to Gold Road and the Combined Group and of a more general nature, may affect the future operating and financial performance of the Combined Group and the value of Gold Road Shares. There are also additional risks relating to the Offer and the Combined Group, to which DGO Shareholders will be exposed through their holding of DGO Shares. This may include risks and uncertainties of De Grey given DGO's significant investment in the company. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, while others can be covered by insurance, but some are outside the control of Gold Road and the Combined Group and cannot be mitigated or insured against. Many of these risks also affect the businesses of other companies operating in the same industry.

The risks set out in this **section 8** are not exhaustive of all the risks faced or that may be faced by Gold Road Shareholders. The risks are general only and do not take into account your individual objectives, financial situation or needs. You should carefully consider the following risk factors, as well as other information provided by Gold Road, and consult your professional advisers before deciding whether to accept the Offer.

8.2 Specific risks relating to Gold Road and the Combined Group

(a) Laws, regulations, rules, approvals, licences and permits

The Combined Group's operations will be subject to various Federal, State and local laws and plans, including those relating to mining, prospecting, development permit and licence requirements, industrial relations, environment, land use, royalties, water, native title and cultural heritage, mine safety and occupational health. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration, production or development.

Approvals, licences and permits required to comply with such rules and regulations are subject to the discretion of the applicable government officials. No assurance can be given that Gold Road will be successful in obtaining any or all of the various approvals, licences and permits or maintaining such authorisations in full force and effect without modification or revocation. To the extent such approvals are required and not retained or obtained.

As at the date of this Bidder's Statement, Gold Road holds all the titles and approvals it currently needs for Gruyere.

(b) Land access arrangements

Mineral exploration, development and mining generally require consultation and agreement with landholders or other third parties in relation to access arrangements regarding underlying land. The Combined Group may be subject to restrictions associated with such land access arrangements, and may be required to pay compensation or adhere to other attached conditions. There is the further risk that landholders or other third parties may refuse access to the relevant land, which may negatively impact the Combined Group's capacity to further explore or develop any projects, the subject of such land. De Grey's Mallina Gold Project will likely require consultation and agreement with landholders and access to key third party infrastructure such as gas pipelines, power infrastructure and roads. By their nature the ability to access, or potential cost to access this infrastructure, is not guaranteed.

(c) Title risk

The *Native Title Act 1993* (Cth) recognises and protects the rights and interest in Australia of Aboriginal and Torres Strait Islander people in land and waters according to their traditional laws and customs. Native Title may impact the Combined Group's operations and future plans. Native Title is not generally extinguished by the grant of exploration and mining tenements, as they are not generally considered to be a grant of exclusive possession. However, a valid exploration or mining tenement prevails over Native Title to the extent of any inconsistency for the duration of the title.

There may be areas in relation to tenements which the Combined Group has an existing interest in, or will acquire an interest in the future, over which common law Native Title rights exist, or may be found to exist, which may preclude or delay exploration, development or production activities. The Gruyere Joint Venture tenements are currently covered by a Native Title Agreement. Gold Road's 100% owned exploration tenements are subject to industry standard heritage agreements and the extent and timing of programs is subject to compliance with these agreements. If a decision is made to mine on the 100% owned Yamarna exploration tenements, a Native Title Agreement will likely be required, and there is no certainty that a Native Title Agreement will be reached.

The Combined Group will also need to comply with Aboriginal heritage legislation requirements which require heritage survey work to be undertaken ahead of the commencement of mining and exploration operations.

Development of De Grey's Mallina Gold Project will require the grant of mining tenements with lease applications requiring negotiation with various parties including pastoral lease holders, traditional owners and government agencies. While access issues are faced by many mining companies and are a common aspect of mining project development, the ability to negotiate satisfactory commercial arrangements with landowners, pastoral lease holders, occupiers and Native Title groups is important. In addition to mining lease(s), the Mallina Gold Project will require tenure for the substantial infrastructure to support a mining operation, potentially including gas pipelines, power lines, borefields and access roads. A Native Title agreement is yet to be negotiated for the Mallina Gold Project.⁶³

(d) Exploration and development risk

The exploration for and development of mineral deposits is speculative and involves significant risks. Whether a mineral deposit will be commercially viable depends on a number of factors, including: the particular attributes of the deposit (such as size, grade and proximity to infrastructure), metal prices, metallurgical recovery, capital construction and operating costs, and government regulation including regulations relating to prices, taxes, royalties, land tenure, land use, exporting of minerals and environmental protection. There is no certainty that the expenditures made by Gold Road towards the search for and evaluation of mineral deposits, will result in discoveries of commercial quantities of ore.

(e) Future Mining Studies

Studies undertaken on the potential to advance projects to a mining operation or continue as a mining operation have not all been independently verified by Gold Road and there is no certainty of a future or continuing mining operation. Gold Road's ability, or the ability of its strategic investment companies, to develop its exploration projects to mining projects in the future may be delayed or prevented as a result of factors including weather conditions, mechanical difficulties or a shortage of technical expertise or equipment. There may be difficulties with obtaining government and/or third-party approvals, operational difficulties encountered with construction, extraction and production activities, unexpected shortages or increase in the price of consumables (including water and energy resources such as grid power, diesel, gas and other fossil fuels), labour disruptions, plant and equipment, information technology systems, cost overruns or lack of access to required levels of funding.

⁶³ See De Grey ASX announcement dated 28 January 2022 entitled Quarterly Activities Report.

Gold Road's future operations, as well as future and existing operations of its strategic investment companies, may be adversely affected by higher than anticipated treatment costs, worse than anticipated metallurgical conditions, unfavourable geotechnical or hydrological conditions, fluctuations in metal prices or lack of availability of plant and equipment. The occurrence of any of these circumstances could result in Gold Road, or its strategic investment companies, not realising its operational or development plans or in such plans costing more than expected or taking longer to realise than expected.

The De Grey Mallina Gold Project is subject to a scoping study only. The scoping study has been completed by De Grey to a quoted level of accuracy of +/- 35%.⁶⁴ The scoping study outcomes, production target and forecast financial information referred to are based on low accuracy level technical and economic assessments that are insufficient to support estimation of Ore Reserves. Metallurgical, geotechnical and mining studies are only at a preliminary stage. The scoping study does not define a preferred or complete processing route with uncertainty remaining on how the ore will be processed. The infrastructure requirements for the project, and the associated capital and operating costs are not comprehensively defined. The eventual capital and operating costs of any future operation could be significantly higher than stated in the scoping study. The development timeline for the project, inclusive of exploration, studies, permitting and approvals, and project financing is preliminary in nature. There is no certainty of eventual conversion to Ore Reserves or that the production target itself will be realised.

(f) Operational risks

The Combined Group's assets and mining operations, as any others, will be subject to uncertainty with respect to (among other things): ore tonnes, mine grade, ground conditions, geology metallurgical recovery or unanticipated metallurgical issues (which may affect extraction costs), infill resource drilling, mill performance, the level of experience of the workforce, operational environment, funding for development, regulatory changes, accidents and other unforeseen circumstances such as unplanned mechanical failure of plant or equipment, or the health and safety of its workforce, storms, floods, bushfires or other natural disasters. Mining operations could also suffer from poor design or poor reliability of equipment, impacts to supply chain, and transport of plant equipment and the workforce to and from site.

The occurrence of any of these circumstances could result in the Combined Group not realising its operational or development plans, or plans costing more than expected or taking longer to realise than expected. Any of these outcomes could have an adverse effect on Gold Road's financial and operational performance.

As Gruyere is the only current operating asset which the Combined Group has a direct and significant interest in, any operational risks which materialise at Gruyere will have a greater effect on the Combined Group than a diversified company with two or more operations.

(g) Commodity price volatility

Gold Road's future profitability depends upon the world market price of gold. If the market price for gold falls below Gold Road's future production costs and remains at such levels for any sustained period of time, it may not be economically feasible to commence or continue production. Production from Gold Road's mineral properties will be dependent upon the price of gold being adequate to make these properties economic.

Gold Road currently has certain gold price hedging arrangements in place and may in the future be required or choose to enter into further gold price hedging arrangements. Although gold price hedging activities may protect Gold Road in certain instances, they may also limit the price that can be realised on the proportion of recovered metal that is subject to any hedges, if the market price for gold exceeds the hedge contract price.

⁶⁴ See De Grey ASX announcement dated 5 October 2021.

(h) Mineral Resource and Ore Reserve estimates

Mineral Resource and Ore Reserve estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Combined Group's operations.

The Mineral Resources and Ore Reserve statements declared by strategic investment companies, including De Grey and Dacian, have not been independently verified by Gold Road. De Grey's 9 million ounce Mallina Gold Resource hosts a large proportion of Inferred Resources which carry a relatively low level of confidence, due to a low drilling density. The Mallina Gold Resource is reported constrained by cut-off grade but unconstrained by any mineable shapes (e.g. open pit shells). No Ore Reserves have been declared by De Grey.⁶⁵

(i) Joint venture risk

Joint venture arrangements form part of Gold Road's growth strategies. There can be no assurance that these joint venture arrangements will be successful. Projects held and run through joint ventures may impose a number of restrictions on Gold Road's ability to sell its interest in any assets held through such a structure and may require prior approval of other joint venture partners or may be subject to pre-emptive rights.

Subject to the relevant joint venture agreements, Gold Road may be unable to control the actions of its joint venture partners and therefore cannot guarantee that the joint venture arrangements will be operated or managed in accordance with Gold Road's preferred direction or strategy. There is therefore a risk of financial failure, negligence or default by a participant or manager in any joint venture to which Gold Road is or may become a party.

Gold Road's interests may not always be the same as that of its joint venture partners and disagreements may arise. Disagreements between joint venturers or a failure of a joint venture partner to adequately manage a project poses a further risk of financial loss or legal or other disputes with the other participants in such a joint venture. In addition, Gold Road is not the operating and/or majority party in all of its joint venture arrangements (in particular the Gruyere Joint Venture) and therefore has less control over decision making and less visibility over operational risks associated with those particular joint ventures. In these circumstances, Gold Road is reliant on third party managers or its joint venture partner(s) to manage and communicate risk factors to Gold Road.

(j) Key personnel and contractors

A number of key personnel are important to attaining the business goals of Gold Road and the Combined Group. One or more of these key employees could leave their employment, and this may adversely affect the ability of Gold Road and the Combined Group to conduct their business and, accordingly, affect the financial performance of Gold Road and the price of Gold Road Shares.

Recruiting and retaining qualified personnel are important to the success of the Combined Group. The number of persons skilled in the exploration and development of mining properties is limited and competition for such persons can be strong, depending on market conditions.

Any disputes with employees (through personal injuries, occupational health and safety, industrial matters or otherwise), change in labour regulations, or other developments in the area may cause labour disputes, work stoppages or other disruptions in production that could adversely impact the Combined Group.

⁶⁵ See De Grey ASX announcements dated 23 June 2021 and 5 October 2021.

The Combined Group may use external contractors or service providers for many of its activities, and as such the failure of any current or proposed contractors, subcontractors or other service providers to perform their contractual obligations may negatively impact the business of the Combined Group. Gold Road cannot guarantee that such parties will fulfil their contractual obligations and there is no guarantee that Gold Road would be successful in enforcing any of its contractual rights through legal action. Further, the insolvency or managerial failure by any such contractors or other service providers may pose a significant risk to Gold Road's operating and financial performance and financial position.

(k) Royalties

Each gold mining project operated by Gold Road will be subject to Western Australian royalties. If royalties rise, the profitability and commercial viability of Gold Road's projects may be negatively impacted. In addition, assets held by Gold Road may be or become the subject of third party royalty claims (for example legacy royalties). If a third party royalty is determined to be valid, Gold Road's liability under that royalty may or may not be substantial and may or may not affect its financial position, its financial results or its operations.

(l) Competition risk

The industry in which the Combined Group is involved is subject to domestic and global competition. Although Gold Road considers that it undertakes all reasonable due diligence in its business decisions and operations, Gold Road has no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Combined Group's projects and business.

(m) Regulatory risk

Gold Road must meet regulatory requirements that are subject to continual review, including inspection by regulatory authorities. Failure by Gold Road to continuously comply with regulatory requirements (including, without limitation, in relation to mining, prospecting, rehabilitation, permitting and licencing requirements, industrial relations, environment, waste disposal, land use, royalties, native title, land access, mine safety and occupational health) or failure to take satisfactory corrective action in response to adverse inspection could result in enforcement actions. Gold Road operates in a regulated environment with the potential for significant penalties for non-compliance with applicable laws and regulations. Gold Road's future growth prospects are reliant on its ability to market its services and any regulatory change, event or enforcement action which would restrict those activities could have a material impact on Gold Road's growth and future financial performance. Amendments to current law and regulations governing operations or more stringent implementation of laws and regulations could have an adverse impact on Gold Road, including increases in expenses, capital expenditure and costs. The impact of future regulatory and legislative change upon the business of Gold Road cannot be predicted.

Approvals, licences and permits required to comply with such laws may, in some instances, be subject to the discretion of government officials and, in some cases, the local community. No assurance can be given that Gold Road will be successful in obtaining or maintaining any or all of the various approvals, licences and permits. To the extent such approvals are required and not retained or obtained in a timely manner or at all, Gold Road may be curtailed or prohibited from continuing or proceeding with mining, development and/or exploration activities. There can be no assurance that the costs involved in retaining or obtaining such approvals will not exceed those estimated by Gold Road.

Mining operations can be subject to public and political opposition. Opposition may include legal challenges to exploration and development permits, political and public advocacy, electoral strategies, media and public outreach campaigns and protest activity, all which may delay or halt development or expansion. For example, native title claims on any existing or future tenements held by Gold Road, or its strategic investment companies, may potentially impact Gold Road's operations and future plans.

(n) Environmental risk

The operations and activities of the Combined Group will be subject to the environmental laws and regulations of Australia. As with most exploration projects and mining operations, the Combined Group's operations and activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. Gold Road attempts to conduct its operations and activities to the highest standard of environmental obligation, including compliance with all environmental laws and regulations.

Gold Road is unable to predict the effect of additional environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would materially increase the Combined Group's cost of doing business or affect its operations in any area. However, there can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Combined Group to incur significant expenses and undertake significant investments which could have material adverse effect on the Combined Group's business, financial condition and performance.

(o) Community and social

Gold Road's relationship with the communities in which it operates is important to ensure the future success of its existing operations and the construction and development of its projects. While Gold Road believes its relationships with the communities in which it operates are strong, there is an increasing level of public concern relating to the perceived effect of mining activities on the environment and on communities impacted by such activities. A failure by Gold Road to adequately respond to changes in environmental laws (including those relating to climate change) or comply with regulations governing access may adversely affect Gold Road's relationship with key stakeholders, community relations and its social licence to operate. More detail is available in Gold Road's Sustainability Report which can be accessed on Gold Road's website.

(p) Litigation

The Combined Group could be exposed to possible litigation risks including environmental claims, occupational health and safety claims and employee claims. Further, the Combined Group may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Combined Group's operations, financial performance and financial position. As at the date of this Bidder's Statement, Gold Road is not aware of any material disputes or litigation being undertaken.

(q) Insurance

Gold Road faces various risks in connection with its business including blowouts, explosions, fires, damages or lost equipment and damage or loss from inclement weather or natural disasters. Any of these hazards could result in personal injury or death, damage to or destruction of equipment and facilities, suspension of operations, environmental damage and damage to the property of others. Gold Road intends to insure its operations in accordance with industry practice. However, in certain circumstances, Gold Road's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on Gold Road's business, financial condition and results.

Insurance against all risks associated with mining exploration and production is not always available and where available the costs can be prohibitive.

(r) Future financing requirements

Gold Road may require further financing support in the future to support additional capital expenditure or to meet future objectives. Despite Gold Road's strong capital raising track record, there is no certainty that it will be successful in obtaining the financing required as and when needed, on favourable terms or at all. Failure to obtain future financing on a timely basis may compromise Gold Road's ability to commence new contracts, perform existing contracts or may prevent it from achieving other objectives. In particular, the Mallina Gold Project will require a significant amount of additional funding to bring the project into production. In a world that is rapidly migrating towards a lower carbon economy, and where the global population is increasingly focused on the social sustainability aspect of environmental, social and governance (ESG) rather than just environmental, Gold Road will need to continue to balance ESG considerations in connection with its future financing requirements. Refer to Gold Road's 2021 Sustainability Report available on Gold Road's website at <https://goldroad.com.au/sustainability/> for further details.

(s) Production guidance

Gold Road has from time to time provided production guidance. This guidance is based on assumptions and forecasts which may subsequently prove to be incorrect, resulting in different actual results. While Gold Road considers that this guidance is reasonable, actual future production may vary from the guidance for various reasons, many of which cannot be foreseen and are beyond the control of Gold Road. These factors may cause the production guidance not to be achieved or to be achieved later than expected, or to be achieved at a higher cost than anticipated.

(t) Climate change risks

Climate change risk to the Combined Group (and particularly Gold Road given its mature operations) is related to operations in the mining industry. The climate change risks particularly attributable to Gold Road include the emergence of new or expanded regulations associated with the transitioning to a lower carbon economy and market changes related to climate change mitigation.

The Combined Group may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage.

Climate change may cause certain physical and environmental risks that cannot be predicted by the Combined Group, including events such as increased severity of weather patterns and incidence of extreme weather events and longer term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry within which the Combined Group operates.

(u) Realising value in market securities

DGO's portfolio of strategic listed investments are tradeable on the ASX and consequently exposed to market fluctuations and individual company performance.

There is no guarantee that the eventual value realised for all, or part of the investment will reflect the current market value of the security. Any realisation of value will depend on a number of market related factors, including the liquidity and performance of the underlying stock and the percentage of total issued shares held.

8.3 Risks specifically relating to the Offer

(a) Conditions of the Offer

As described in **section 10.12**, the Offer is subject to a number of Conditions. Subject to any statutory withdrawal rights that may be available, DGO Shareholders who accept the Offer whilst they remain conditional will no longer be able to trade their DGO Shares on the ASX or withdraw their acceptance of the Offer. DGO Shareholders should be aware that the market price of DGO Shares may exceed the implied price under the Offer during the Offer Period. For those DGO Shareholders who accept the Offer and the Conditions remain unsatisfied at the end of the Offer Period and are not otherwise waived by Gold Road, there is no obligation on Gold Road to issue Gold Road Shares to you as consideration for your DGO Shares. In those circumstances, any acceptances of the Offer will be void and you would then be free to deal with your DGO Shares.

(b) Issue of Gold Road Shares as consideration

DGO Shareholders are being offered a specified number of Gold Road Shares as consideration under the Offer, rather than a number of Gold Road Shares with a specified market value. As a result, the value of the consideration will fluctuate depending upon the market value of the Gold Road Shares.

Furthermore, under the Offer, Gold Road will issue a significant number of Gold Road Shares. Some DGO Shareholders may not intend to continue to hold Gold Road Shares and may wish to sell them on the ASX. There is a risk that if a significant number of DGO Shareholders seek to sell their Gold Road Shares, this may adversely impact the price of Gold Road Shares.

(c) Limited withdrawal rights

DGO Shareholders may only withdraw their acceptance of the Offer in very limited circumstances. Otherwise, DGO Shareholders will be unable to withdraw their acceptances, even if the value of the DGO Shares to be issued to them varies from the date of their acceptance.

(d) Gold Road acquiring less than 100% of DGO Shares

There are some risks associated with the Offer for DGO Shareholders who do not accept the Offer and remain DGO Shareholders. If, in connection with or following the Offer, Gold Road acquires between 90% and 100% of the DGO Shares, Gold Road may be entitled to compulsorily acquire the remaining DGO Shares.

Gold Road may in its sole discretion declare the Offer to be free from any conditions at any time provided that Gold Road may only declare the Offer to be free of the 80% Minimum Acceptance Condition if there is a Superior Proposal or in the event the Bid Implementation Agreement is terminated for any reason (as described in **section 9.1(j)**).

In circumstances where Gold Road acquires a Relevant Interest of more than 50.1% but less than 90% of the DGO Shares, Gold Road will hold a controlling interest in DGO. The remaining DGO Shareholders will be in a minority position in a company with a large controlling shareholder whose objectives for the company may differ from their own. They could also encounter a lower level of liquidity in DGO Shares than exists today, which could result in a lower price for those DGO Shares should they wish to sell them in future. The existence of a minority interest in DGO may have an impact on the operations of the Combined Group, although this impact will depend upon the ultimate level of DGO ownership acquired by Gold Road.

(e) Roll-over relief

A condition of the Offer is that Gold Road obtains a Relevant Interest in at least 80% of all DGO Shares. Gold Road may only declare the Offer to be free of this condition if there is a Superior Proposal or in the event the Bid Implementation Agreement is terminated for any reason (as described in **section 9.1(j)**).

If Gold Road waives the 80% Minimum Acceptance Condition (where permitted) and acquires a Relevant Interest in less than 80% of the DGO Shares, scrip-for-scrip CGT roll-over relief will not be available to holders of DGO Shares who have sold their shares under the Offer. The 80% Minimum Acceptance Offer is a condition set out in **section 10.12(a)**.

(f) Change of control risk

The acquisition of DGO may trigger change of control clauses in some material contracts to which DGO is a party. Where triggered, the change of control clause will, in most cases, require Gold Road to seek the counterparty's consent in relation to the acquisition of DGO.

There is a risk that a counterparty may not provide their consent to the acquisition, which may trigger a termination right in favour of that counterparty, or that the counterparty may require a payment from Gold Road or renegotiation of terms to obtain such consent.

If any of the material contracts containing a change of control clause are terminated by the counterparty or renegotiated on less favourable terms, it may have a material adverse effect on Gold Road's post-acquisition (assuming this occurs) financial performance and prospects. There can be no assurance that Gold Road will be able to negotiate such contracts on commercially reasonable terms, if at all.

Additionally, as a result of the acquisition, clients of DGO that are not bound by contract or that have rights to terminate for convenience, may elect to terminate their relationship with DGO. If any material clients terminate their relationship with DGO, Gold Road's financial performance and prospects post-acquisition (assuming this occurs) may be materially adversely affected.

(g) Reliance on information provided by DGO

Gold Road undertook a limited due diligence process in respect of DGO, which relied in part on the review of financial, legal and other information provided by DGO and on publicly available information for DGO's listed investments. While Gold Road considers the due diligence process undertaken to be appropriate, Gold Road has not been able to verify the accuracy, reliability or completeness of all the information which was provided to it against independent data. Similarly, Gold Road has prepared (and made assumptions in the preparation of) the financial information relating to DGO on a standalone basis, and also to Gold Road should Gold Road become DGO's ultimate parent company.

If any of the data or information provided to and relied upon by Gold Road in its due diligence process and its preparation of this Bidder's Statement proves to be incomplete, incorrect, inaccurate or misleading, there is a risk that the actual financial position and performance of Gold Road may be materially different to the financial position and performance expected by Gold Road and reflected in this Bidder's Statement.

Shareholders should also note there is no assurance that the due diligence conducted was conclusive and that all material issues and risks in respect of the acquisition of DGO have been identified and avoided or managed appropriately. Therefore, there is a risk that unforeseen issues and risks may arise, which may also have a material impact on Gold Road (for example, Gold Road may later discover liabilities or defects which were not identified through due diligence or for which there is no protection for Gold Road). This could adversely affect the operations, financial performance or position of Gold Road.

Further, the information reviewed by Gold Road includes forward looking information. Forward looking information is inherently unreliable and based on assumptions that may not be achieved or satisfied in future.

(h) Analysis of acquisition

Gold Road has undertaken financial, business and other analyses of DGO to determine its attractiveness to Gold Road, and whether to pursue its acquisition. It is possible that such analyses, and the best-estimate assumptions made by Gold Road, draw conclusions and make forecasts that are inaccurate or which may not be realised.

To the extent that the actual results achieved by DGO are different to those indicated by Gold Road's analysis, there is a risk that the profitability and future earnings of the operations of Gold Road may be materially different from the profitability and earnings expected as reflected in this Bidder's Statement.

(i) Integration risk

There are risks that any integration between the businesses of Gold Road and DGO may be more complex than anticipated, take longer than expected, encounter unexpected challenges or issues and take longer than expected, divert management attention or not deliver the expected benefits and this may affect Gold Road's operating and financial performance. Further, the integration of DGO's accounting functions may lead to revisions, which may impact on Gold Road's reported financial results.

(j) Historical liability

If Gold Road becomes DGO's ultimate parent company, Gold Road may become directly or indirectly liable for any liabilities that DGO has incurred in the past as a result of prior acts or omissions, including liabilities which were not identified during Gold Road's due diligence or which are greater than expected, and for which the various forms of protections negotiated by Gold Road in its agreement to acquire DGO turn out to be inadequate in the circumstances. Such liabilities may adversely affect the financial performance or position of Gold Road post-acquisition.

8.4 General risks**(a) Market price of Gold Road shares**

The market price of Gold Road shares may fluctuate over time as a result of a number of factors including the financial performance and prospects of Gold Road, prevailing market conditions, general investor sentiment in those markets, inflation, interest rates, exchange rates, commodity prices, changes to government regulation, policy or legislation and the liquidity and volume of shares being bought or sold at any point in time. Accordingly, there can be no guarantee that there will be an active or liquid market in shares traded on ASX and there is no guarantee that the Gold Road Shares issued to DGO Shareholders pursuant to the Offer will trade at or above the issue price. It should also be noted that the historic share price performance of Gold Road shares does not necessarily provide any guidance as to the future share price performance.

(b) Economic risk

The operating and financial performance of the Combined Group will be influenced by a variety of general economic and business conditions, including levels of consumer spending, oil prices, inflation, interest rates and exchange rates, supply and demand, industrial disruption, access to debt and capital markets and government fiscal, monetary and regulatory policies.

Changes in general economic conditions may result from many factors including government policy, international economic conditions, significant acts of terrorism, hostilities or war or natural disasters. A prolonged deterioration in general economic conditions, including an increase in interest rates or a decrease in consumer and business demand, could be expected to have an adverse impact on Gold Road's operating and financial performance and financial position.

(c) Equity dilution

Gold Road may elect to issue Gold Road Shares or other securities in Gold Road in the future. While Gold Road will be subject to the constraints of the Listing Rules regarding the percentage of capital that it is able to issue within a 12 month period (other than where exceptions apply), the increase in the number of securities issued and the possible sale of these securities may have the effect of depressing the price of Gold Road securities already on issue. In addition, Gold Road Shareholders at the time may be diluted as a result of the issue of such securities.

(d) COVID-19

The global economic outlook is still facing uncertainty due to the ongoing COVID-19 pandemic, which has been having, and is likely to continue to have, a significant impact on global capital markets, the gold price, foreign exchange rates and supply chains. To date, COVID-19 has not had any material impact on Gold Road's (or, as far as Gold Road is aware, DGO's) operations, however, any infections on sites could result in the Combined Group's operations being suspended or otherwise disrupted for an unknown period of time, which may have an adverse impact on the Combined Group's operations as well as adverse implications on Gold Road's future cash flows, profitability and financial condition.

(e) Risk of conflict

Conflict events including, but not limited to, significant riots or acts of terrorism, invasion, hostilities (whether war be declared or not), or war may adversely affect the operating and financial performance of the Combined Group. Escalation of the current conflict in Ukraine may increase market volatility generally and/or volatility in global commodity prices generally.

(f) Changes in Australian government policy, laws and regulations generally

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or a more stringent implementation of them, could have a material adverse impact on the viability and profitability of the Combined Group, and consequent returns to investors. The activities of the Combined Group will be subject to various Federal, State and local laws governing prospecting, development, production, taxes, labour standards, occupational health and safety and other matters.

(g) Changes in tax rules or their interpretation

Changes in tax law (including value added or indirect taxes and stamp duties), or changes in the way tax laws are interpreted, may impact the Combined Group's tax liabilities or the tax treatment of a Gold Road Shareholder's investment. In particular, both the level and basis of taxation may change. In addition, an investment in Gold Road Shares involves tax considerations which may differ for each Gold Road Shareholder. Each DGO Shareholder is encouraged to seek professional tax advice in connection with the Offer and how they may be discretely impacted.

(h) Dividends

Any future determination as to the payment of dividends by the Combined Group will be at the discretion of the Gold Road Directors and will depend on the financial condition of the Combined Group, future capital requirements and general business and other factors considered relevant by the Gold Road Directors at the time. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Combined Group.

(i) Cyber Security and IT

Gold Road relies on IT infrastructure and systems and the efficient and uninterrupted operation of core technologies. Gold Road's core technologies and other systems and operations could be exposed to damage or interruption from system failures, computer viruses, cyber-attacks, power or telecommunication provider's failure or human error. These events may cause one or more of Gold Road's core technologies to become unavailable. Any interruptions to these operations would impact Gold Road's ability to operate and could result in business interruption, loss of customers and revenue, damaged reputation and weakening of competitive position and could therefore adversely affect Gold Road's operating and financial performance.

(j) Bribery and corruption

Gold Road's operations are subject to various anti-corruption laws and regulations which prohibit a company and its employees or intermediaries from bribing or making improper payments to government officials or other persons to obtain or retain business or gain some other business advantage. Gold Road maintains anti-bribery policies, anti-corruption training programs, codes of conduct, procedures and other safeguards designed to prevent the occurrence of fraud, bribery and corruption. Instances of fraud, bribery and corruption, and violations of laws and regulations could have a material adverse effect on the Gold Road's reputation, business, results of operations, financial condition and the price of Gold Road shares.

9 Additional information

9.1 Bid Implementation Agreement

On 4 April 2022, Gold Road and DGO entered into the Bid Implementation Agreement which sets out the basis on which Gold Road will make the Offer and the respective obligations of Gold Road and DGO in relation to the Offer.

This section contains a summary of some of the material terms of the Bid Implementation Agreement. A complete copy of the Bid Implementation Agreement was released to the ASX on 4 April 2022.

(a) Offer

The Offer is for Gold Road to acquire DGO shares for the consideration of 2.16 Gold Road Shares for each DGO Share. The Offer made in respect of DGO Shares will extend to DGO Shares that are issued during the Offer Period as a result of the exercise of DGO Convertible Securities that are on issue as at the Record Date.

(b) Restrictions on waiver of 80% Minimum Acceptance Condition

The Offer is subject to a condition that at the end of the Offer Period, Gold Road has a relevant interest in at least 80% of all DGO Shares (on a fully diluted basis). Gold Road may not declare that the Offer is free of that condition unless there is a Superior Proposal or in the event the Bid Implementation Agreement is terminated for any reason (as described in **section 9.1(j)**).

(c) Extension of Offer Period

The initial Offer Period will last for at least one month (see **section 10.3** below), subject to Gold Road's right to extend the period in accordance with the Corporations Act provided that Gold Road must not extend the Offer Period beyond a date that is 6 months from the opening of the Offer (**Initial Maximum Offer Period**) unless prior to the end of the Initial Maximum Offer Period Gold Road and its Associates together have relevant interests in more than 50.1% of DGO Shares (on a fully diluted basis), in which case Gold Road may extend the Offer Period to a date that is no more than 9 months from the opening of the Offer.

(d) Exclusivity

Clause 6 of the Bid Implementation Agreement sets out the exclusivity obligations of DGO in connection with the implementation of the Takeover Bid. A summary of the key exclusivity obligations of DGO during the Exclusivity Period is set out below:

- (i) **(no talk and no shop)** DGO must not, and must ensure that each of its Related Persons do not, directly or indirectly:
 - (A) **(no shop)** solicit, invite, encourage or initiate any inquiry, expression of interest, offer proposal, negotiations or discussions by any person in relation to, or which would reasonably be expected to encourage or lead to the making of, a Competing Proposal or communicate to any person an intention to do anything referred to in this **section 9.1(d)(i)(A)**; or
 - (B) **(no talk)** subject to section 9.1(d)(iii):
 - facilitate, participate in or continue any negotiations or discussions with respect to any inquiry, expression of interest, offer or proposal by any person to make, or which would reasonably be expected to encourage or lead to the making of, a Competing Proposal or participate in or continue any negotiations or discussions with respect to any Competing Proposal;
 - negotiate, accept or enter into, or offer or agree to negotiate, accept or enter into, any agreement, arrangement or understanding regarding a Competing Proposal;

- disclose or otherwise provide or make available any non-public information about the business or affairs of DGO Group to a Third Party (other than a Government Agency that has the right to obtain that information and has sought it) in connection with, with a view to obtaining, or which would reasonably be expected to encourage or lead to the formulation, receipt or announcement of, a Competing Proposal (including providing such information for the purposes of the conduct of due diligence investigations in respect of DGO Group) whether by that Third Party or another person; or
 - communicate to any person an intention to do anything referred to above.
- (ii) **(notification of approaches)** During the Exclusivity Period, DGO must immediately notify Gold Road in writing if DGO or any of its Related Persons becomes aware of any:
- (A) written approach or written attempt to initiate any negotiations or discussions in respect of any inquiry, expression of interest, offer, proposal or discussion in relation to an actual, proposed or potential Competing Proposal;
 - (B) written proposal made to DGO or any of its Related Persons in connection with, or in respect of any exploration or completion of, an actual, proposed or potential Competing Proposal; or
 - (C) provision by DGO or any of its Related Persons of any non-public information concerning the business or operations of DGO or DGO Group to any Third Party (other than a Government Agency) in connection with an actual, proposed or potential Competing Proposal,

whether direct or indirect, solicited or unsolicited, and in writing or otherwise.

A notification must, subject to the fiduciary exception, include the identity of the relevant person making or proposing the relevant Competing Proposal and all material terms and conditions of the Competing Proposal (including the implied offer price per DGO Share).

- (iii) **(fiduciary exception)** the no talk and notification of approaches requirements are subject to a 'fiduciary exception' where in the opinion of the DGO Board, acting in good faith after receiving written advice from its external legal adviser and financial advisers, the Competing Proposal is or may reasonably be expected to lead to a Superior Proposal and compliance with those provisions would constitute, or would be reasonably likely to constitute, a breach of any of the fiduciary or statutory duties of the DGO Directors, provided that the Competing Proposal was not directly or indirectly brought about by, or facilitated by a breach of the exclusivity clause in the Bid Implementation Agreement.
- (iv) **(matching right)** during the Exclusivity Period, DGO must not, and must procure that each DGO Group Member does not, enter into any legally binding agreement pursuant to which one or more of a Third Party, DGO or any DGO Group Member proposes or propose to undertake or give effect to a Competing Proposal and must use its best endeavours to procure that none of its directors change their recommendation in favour of the Takeover Bid, publicly recommend a Competing Proposal (or recommend against the Takeover Bid) or make any public statement to the effect that they may do so at a future point (provided that a statement that no action should be taken by DGO Shareholders pending the assessment of a Competing Proposal by the DGO Board and its advisers shall not contravene this clause),
- unless:
- (A) the DGO Board, acting in good faith and in order to satisfy what DGO Directors consider to be their statutory or fiduciary duties (having received written legal advice from their external legal adviser), determine that the Competing Proposal would be or would be reasonably likely to be a Superior Proposal;
 - (B) DGO has provided Gold Road with the material terms and conditions of the Competing Proposal, including price and the identity of the Third Party making the Competing Proposal;

(C) DGO has given Gold Road at least 5 Business Days after the date of the provision of the information to consider the Competing Proposal and to propose amendments to the Takeover Bid to DGO, or announce or provide to DGO a new proposal (**GOR Counterproposal**); and

(D) Gold Road has not announced or otherwise formally provided to DGO a Gold Road Counterproposal by the expiry of the 5 Business Day period or if Gold Road has announced or proposed to DGO a GOR Counterproposal by the expiry of the 5 Business Day period, DGO has complied with the requirements in response to that GOR Counterproposal.

If Gold Road proposes to DGO, or announces, a GOR Counterproposal by the expiry of the 5 Business Day period, DGO must procure that the DGO Board considers the GOR Counterproposal and if the DGO Board, acting reasonably and in good faith, determines that the GOR Counterproposal would provide an equivalent or superior outcome for DGO Shareholders as a whole (other than those Associated with Gold Road) compared with the Competing Proposal, taking into account all of the terms and conditions of the GOR Counterproposal, then the Takeover Bid (and Agreed Terms) will be deemed to have been amended to reflect the terms of the GOR Counterproposal, Gold Road must immediately announce the GOR Counterproposal and DGO must use its best endeavours to procure that each of the Directors of DGO continues to recommend the Takeover Bid (as modified by the GOR Counterproposal) to DGO Shareholders.

The provisions set out in this **section 9.1(d)(iv)** have repeat application so that if any further proposal is made after Gold Road has made a Gold Road Counterproposal, Gold Road will again have the right to match the further proposal.

(e) Reimbursement Fee

Clause 7 of the Bid Implementation Agreement sets out the circumstances in which DGO may be required to pay a Reimbursement Fee of \$2,900,000 to Gold Road. The Reimbursement Fee will be payable if any one of the following events occurs:

- (i) During the Exclusivity Period, any DGO Director fails to recommend that DGO Shareholders accept the Offer, withdraws, adversely revises or adversely qualifies their recommendation that DGO Shareholders accept the Offer, or recommends that DGO Shareholders accept or vote in favour of or otherwise supports or endorses a Competing Proposal of any kind that is announced during the Exclusivity Period, unless DGO is entitled to terminate pursuant to clauses 8.1(b)(i), (ii), (iv) or (v)(B) of the Bid Implementation Agreement; or during the Exclusivity Period where a Competing Proposal (other than a proposal under paragraph (b) of the definition of a Competing Proposal) has been received by DGO prior to the right to terminate arising and that Competing Proposal completes within 12 months of the date Gold Road is notified of the Competing Proposal or is recommended by the Board of DGO within 6 months after the date of the Bid Implementation Agreement or a Competing Proposal (other than a proposal under paragraph (b) of the definition of Competing Proposal) is announced by DGO or a Third Party during the period following termination described in clause 8.1(b)(iv) of the Bid Implementation Agreement and ending 6 months after the date of the Bid Implementation Agreement and that Competing Proposal completes within 12 months of the date of such announcement; or

- (ii) During the Exclusivity Period, a Competing Proposal (other than a proposal under paragraph (b) of the definition of Competing Proposal) is announced by DGO or a Third Party, or a person acquires a relevant interest or an economic interest under a cash settled equity swap or similar derivative or right to acquire either a legal, beneficial or economic interest, in more than 10% of DGO Shares on issue and during the period ending 6 months after the date of the Bid Implementation Agreement a Competing Proposal (other than a proposal under paragraph (b) of the definition of Competing Proposal) is announced by the person acquiring the relevant interest of 10% or more (or any of its Associates) and, within 12 months of the date of such announcement the Competing Proposal completes, unless prior to that time DGO terminates the Bid Implementation Agreement pursuant to clauses 8.1(b)(i) or 8.1(b)(ii) the Bid Implementation Agreement; or
- (iii) Gold Road has validly terminated the Bid Implementation Agreement pursuant to a material breach by DGO of the Bid Implementation Agreement or a representation or warranty given by DGO becoming untrue.

(f) Refund

The Reimbursement Fee will not be payable to Gold Road if Gold Road becomes the holder of more than 50% of the DGO Shares as a result of the Takeover Bid, notwithstanding the occurrence of any event in clause 7.2 of the Bid Implementation Agreement (which is summarised in **section 9.1(e)**), and if the Reimbursement Fee has already been paid by DGO, it must be returned to DGO.

(g) Representations and warranties

Gold Road and DGO, in clause 9 to the Bid Implementation Agreement, have each given representations and warranties to the other, customary for a transaction of this nature.

(h) Third party consents

To the extent that any Third Party Consents have not already been obtained on terms acceptable to Gold Road (acting reasonably), then DGO must during the Exclusivity Period and at Gold Road's reasonable request:

- (i) apply in conjunction with Gold Road, to the counterparties from which these Third Party Consents are required;
- (ii) use, and must procure that each relevant Related Person of DGO uses, in conjunction with Gold Road, reasonable endeavours to obtain the Third Party Consents as expeditiously as possible; and
- (iii) work, and must procure that each relevant Related Person of DGO works, co-operatively with Gold Road in seeking to obtain those Third Party Consents.

(i) Interim funding arrangements

The arrangement in relation to interim financing by DGO is set out in clause 4.16 of Bid Implementation Agreement. If at any time during the Exclusivity Period the DGO Board forms the view that it requires additional financing, an amount becomes repayable within the next 30 days or further security or support is required under the Bell Potter Finance Facility, or there is change to any existing terms in relation to the Bell Potter Finance Facility, DGO must provide Gold Road with a written notice (**Financing Notice**) that includes details of the financing requirements and any alternative financing proposal (**Alternative Financing Proposal**) available to DGO. Gold Road then has 6 Business Days to provide a binding offer of finance to DGO (**GOR Financing Proposal**).

If the GOR Financing Proposal is considered by the DGO Board, acting reasonably and in good faith, to be on terms no less favourable to DGO than the Alternative Financing Proposals, then DGO may only meet the funding requirement by accepting that proposal. In the absence of any Alternative Financing Proposal or GOR Financing Proposal, DGO may sell any shares or other securities which DGO holds, other than De Grey Shares.

After the date which is 3 months following the commencement of the Offer Period, DGO may satisfy a funding requirement by sale of shares or other securities (other than De Grey Shares) provided that the price at which those securities are disposed is a price at no more than a 5% discount to the 5 day VWAP of those securities prior to the day immediately prior to the date of disposal.

(j) Termination

Clause 8 of the Bid Implementation Agreement sets out the termination rights of each party. These are summarised below.

- (i) Gold Road may terminate the Bid Implementation Agreement by written notice to DGO if at any time before the end of the Offer Period:
 - (A) any DGO Director fails to recommend that DGO Shareholders accept the Offer, or having recommended the Offer, withdraws, revises, revokes or qualifies their recommendation in relation to the Takeover Bid;
 - (B) DGO is in material breach of this agreement (including a material breach of a representation or warranty) and, to the extent that the breach is capable of remedy, that breach is not remedied by DGO within 5 Business Days of it receiving notice from Gold Road of the details of the breach and Gold Road's intention to terminate;
 - (C) a court or Government Agency has issued an order, decree or ruling, or taken other action, that permanently restrains or prohibits the Takeover Bid, and the action is final and cannot be appealed or reviewed or Gold Road, acting reasonably, believes that there is no realistic prospect of a successful appeal or review; or
 - (D) Gold Road withdraws the Takeover Bid or the Takeover Bid lapses for any reason, including non-satisfaction of a condition to the Takeover Bid.
- (ii) DGO may terminate the Bid Implementation Agreement by written notice to Gold Road if at any time before the end of the Offer Period:
 - (A) Gold Road is in material breach of the Bid Implementation Agreement (including a material breach of a representation or warranty given by DGO under clause 9 of the Bid Implementation Agreement) and, to the extent that the breach is capable of remedy, that breach is not remedied by Gold Road within 5 Business Days of it receiving notice from DGO of the details of the breach and DGO's intention to terminate;
 - (B) a court or Government Agency has issued an order, decree or ruling, or taken other action, that permanently restrains or prohibits the Takeover Bid, and the action is final and cannot be appealed or reviewed or DGO, acting reasonably, believes that there is no realistic prospect of a successful appeal or review;
 - (C) the completion of a Competing Proposal contemplated by clause 7.2(b)(ii) and payment of any Reimbursement Fee required to be paid under clause 7 of the Bid Implementation Agreement;
 - (D) prior to the date that is 3 months after the Announcement Date, DGO Shareholders (other than holders who are members of the DGO Board or holders who are owned or controlled by members of the DGO Board) who in aggregate hold more than 50% of the DGO Shares on issue deliver written unqualified truth in takeovers statements in accordance with *ASIC Regulatory Guide 25* to DGO and Gold Road that they will not accept the Offer in its current form, acknowledge that the statements are binding on them and authorise Gold Road to disclose those statements to ASX; or
 - (E) Gold Road withdraws the Offer or the Offer lapses for any reason, including non-satisfaction of a condition to the Takeover Bid.

(k) Customary provisions

The Bid Implementation Agreement contains such other provisions as is customary for an agreement of this nature including requirements in relation to directors' recommendations, DGO's obligation to facilitate the capital offer, restrictions on conduct of DGO business and board appointment arrangements.

(l) Directors' recommendation

Subject to Gold Road complying with the procedure to make the Offer, DGO agrees to procure that during the Exclusivity Period the DGO Directors publicly state the recommendation that DGO Shareholders accept the Offer to be made to them under the Takeover Bid in all material public announcements in relation to the Offer and do not withdraw, revise, revoke or qualify the recommendation that DGO Shareholders accept the Offer or make any public statement inconsistent with such recommendation, each in the absence of a Superior Proposal.

(m) Facilitating the Offer

During the Exclusivity Period, in the absence of a Superior Proposal, DGO and Gold Road must each use all reasonable endeavours and commit necessary resources (including management and corporate relations and external advisers) and procure that its Representatives work in good faith and in a timely and co-operative fashion with the other party (including by attending meetings and by providing the necessary records and information reasonably required), to implement the Offer in accordance with the timetable and the terms in the Bid Implementation Agreement. However, DGO will not be in breach of this section, if DGO or any of its Related Persons takes any action, or fails to take any action, to the extent permitted under the Bid Implementation Agreement

9.2 Status of defeating conditions

The Offer is subject to a number of conditions set out in **section 10.12**. Gold Road will provide updates on any material developments relating to the status of these conditions through announcements to the ASX.

Gold Road is not aware of any events or circumstances which would result in the non-fulfilment of any of the defeating conditions.

9.3 Disclosure of interests/fees and benefits payable to Gold Road Directors and advisers

Other than as set out below or elsewhere in this Bidder's Statement, no:

- (a) Gold Road Director;
- (b) person named in this Bidder's Statement as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Bidder's Statement;
- (c) promoter of Gold Road; or
- (d) broker or underwriter in relation to the issue of Gold Road Shares pursuant to the Offer, has, or had within 2 years before the date of this Bidder's Statement, any interest in:
 - (e) the formation or promotion of Gold Road;
 - (f) any property acquired or proposed to be acquired by Gold Road in connection with its formation or promotion or in connection with the issue of Gold Road Shares under the Offer; or
 - (g) the offer or issue of Gold Road Shares under this Bidder's Statement.

No amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of those persons as an inducement to become, or to qualify as, a Gold Road Director or expert or otherwise for services rendered by him or her in connection with the formation or promotion of Gold Road or the issue of Gold Road Shares under this Bidder's Statement.

9.4 Directors' security interests

The Gold Road Directors have the following interests in Gold Road securities (either held directly or held by their Associates) as at the Last Practicable Date before the date of this Bidder's Statement.

Director	Gold Road Shares	Gold Road Performance Rights
Tim Netscher	786,086	-
Duncan Gibbs	714,092	1,566,002
Brian Levet	240,000	-
Maree Arnason	20,580	-
Denise McComish	20,000	-

The Gold Road Directors do not have any interest (either held directly or held by their Associates) in DGO securities as at the date of this Bidder's Statement.

9.5 Advisers' fees and benefits

Other than as set out below or elsewhere in this Bidder's Statement, no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given:

- to a director or proposed director of Gold Road to induce him or her to become, or to qualify as, a director of Gold Road; or
- for services provided by an Interested Person in connection with the formation or promotion of Gold Road or the offer of Gold Road Shares under the Offer.

The persons named in this Bidder's Statement as performing a function in a professional or advisory capacity in connection with the Offer and with the preparation of this Bidder's Statement on behalf of Gold Road are RBC Capital Markets as financial advisers and Corrs Chambers Westgarth as legal adviser for Gold Road in relation to the Offer.

The fee for professional services paid or payable to RBC Capital Markets as financial adviser to Gold Road is \$3,000,000. No additional fee is payable to RBC Capital Markets in connection with its role as Sale Nominee in respect of Ineligible Foreign Shareholders. The fee for professional services paid or payable to Corrs Chambers Westgarth as legal adviser to date is approximately \$280,000.

9.6 Consents

Corrs Chambers Westgarth has given, and has not withdrawn before lodgement of this Bidder's Statement with ASIC, its written consent to be named in this Bidder's Statement as legal adviser (other than in relation to taxation matters) to Gold Road in relation to the Offer in the form and context in which it is named.

RBC Capital Markets has given, and has not withdrawn before lodgement of this Bidder's Statement with ASIC, its written consent to be named in this Bidder's Statement in the form and context in which it is named and to the inclusion of the statements in this Bidder's Statement by it, or based on statements made by it, in the form and context in which they appear.

Computershare Investor Services Pty Limited as share registry of Gold Road has given, and has not withdrawn before lodgement of this Bidder's Statement with ASIC, its written consent to be named in this Bidder's Statement in the form and context in which it is named and to the inclusion of the statements in this Bidder's Statement by it, or based on statements made by it, in the form and context in which they appear.

RBC Capital Markets has given, and has not withdrawn before lodgement of this Bidder's Statement with ASIC, its written consent to be named in this Bidder's Statement as agent for the Acceptance Facility established by Gold Road in relation to the Offer in the form and context in which it is named.

KPMG Australia Pty Ltd has given, and has not withdrawn before lodgement of this Bidder's Statement with ASIC, its written consent to be named in this Bidder's Statement as auditor of Gold Road in relation to the Offer in the form and context in which it is named.

Each of the persons named above has not withdrawn its consent prior to the lodgement of this Bidder's Statement with ASIC.

These consents have been given on the basis that the person named as giving its consent:

- (a) did not authorise or cause the issue of this Bidder's Statement; and
- (b) does not make, or purport to make, any statement in this Bidder's Statement other than as specified in this Bidder's Statement.

This Bidder's Statement includes statements which are made in, or based on statements made in, documents lodged with ASIC or given to the ASX. Under the terms of ASIC Class Order 13/521, the parties making those statements are not required to consent to, and have not consented to, inclusion of those statements in this Bidder's Statement.

As permitted by ASIC Corporations (Consents to Statements) Instrument 2016/72 (**Corporations Instrument 2016/72**), this Bidder's Statement may include or be accompanied by certain statements:

- which fairly represent what purports to be a statement by an official person; or
- which are a correct and fair copy of, or extract from, what purports to be a public official document; or
- which are a correct and fair copy of, or extract from, a statement which has already been published in a book, journal or comparable publication.

In addition, as permitted by Corporations Instrument 2016/72, this Bidder's Statement contains trading data sourced from Bloomberg provided without its consent.

9.7 Gold Road's Ore Reserves and Mineral Resources

The information in this Bidder's Statement in respect of Gold Road's Mineral Resources and Ore Reserves is extracted from the report entitled "Gold Road 2021 Annual Mineral Resource and Ore Reserve Statements" and released to ASX on 17 February 2022. Gold Road is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The form and context in which the competent person's findings are presented have not been materially modified from the original market announcement.

9.8 No material litigation

Gold Road is not party to any material litigation and is not involved in any material disputes.

9.9 Foreign Shareholders

The Offer is not registered in any jurisdiction outside Australia and this Bidder's Statement does not constitute an offer of Gold Road Shares in any jurisdiction in which it would be unlawful. In particular, this Bidder's Statement may not be distributed to any person, and the Gold Road Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

New Zealand

This Bidder's Statement is not a New Zealand disclosure document and has not been registered, filed with, or approved by any New Zealand regulatory authority under or in accordance with the Financial Markets Conduct Act 2013 or any other New Zealand law.

The offer of Gold Road Shares is being made to existing shareholders of DGO in reliance upon the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 and, accordingly, this Bidder's Statement may not contain all the information that a disclosure document is required to contain under New Zealand law.

Singapore

The Offer is made pursuant to the exemption under section 273(1)(b) of the Securities and Futures Act (Cap 289) (**SFA**). This Bidder's Statement and any document or material in connection with the offer or sale, or invitation for subscription or purchase of Gold Road Shares are not a prospectus as defined in the SFA and, therefore, have not been and will not be lodged or registered as a prospectus with the Monetary Authority of Singapore (**MAS**). Accordingly, statutory liability under the SFA in relation to the content of prospectuses will not apply. MAS assumes no responsibility for the contents of this Bidder's Statement. MAS has not in any way considered the merits of the Gold Road Shares being offered pursuant to the Offer as described in this Bidder's Statement. You should consider carefully whether this offer is suitable for you.

This Bidder's Statement and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of Gold Road Shares may not be circulated or distributed, whether directly or indirectly, nor may Gold Road Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore except pursuant to and in accordance with the exemption set out in section 273(1)(b) of the SFA or otherwise in accordance with any other relevant exemption under the SFA.

Any offer of Gold Road Shares is personal to you, as a shareholder of DGO, and is not made to you with a view to the securities being subsequently offered for sale to any other party. You are advised to acquaint yourself with the SFA provisions relating to on-sale restrictions in Singapore and comply accordingly.

United Kingdom

Neither this Bidder's Statement nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the Gold Road Shares.

The Gold Road Shares may not be offered or sold in the United Kingdom by means of this Bidder's Statement or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This Bidder's Statement is issued on a confidential basis in the United Kingdom to "qualified investors" (as defined in the UK Prospectus Regulation) and fewer than 150 other persons who are existing shareholders of DGO. This Bidder's Statement may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the Gold Road Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to Gold Road.

In the United Kingdom, this Bidder's Statement is being distributed only to, and is directed at, persons:

- (a) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005, as amended (FPO);
- (b) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO; or
- (c) to whom it may otherwise be lawfully communicated,

(together, **relevant persons**). The investment to which this Bidder's Statement relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this Bidder's Statement.

United States

This Bidder's Statement has not been filed with, or reviewed by, the US Securities and Exchange Commission or any state securities authority and none of them has passed upon or endorsed the merits of the offer of Gold Road Shares or the accuracy, adequacy or completeness of this document. Any representation to the contrary is a criminal offence.

Gold Road Shares have not been, and will not be, registered under the US Securities Act 1933 or the securities laws of any US state or other jurisdiction. Gold Road Shares are not being offered in any US state or other jurisdiction where it is not legally permitted to do so.

DGO shareholders should note that the Offer is made for the securities of an Australian company in accordance with the laws of Australia and the Listing Rules of the Australian Securities Exchange. The Offer is subject to the disclosure requirements of Australia that are different from those of the United States. Any financial statements included in the Bidder's Statement have been prepared in accordance with Australian Accounting Standards and may not be comparable to the financial statements of US companies.

It may be difficult for you to enforce your rights and any claim you may have arising under US federal securities laws, since Gold Road is incorporated in Australia and some of its officers and directors are residents of Australia. You may not be able to sue Gold Road or its officers or directors in Australia for violations of the US securities laws. It may be difficult to compel Gold Road and its affiliates to subject themselves to a US court's judgment.

You should be aware that Gold Road may purchase securities other than under the Offer, such as in privately negotiated purchases.

Any Pro-forma Historical Financial Information included in this Bidder's Statement does not purport to be in compliance with Article 11 of the SEC's Regulation S-X. The pro-forma adjustments made in arriving at the Pro-forma Historical Financial Information included in this Bidder's Statement may not be permissible under the SEC's rules and regulations on pro-forma financial presentations.

Ineligible Foreign Shareholders

For the purposes of the Offer, a DGO Shareholder is considered to be an Ineligible Foreign Shareholder if their address in the register of members is a place outside of Australia, New Zealand, Singapore, United Kingdom and the United States (except DGO Shareholders in the United States who are not Accredited Investors are deemed to be Ineligible Foreign Shareholders) unless Gold Road determines (in its absolute discretion) that it is lawful, not unduly onerous and not unduly impracticable to make the Offer to that DGO Shareholder in the relevant jurisdiction (including those jurisdictions other than Australia) and to issue that DGO Shareholder with Gold Road Shares, on the completion of the Offer and that it is lawful for that DGO Shareholder to participate in the Offer by the law of the relevant jurisdiction (including those jurisdictions other than Australia) (**Ineligible Foreign Shareholder**).

If you are an Ineligible Foreign Shareholder and you accept the Offer, the Gold Road Shares which would otherwise have been issued to the Ineligible Foreign Shareholder will instead be issued to a Sale Nominee approved by ASIC, who will then sell these securities. The net proceeds of the sale of such securities will then be remitted to the relevant Ineligible Foreign Shareholder.

See **section 10.11** of the Offer.

9.10 DGO Convertible Securities

Gold Road is not making a separate takeover offer to holders of DGO Convertible Securities. However, DGO Convertible Securityholders whose DGO Convertible Securities are exercised and converted into DGO Shares during the Offer Period will be able to accept the Offer in respect of the DGO Shares which they are issued.

Pursuant to the Bid Implementation Agreement, and conditional only on Gold Road's Offer being declared unconditional, DGO will make the DGO Convertible Offer to each remaining holder of DGO Convertible Securities in a form approved by Gold Road to cancel each of their DGO Convertible Securities for:

- (a) in the case of the DGO, the DGO Option Consideration; and
- (b) in the case of all other DGO Performance Rights holders, nil consideration.

Under the Bid Implementation Agreement, DGO and Gold Road must act co-operatively in connection with the DGO Convertible Offer which includes doing all things required to enable the cancellation of the DGO Convertible Securities in respect of completion of an offer that is accepted.

DGO Convertible Securityholders whose DGO Convertible Securities are exercised or converted into DGO Shares during the Offer Period will be able to accept the Offer in respect of the DGO Shares which they are issued.

The DGO Convertible Offer is conditional on the Offer being declared unconditional and must be completed within 5 Business Days of the Offer becoming unconditional.

Further details of the DGO Convertible Securities on issue are listed in **section 4.2**

9.11 ASX relief

Customary relief will also be sought from ASX to give effect to the offers for DGO Convertible Securities set out in more detail in **section 9.10** above.

9.12 Other material information

There is no other information that:

- (a) is material to the making of a decision by a holder of DGO Shares as to whether or not to accept the Offer;
 - (b) is known to Gold Road; and
 - (c) has not previously been disclosed to DGO Shareholders,
- other than as is contained elsewhere in this Bidder's Statement.

9.13 Date for determining holders

For the purposes of section 633(2) of the Corporations Act, the date for determining the people to whom information is to be sent under items 6 and 12 of section 633(1) of the Corporations Act is 7.00pm (Sydney time) on 7 April 2022 (**Record Date**).

For personal use only

10 Terms of the Offer

10.1 General terms

- (a) Gold Road offers to acquire all of your DGO Shares, together with all Rights attached to them, on the terms and conditions set out in this Offer.
- (b) The consideration being offered by Gold Road for the acquisition of all of your DGO Shares is 2.16 Gold Road Shares for every DGO Share you own, subject to the terms and conditions set out in this Offer.
- (c) If you are an Ineligible Foreign Shareholder or a Small Parcel Shareholder and you accept the Offer then, despite any other provision of this Offer, you will not receive Gold Road Shares but are instead offered and will be paid a cash amount calculated under **section 10.11**.
- (d) The Gold Road Shares to be issued pursuant to this Offer will be credited as fully paid and will, from their date of issue, rank equally in all respects with existing Gold Road Shares currently on issue.

10.2 Official Quotation

Gold Road will apply for Official Quotation on ASX of the Gold Road Shares to be issued under the Offer. Quotation will not be automatic but will depend on ASX exercising its discretion. Gold Road has already been admitted to the official list of ASX and the Gold Road Shares to be issued under the Offer are of the same class as Gold Road Shares already quoted on ASX. Gold Road cannot guarantee, and does not represent or imply, that Gold Road Shares will be listed on ASX following their issue.

10.3 Offer Period

Unless extended or withdrawn, this Offer will remain open for acceptance during the period commencing on the date of this Offer and ending at 7.00pm (Sydney time) on 9 May 2022.

Gold Road reserves the right, exercisable in its sole discretion, to extend the Offer Period in accordance with the Corporations Act provided that Gold Road must not extend the Offer Period beyond a date that is 6 months from the date of the Offer (**Initial Maximum Offer Period**) unless prior to the end of the Initial Maximum Offer Period Gold Road and its Associates together have relevant interests in more than 50.1% of DGO Shares (on a fully diluted basis), in which case Gold Road may extend the Offer Period to a date that is no more than 9 months from the date of the Offer.

The Offer Period may be automatically extended in accordance with section 624(2) of the Corporations Act if, within the last 7 days of the Offer Period, either of the following events occur:

- (a) the Offer is varied to improve the consideration offered; or
- (b) Gold Road's voting power in DGO increases to more than 50%,

in which case the Offer Period will be automatically extended so that it ends 14 days after the relevant event described in **sections 10.3(a)** or **10.3(b)** above.

10.4 Who may accept the Offer

- (a) This Offer is being made to each person registered as the holder of DGO Shares in the register of DGO Shareholders as at the Record Date. It also extends to:
 - (i) holders of any DGO Shares that are issued during the period from the Record Date to the end of the Offer Period due to the conversion of, or exercise of rights conferred by DGO Options; and
 - (ii) any person who becomes registered as the holder.
- (b) If, at the time the Offer is made to you, or at any time during the Offer Period, another person is registered as the holder of some or all of the DGO Shares to which this Offer relates:

- (i) a corresponding offer on the same terms as this Offer will be deemed to have been made to that other person in respect of those DGO Shares;
- (ii) a corresponding offer on the same terms as this Offer will be deemed to have been made to you in respect of any other DGO Shares you hold to which the Offer relates; and
- (iii) this Offer will be deemed to have been withdrawn immediately at that time in respect of those DGO Shares.
- (c) If, at any time during the Offer Period and before this Offer is accepted, any person holds one or more distinct parcels of DGO Shares (for example, as trustee, nominee or otherwise on account of another person) within the meaning of section 653B of the Corporations Act then:
- (i) this Offer is deemed to consist of a separate corresponding Offer to that person in relation to each distinct parcel of DGO Shares; and
- (ii) acceptance by that person of the Offer for any distinct parcel of DGO Shares is ineffective unless the person gives written notice to Gold Road in accordance with section 653B(3) of the Corporations Act stating that the Gold Road Shares consist of distinct portions and the acceptance specifies the number of the DGO Shares in each separate parcel to which the acceptance relates.
- (d) If your DGO Shares are registered in the name of a broker, investment dealer, bank, trust company or other nominee, you should contact that nominee for assistance in accepting the Offer.
- (e) This Offer is not registered in any jurisdiction outside Australia and this Bidder's Statement does not constitute an offer of Gold Road Shares in any jurisdiction in which it would be unlawful. In particular, this Bidder's Statement may not be distributed to any person, and the Gold Road Shares may not be offered or sold, in any country outside Australia except to the extent permitted in **section 9.9**. It is your sole responsibility to satisfy yourself that you are permitted by any law of a country other than Australia applicable to you to accept this Offer and to comply with any other necessary formality and to obtain any necessary governmental or other consents.

10.5 Fractional entitlements

If the number of DGO Shares you hold is such that your entitlement to Gold Road Shares under this Offer is not a whole number, your entitlement to Gold Road Shares will be rounded up or down to the nearest whole number and your entitlement.

10.6 How to accept this Offer

General

- (a) Subject to **sections 10.4(b)** and **10.4(c)**, you may only accept this Offer in respect of all of your DGO Shares (and not a lesser number). For example, if you have 10,000 DGO Shares and you wish to accept the Offer, you may only accept this Offer in respect of 10,000 DGO Shares.
- (b) You may only accept this Offer during the Offer Period.

DGO Shares held in your name on DGO's issuer sponsored subregister

- (c) To accept the Offer for DGO Shares held in your name on DGO's issuer sponsored subregister (in which case your Securityholder Reference Number will be prefixed with 'I') you must:
- (i) complete and sign the accompanying Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form; and
- (ii) return the Acceptance Form (using the accompanying reply paid envelope if you wish) together with all other documents required by the instructions on it to the address specified on the Acceptance Form so that they are received before the end of the Offer Period.

DGO Shares held in your name in a CHESS Holding

- (d) If your DGO Shares are held in your name in a CHESS Holding (in which case your Holder Identification Number will be prefixed with 'X') and you are:
- (i) not a Participant, you should instruct your broker or Controlling Participant (this is normally the Broker through whom you bought your DGO Shares or ordinarily acquire shares on the ASX) to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules so as to be effective before the end of the Offer Period; or
 - (ii) alternatively, you could complete and sign the Acceptance Form in accordance with the instructions on it. Once completed and signed, you need to return the Acceptance Form (using the accompanying reply paid envelope if you wish) together with all other documents required by those instructions so that they are received at the address given on the Acceptance Form in sufficient time for your acceptance to be processed before the end of the Offer Period. This will authorise Gold Road to request your Controlling Participant to initiate, acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period. You must ensure that the Acceptance Form (and the other required documents) is received in sufficient time for the Bidder to relay your instructions to your Controlling Participant, and for your Controlling Participant, to carry out those instructions, before the end of the Offer Period.
- (e) If your DGO Shares are held in your name in a CHESS Holding (in which case your Holder Identification Number will be prefixed with 'X'), you must comply with any other applicable ASX Settlement Operating Rules.
- (f) Neither Gold Road nor Computershare (being Gold Road's share registry) will be responsible if your Controlling Participant does not acknowledge and confirm your acceptance in sufficient time.

Acceptance Form and other documents

- (g) The Acceptance Form forms part of the Offer.
- (h) If your Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is returned by post, for your acceptance to be valid you must ensure that they are posted or delivered in sufficient time for them to be received by Gold Road at the address shown on the Acceptance Form before the end of the Offer Period.
- (i) When using the Acceptance Form to accept this Offer in respect of DGO Shares in a CHESS Holding, you must ensure that the Acceptance Form (and any documents required by the terms of this Offer and the instruction on the Acceptance Form) are received by Gold Road in time for Gold Road to instruct your Controlling Participant to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.
- (j) The postage and transmission of the Acceptance Form and other documents is at your own risk.

10.7 Institutional Acceptance Facility

Establishment of Acceptance Facility

- (a) Gold Road has established an institutional acceptance facility (**Acceptance Facility**) in relation to the Offer which is open to professional investors (as defined in section 9 of the Corporations Act) that hold or beneficially own at least 150,000 DGO Shares (Eligible Shareholders). DGO Shareholders who are not Eligible Shareholders cannot participate in the Acceptance Facility.
- (b) The Acceptance Facility has been established to enable Eligible Shareholders who may be unable or unwilling to accept the Offer until the Offer becomes or is declared unconditional (for example, by reason of their investment mandates) to indicate their support for the Offer and their intention to accept the Offer before the Offer becomes or is declared unconditional.

- (c) The collection agent for the Acceptance Facility is Computershare Clearing Pty Limited (ACN 063 826 228) (**Facility Agent**), which can be reached by contacting the Facility Agent by email at custodians@computershare.com.au.
- (d) Before making a decision whether or not to participate in the Acceptance Facility, Eligible Shareholders are encouraged to consult with their financial or other professional adviser.

Operation of the Acceptance Facility

The Acceptance Facility will operate as summarised below:

- (e) Eligible Shareholders may lodge with the Facility Agent a duly completed and executed appointment of facility agent form, along with acceptance instruction that demonstrate their intention to accept the Offer in the form of:
 - (i) where the Eligible Shareholder is the registered holder of DGO Shares, a duly completed and executed Acceptance Form in respect of all of their DGO Shares, in accordance with the terms of the Offer; and/or
 - (ii) where the Eligible Shareholder is the beneficial holder, and those DGO Shares are held on the Eligible Shareholder's behalf or account by a custodian, nominee or trustee (**Custodian**), a duly completed and executed direction to the Custodian (**Custodian Direction**) to accept the Offer in respect of all of those DGO Shares in the required form, in accordance with the terms of the Offer,
 - (together, **Acceptance Instructions**).
- (f) This Acceptance Instructions should be provided to the Facility Agent by email to custodians@computershare.com.au. The original documents should also be couriered or mailed to the Facility Agent (to the address set out in the appointment of facility agent form) immediately on sending the email.
- (g) The Facility Agent will hold any Acceptance Instructions it receives as acceptance collection agent and bare trustee only and will not acquire a relevant interest in the DGO Shares the subject of the Acceptance Instructions. Acceptance Instructions lodged with the Facility Agent will demonstrate the intention of the relevant Eligible Shareholder to accept the Offer but will not constitute acceptances of the Offer while they are held by the Facility Agent.
- (h) Gold Road may provide a written confirmation to the Facility Agent (Confirmation Letter), at any time and in its discretion (subject to the Corporations Act), which confirms that either:
 - (i) Gold Road has declared the Offer free of all the conditions (set out in **section 10.12 (Conditions)**) that may not have already been fulfilled or waived; or
 - (ii) Gold Road will declare the Offer free of all the Conditions that have not been fulfilled or waived as soon as practicable after all Acceptance Instructions are validly processed or implemented.
- (i) As soon as reasonably possible after the Facility Agent receives a Confirmation Letter from Gold Road, the Facility Agent must (as applicable):
 - (i) deliver (or procure the delivery of) the Acceptance Forms in accordance with the instructions on the relevant Acceptance Forms, or, in the case of securities held in CHES Holding, give the Acceptance Forms to the relevant Controlling Participant; and/or
 - (ii) deliver (or procure the delivery of) the Custodian Directions to the relevant Custodian; and/or
 - (iii) direct the Eligible Shareholder to initiate acceptance of the Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules.
- (j) Gold Road is under no obligation to give a Confirmation Letter to the Facility Agent or waive any or all Conditions.

- (k) Eligible Shareholders retain all rights and control over the DGO Shares and will be able to withdraw their Acceptance Instructions at any time prior to the Facility Agent receiving the Confirmation Letter from Gold Road.
- (l) The Facility Agent will return the Acceptance Instructions promptly upon:
- (i) receipt by the Facility Agent of written notification of withdrawal from the Shareholder, at any time prior to receipt of the Confirmation Letter from Gold Road; or
 - (ii) Gold Road terminating its arrangements with the Facility Agent in respect of the Acceptance Facility.
- (m) Gold Road reserves the right to declare the Offer free from any of the Conditions at any time (subject to the Corporations Act) irrespective of the number of acceptances held by Gold Road, or the number of DGO Shares that are the subject of Acceptance Instructions held by the Facility Agent.
- (n) The summary above is subject to the terms of the Acceptance Facility as set out in the Facility Documents (as defined below).

Obtaining documentation

- (o) If you are an Eligible Shareholder, a copy of the appointment of the facility agent form along with the full terms of the Acceptance Facility (**Facility Documents**) may be requested from the Facility Agent by email to custodians@computershare.com.au or by calling the Offer Information Line on 1300 620 417 (within Australia) or +61 3 9415 4653 (outside Australia).

Disclosure of Acceptance Instructions

- (p) Before 8.00pm (Perth time) on each business day (or at any other time upon reasonable request from Gold Road), the Facility Agent will notify Gold Road of the number of DGO Shares in respect of which Acceptance Instructions have been received, or of any withdrawals of Acceptance Instructions that have been received, as at 5.00pm (Perth time) on that day, with the expectation that this information may be released to ASX in conjunction with Gold Road's substantial holding notices in response to acceptances of the Offer.
- (q) Following receipt of this information from the Facility Agent, Gold Road will use its best endeavours to disclose this information to the ASX by 9.30am (Perth time) on the business day following any movement of at least 1% in the aggregate level of Gold Road's voting power during the Offer Period and the votes attached to DGO Shares the subject of valid Acceptance Instructions held subject to the Acceptance Facility.

10.8 Validity of acceptances

- (a) Subject to this section 10.8, your acceptance of the Offer will not be valid unless it is made in accordance with the procedures set out in section 10.6.
- (b) Gold Road will determine, in its sole discretion, all questions as to the form of documents, eligibility to accept the Offer and time of receipt of an acceptance of the Offer. Gold Road is not required to communicate with you prior to making this determination. The determination of Gold Road will be final and binding on all parties.
- (c) Notwithstanding section 10.6, Gold Road may, in its sole discretion, at any time and without further communication to you, deem any Acceptance Form it receives to be a valid acceptance in respect of your DGO Shares, even if a requirement for acceptance has not been complied with but the payment of the consideration in accordance with the Offer may be delayed until any irregularity has been resolved or waived and any other documents required to procure registration have been received by Gold Road.
- (d) Where you have satisfied the requirements for acceptance in respect of only some of your DGO Shares, Gold Road may, in its sole discretion, regard the Offer to be accepted in respect of those of your DGO Shares but not the remainder.

- (e) Gold Road will provide the consideration to you in accordance with **section 10.10**, in respect of any part of an acceptance determined by Gold Road to be valid.

10.9 The effect of acceptance

- (a) Once you have accepted this Offer, you will be unable to revoke your acceptance and the contract resulting from your acceptance will be binding on you and you will be unable to withdraw that acceptance or otherwise dispose of your DGO Shares to which the Offer relates, except as follows:
- (i) if, by the relevant times specified in **section 10.9(b)**, the conditions contained in **section 10.12** have not been fulfilled or waived, the Offer will automatically terminate and your DGO Shares the subject of your acceptance will be returned to you; or
 - (ii) if the Offer Period is extended for more than 1 month and the obligations of Gold Road to deliver the consideration are postponed for more than 1 month and, at the time, the Offer remains subject to one or more of the conditions contained in **section 10.12**, you may be able to withdraw your acceptance in relation to your DGO Shares in accordance with section 650E of the Corporations Act. Should such rights arise, a notice will be sent to you at the relevant time explaining your rights in this regard.
- (b) The relevant times for the purposes of section 10.9(a)(i) are:
- (i) in relation to the condition in **section 10.12(e) (No Prescribed Occurrences)**, the end of the third business day after the end of the Offer Period; and
 - (ii) in relation to all other conditions in **section 10.12**, the end of the Offer Period.
- (c) By accepting the Offer pursuant to **section 10.6**, you will be deemed to have:
- (i) accepted this Offer (and any variation to it subject to section 650E of the Corporations Act) in respect of the DGO Shares registered in your name to which this Offer relates, regardless of the number of DGO Shares specified in the Acceptance Form, subject to **sections 10.4(b)** and **10.4(c)**;
 - (ii) agreed to the terms of the Offer and, subject to the conditions contained in **section 10.12** being fulfilled or waived, agreed to transfer (or consented to the transfer in accordance with the ASX Settlement Operating Rules) to Gold Road all of your DGO Shares;
 - (iii) agreed to accept the consideration being offered by Gold Road and agreed to be bound by the Gold Road Constitution;
 - (iv) authorised Gold Road (and any director, secretary or nominee of Gold Road) to alter the Acceptance Form on your behalf by inserting correct details of your DGO Shares, filling in any blanks and correcting any errors in or omissions from the Acceptance Form as may be considered necessary by Gold Road:
 - (A) to make the Acceptance Form an effective acceptance of this Offer; and/or
 - (B) to enable registration of the transfer to Gold Road of your DGO Shares;
 - (v) irrevocably authorised and directed DGO to pay to Gold Road or to account to Gold Road for all Rights which are declared, paid or which arise or accrue after the Announcement Date in respect of your DGO Shares (subject to Gold Road accounting to you for any Rights received by it if your acceptance of this Offer is validly withdrawn pursuant to section 650E of the Corporations Act or the contract resulting from that acceptance becomes void);
 - (vi) if you signed the Acceptance Form in respect of DGO Shares which are held in a CHESS Holding, irrevocably authorised Gold Road (or any director, secretary or agent of Gold Road) to instruct your Controlling Participant to initiate acceptance of this Offer in respect of your DGO Shares in accordance with Rule 14.14 of the ASX Settlement Operating Rules;

- (vii) if you signed the Acceptance Form in respect of DGO Shares which are held in a CHESS Holding, irrevocably authorised Gold Road (or any director, secretary or agent of Gold Road) to give any other instructions in relation to your DGO Shares to your Controlling Participant, as determined by Gold Road acting in its own interests as a beneficial owner and intended registered holder of those DGO Shares;
- (viii) irrevocably authorised Gold Road to notify DGO on your behalf that your place of address for the purpose of serving notices upon you in respect of your DGO Shares is the address specified by Gold Road in the notification;
- (ix) agreed to indemnify Gold Road in respect of any claim or action against it or any loss, damage or liability whatsoever incurred by it as a result of you not producing your Holder Identification Number or Securityholder Reference Number or in consequence of the transfer of your DGO Shares to Gold Road being registered by DGO without production of your Holder Identification Number or your Securityholder Reference Number for your DGO Shares;
- (x) represented and warranted to Gold Road that, unless you have notified Gold Road in accordance with **section 10.4(c)**, your DGO Shares do not consist of separate parcels of DGO Shares;
- (xi) subject to all the conditions in **section 10.12** being fulfilled or waived, irrevocably authorised Gold Road (and any nominee) to transfer ownership of your DGO Shares, including transmitting a message in accordance with Rule 14.17 of the ASX Settlement Operating Rules to transfer your DGO Shares to Gold Road Takeover Transferee Holding, or transfer of your Issuer Sponsored Holding by master transfer, regardless of whether it has paid the consideration due to you under this Offer;
- (xii) represented and warranted to Gold Road as a fundamental condition going to the root of the contract resulting from your acceptance that:
- (A) Gold Road will acquire good title to and beneficial ownership of all of your DGO Shares free from all mortgages, charges, liens, Encumbrances (whether legal or equitable) and other third party interests of any kind;
 - (B) you have paid DGO all amounts which are due in respect of your DGO Shares;
 - (C) all of your DGO Shares are fully paid; and
 - (D) you have full power and capacity to accept the Offer and to sell and transfer the legal and beneficial ownership of your DGO Shares (together with all Rights attached to them) to Gold Road;
- (xiii) unless you are an Ineligible Foreign Shareholder, agreed to accept the Gold Road Shares to which you become entitled by accepting this Offer, subject to Gold Road's Constitution and the terms of issue of the Gold Road Shares and to have authorised Gold Road to place your name on its register of shareholders as the holder of the Gold Road Shares issued to you under the Offer;
- (xiv) acknowledged and agreed that if you are an Ineligible Foreign Shareholder, Gold Road will arrange for any Gold Road Shares otherwise issuable to you to be issued and sold, and the net proceeds to be remitted to you, as described in **section 10.11**;
- (xv) if you reside outside of Australia and are not an Ineligible Foreign Shareholder for the purposes of the Offer, represented and warranted to Gold Road that the making by Gold Road to you, and your acceptance of this Offer is lawful under any law of a country other than Australia which apply to you to the making of this Offer and to your acceptance of this Offer;

(xvi) with effect from the later of acceptance of the Offer and the date that any contract resulting from that acceptance becomes, or is declared unconditional, irrevocably appoint (and agreed not to revoke that appointment) Gold Road and each of Gold Road's Directors, secretaries and other officers from time to time severally as your agent and true and lawful attorney, with power to do all things which you could lawfully do concerning your DGO Shares or in exercise of any right or power derived from the holding of your DGO Shares including, without limitation:

- (A) attend and vote in respect of your DGO Shares at any and all meetings of DGO;
- (B) requisition or join with other holders of DGO Shares in requisitioning and/or convening a meeting of the members of DGO;
- (C) demand a poll for any vote to be taken at any meeting of DGO Shareholders;
- (D) propose or second any resolutions to be considered at any and all meetings of DGO Shareholders;
- (E) execute all forms, transfers, assignments, notices, instruments (including instruments appointing a Gold Road Director as a proxy in respect of all or any of your DGO Shares and a transfer form for your DGO Shares), proxies, consents, agreements, and resolutions relating to your DGO Shares;
- (F) request DGO to register in the name of Gold Road or its nominee your DGO Shares which you hold on any register of DGO; and
- (G) do all things incidental or ancillary to the foregoing,

and to have agreed that in exercising the powers conferred by the power of attorney, the attorney shall be entitled to act in the interests of Gold Road as the beneficial owner and intended registered holder of your DGO Shares in respect of which you will do all such acts, matters and things that Gold Road may require to give effect to the matters the subject of this section (including the execution of a written form of proxy to the same effect as this section which complies in all respects with the requirements of the constitution of DGO) if required by Gold Road. This appointment is irrevocable and terminates upon registration of a transfer to Gold Road of your DGO Shares; and

(xvii) for as long as **section 10.9(c)(xvi)** applies, agreed not to vote in person, by proxy or otherwise at any general meeting of DGO or to exercise (or purport to exercise) in person, by proxy or otherwise, any of the powers conferred on Gold Road and the Gold Road Directors, secretaries and other officers of Gold Road by **section 10.9(c)(xvi)**.

- (d) The representations, warranties, undertakings and authorities referred to in this **section 10.9** will (unless otherwise stated) remain in force after you receive the consideration for your DGO Shares and after Gold Road becomes registered as the holder of them.

10.10 Provision of consideration

- (a) Subject to the terms of this Offer and the Corporations Act, Gold Road will provide the consideration for your DGO Shares on or before the earlier of:
- (i) one month after this Offer is accepted or if this Offer is subject to a defeating condition when you accept the Offer, within one month after this Offer becomes unconditional; and
 - (ii) 21 days after the end of the Offer Period.
- (b) Under no circumstances will interest be paid on the consideration to which you are entitled to under the Offer, regardless of any delay in providing the consideration or any extension of the Offer.

- (c) If you are an Ineligible Foreign Shareholder and you have accepted the Offer, you will be paid your share of the proceeds from the sale of the Gold Road Shares in accordance with section 10.11.
- (d) Subject to sections 10.11 and 10.12, the obligations of Gold Road to allot and issue any Gold Road Shares to which you are entitled under the Offer will be satisfied:
- (i) by entering your name on the register of members of Gold Road; and
 - (ii) dispatching or procuring the dispatch to you by prepaid post to your address recorded in DGO's register of members at the Record Date, an uncertificated holding statement in your name. If your DGO Shares to which the Offer relates are held in a joint name, an uncertificated holding statement will be issued in the name of, and forwarded to, the holder whose name appears first in DGO's register of members as shown on the register copy supplied by DGO from time to time.
- (e) Where the Acceptance Form requires an additional document to be given with your acceptance (such as a power of attorney):
- (i) if that document is given with your Acceptance Form, Gold Road will provide the consideration in accordance with **section 10.10(a)**;
 - (ii) if that document is given after your Acceptance Form and before the end of the Offer Period while this Offer is subject to a defeating condition, Gold Road will provide the consideration by the end of whichever of the following periods ends earlier:
 - (A) within 1 month after this Offer becomes unconditional; or
 - (B) 21 days after the end of the Offer Period;
 - (iii) if that document is given after your Acceptance Form and before the end of the Offer Period while this Offer is not subject to a defeating condition, Gold Road will provide the consideration by the end of whichever of the following periods ends earlier:
 - (A) within 1 month after that document is given; or
 - (B) 21 days after the end of the Offer Period; and
 - (iv) if that document is given after the end of the Offer Period and the Offer is not subject to a defeating condition, Gold Road will provide the consideration within 21 days after that document is given. However, if at the time the document is given, the Offer is still subject to a defeating condition that relates only to the happening of an event or circumstance referred to in section 652C(1) or (2) of the Corporations Act, Gold Road will provide the consideration due to you within 21 days after the Offer becomes unconditional.
- (f) If you have accepted the Offer and you are an Ineligible Foreign Shareholder or a Small Parcel Shareholder, you will receive your share of the proceeds from the sale of the Gold Road Shares in accordance with section 10.11.
- (g) If you accept this Offer, Gold Road is entitled to all Rights in respect of your DGO Shares. Gold Road may require you to provide all documents necessary to vest title to those Rights in Gold Road, or otherwise to give it the benefit or value of those Rights. If you do not give those documents to Gold Road, or if you have received the benefit of those Rights, Gold Road will deduct from the consideration otherwise due to you the amount (or value, as reasonably assessed by Gold Road) of those Rights, together with the value (as reasonably assessed by Gold Road) of the franking credits, if any, attached to the Rights. Any such deduction will be made from any cash consideration otherwise due to you.
- (h) If, at the time you accept the Offer, any of the following:
- (i) *Banking (Foreign Exchange) Regulations 1959* (Cth);
 - (ii) Part 4 of the *Charter of the United Nations Act 1945* (Cth);
 - (iii) *Charter of the United Nations (Dealing with Assets) Regulations 2008* (Cth);

- (iv) any other regulations made under Part 4 of the *Charter of the United Nations Act 1945 (Cth)*;
- (v) *Autonomous Sanctions Regulations 2011 (Cth)*; or
- (vi) any other law of Australia,

require that an authority, clearance or approval of the Reserve Bank of Australia, the Australian Taxation Office or any other Government Agency be obtained before you receive any consideration for your DGO Shares, or would make it unlawful for Gold Road to provide any consideration to you for your DGO Shares, you will not be entitled to receive any consideration for your DGO Shares until all requisite authorities, clearances or approvals have been received by Gold Road.

10.11 Ineligible Foreign Shareholders and Small Parcel Holders

- (a) If you have accepted the Offer and you are an Ineligible Foreign Shareholder or Small Parcel Shareholder, you will not be entitled to receive Gold Road Shares as consideration for your DGO Shares, unless Gold Road determines otherwise. Instead Gold Road will:
 - (i) arrange for the issue to the Sale Nominee of the number of Gold Road Shares to which you and all other Ineligible Foreign Shareholders and Small Parcel Shareholders would have been entitled but for this section of the Offer;
 - (ii) cause those Gold Road Shares to be offered for sale on ASX as soon as practicable and otherwise in such manner, at such price and on such other terms and conditions as are determined by the Sale Nominee (at the risk of the Ineligible Foreign Shareholders and Small Parcel Shareholders); and
 - (iii) promptly pay, or procure that the Sale Nominee pays, to you the amount ascertained in accordance with the following formula (calculated on an average basis so that all Ineligible Foreign Shareholders and Small Parcel Shareholders who accept the Offer receive the same value per DGO Share, subject to rounding):

Net Proceeds of Sale x A B

Where:

Net Proceeds of Sale is the amount remaining after deducting the expenses of the sale and of appointing the Sale Nominee (including brokerage, stamp duty (applied at standard market rates) and other selling costs, taxes and charges) from the proceeds of sale;

A is the number of Gold Road Shares which would, but for **section 10.11**, have been allotted and issued to you; and

B is the total number of Gold Road Shares allotted and issued to the Sale Nominee under this section in respect of the DGO Shares held by all Ineligible Foreign Shareholders and Small Parcel Shareholders.

- (b) You will be paid your share of the net proceeds of the sale of the Gold Road Shares by the Sale Nominee in Australian currency.
- (c) Payment will be made by cheque posted to you at your risk by prepaid post as soon as practicable and in any event within the period required by the Corporations Act to your address in the most up to date copy of the DGO register provided to Gold Road before your consideration cheque is produced.
- (d) Under no circumstances will interest be paid on your share of the net proceeds of the sale of Gold Road Shares by the Sale Nominee, regardless of any delay in remitting these proceeds to you or your receipt of those proceeds.
- (e) The Nominee may sell the Gold Road Shares in such manner, at such price or prices and on such terms as the Sale Nominee determines, and at the risk of the Ineligible Foreign Shareholders and Small Parcel Shareholders. The Sale Nominee will sell the Gold Road Shares on ASX following the issue of those shares to it.

- (f) As the market price of Gold Road Shares will be subject to change from time to time, the sale price of the Gold Road Shares sold by the Sale Nominee and the proceeds of those sales cannot be guaranteed. Neither Gold Road nor the Sale Nominee gives any assurance as to the price that will be achieved for the sale of the Gold Road Shares by the Sale Nominee.

10.12 Conditions of this Offer

The Offer and any contract that results from acceptance of the Offer is subject to the fulfilment of the following conditions:

(a) Minimum acceptance

At the end of the Offer Period, Gold Road has a relevant interest in at least 80% of all DGO Shares (on a fully diluted basis).

(b) Regulatory approvals

Before the end of the Offer Period, any approvals, consents, waivers, exemptions or declarations that are required by law, or by any Government Agency to permit:

- (i) the Offer to be lawfully made to and accepted by DGO Shareholders; and
- (ii) the Takeover Bid to be completed,

are granted, given, made or obtained on an unconditional basis and remain in full force and effect in all respects, and do not become subject to any notice, intimation or indication of intention to revoke, suspend, restrict, modify or not renew the same.

(c) No regulatory action

During the Offer Period:

- (i) there is not in effect any preliminary or final decision, order or decree issued by any Government Agency;
- (ii) no action or investigation is announced, commenced or threatened by any Government Agency; and
- (iii) no application is made to any Government Agency (other than by Gold Road or any Associate of Gold Road),

in consequence of or in connection with the Offer (other than an application to, or a decision or order of, or action or investigation by, ASIC or the Takeovers Panel in exercise of the powers and discretions conferred by the Corporations Act) which restrains, prohibits or impedes, or threatens to restrain, prohibit or impede, or materially impact upon, the making of the Offer and the completion of the Takeover Bid or which requires the divestiture by Gold Road of any DGO Shares or any material assets of the DGO Group or any Subsidiary of DGO.

(d) No material adverse change

- (i) Subject to **section 10.12(d)(ii)**, between the Announcement Date and the end of the Offer Period (each inclusive), none of the following occurs:
 - (A) an event, change, condition, matter or thing occurs or will or is reasonably likely to occur;
 - (B) information is disclosed or announced by DGO concerning any event, change, condition, matter or thing that has occurred or is reasonably likely to occur; or
 - (C) information concerning any event, change, condition, matter or thing that has occurred or is reasonably likely to occur becomes known to Gold Road (whether or not becoming public),

(each of **section 10.12(d)(i)(A), (B) and (C)** being a **Specified Event**) which, whether individually or when aggregated with all such events, changes, conditions, matters or things of a like kind that have occurred, will occur or are reasonably likely to occur, has had or would be considered reasonably likely to have:

- (D) a material adverse effect on the business, assets (including the Mining Tenements but excluding the Marketable Securities), liabilities, financial or trading position, profitability or prospects of DGO Group, taken as a whole; or
- (E) the effect of a diminution in the value of the assets of the DGO Group, taken as a whole, by at least \$30 million against what it would reasonably have been expected to have been but for the Specified Event.

(ii) **Section 10.12(d)(i)** will not apply to events, changes, conditions, matters, circumstances or things or any information about any events, changes, conditions, matters, circumstances or things that:

- (A) have been Disclosed by DGO;
- (B) are required to be done or procured by DGO to be done pursuant to the Bid Implementation Agreement or the Offer or the transactions contemplated by either; or
- (C) Gold Road has previously approved in writing.

(iii) Between the Announcement Date and the end of the Offer Period (each inclusive), there is no public announcement or announcements) relating to:

- (A) a change to the Hemi Mineral Resource announced by De Grey to the ASX on 23 June 2021; or
- (B) any fact, matter or circumstance which impacts on the reasonable prospects for eventual economic extraction of the Hemi Mineral Resource (including but not limited to metallurgical recovery, the proportion of refractory or semi-refractory ore within the Mineral Resource or access to part or all of the Hemi Mineral Resource); and

(each a **Hemi Resource Announcement**), and that Hemi Resource Announcement results in the Adjusted Post Hemi Resource Announcement De Grey VWAP falling to a level that is 90% or less than the De Grey VWAP for the 5 ASX trading days immediately prior to the date of the Hemi Resource Announcement.

(e) No Prescribed Occurrences

Between the Announcement Date and the date 3 Business Days after the end of the Offer Period (each inclusive), none of the following happen:

- (i) DGO converting all or any of its shares (as applicable) into a larger or smaller number of shares;
- (ii) DGO or any other DGO Group Member resolving to reduce its capital in any way;
- (iii) DGO or any other DGO Group Member:
 - (A) entering into a buyback agreement; or
 - (B) resolving to approve the terms of a buyback agreement;
- (iv) DGO or any other DGO Group Member issuing securities (including DGO Shares), or granting an option over securities or a performance right convertible into securities, or agreeing to make such an issue or grant such an option or performance right, other than:
 - (A) the issue of new DGO Shares on the exercise of a DGO Option; and
 - (B) the issue of new DGO Shares on the exercise of a DGO Performance Right;

- (v) DGO or any other DGO Group Member issuing, or agreeing to issue, convertible notes;
 - (vi) DGO or any other DGO Group Member disposing or agreeing to dispose, of the whole, or a substantial part, of the business or property of DGO Group as a whole;
 - (vii) DGO or any other DGO Group Member granting, or agreeing to grant, a Security Interest in the whole, or a substantial part, of the business or property of DGO Group as a whole;
 - (viii) DGO resolving that it be wound up or any other DGO Group Member resolving to be wound up;
 - (ix) the appointment of a liquidator or provisional liquidator of DGO or any other DGO Group Member;
 - (x) the making of an order by a court for the winding up of DGO or any other DGO Group Member; or
 - (xi) the appointment of a receiver, receiver and manager, other controller (as defined in the Corporations Act) or similar official in relation to the whole, or a substantial part, of the property of DGO or any other DGO Group Member,
- provided that a prescribed occurrence will not include a matter:
- (xii) that has been Disclosed by DGO;
 - (xiii) required or permitted to be done or procured by DGO to be done pursuant to the Bid Implementation Agreement or the Offer or the transactions contemplated by either;
 - (xiv) required by law or by an order of a court or Government Agency; or
 - (xv) Gold Road has previously approved in writing.

(f) No material acquisitions, disposals, capital expenditure or changes in the conduct of business

Between the Announcement Date and the end of the Offer Period (each inclusive), neither DGO nor any other DGO Group Member:

- (i) acquires or disposes of, or enters into or announces any agreement for the acquisition or disposal of, any asset or business, or enters into any corporate transaction, which would or would be likely to involve a material change in:
 - (A) the manner in which DGO or DGO Group as a whole, conducts its business; or
 - (B) the nature (including balance sheet classification), extent or value of the assets or liabilities of DGO or DGO Group as a whole;
- (ii) without limiting the generality of section 10.12(f)(i), enters into or agrees to enter into or announces any transaction which would, or would be likely to, involve DGO or any other DGO Group Member:
 - (A) dealing in any of the Marketable Securities;
 - (B) acquiring or disposing of, or agreeing to acquire or dispose of, one or more trusts, companies or businesses (or any interest therein) other than an acquisition or disposal of one or more trusts in connection with the acquisition or disposal of an indirect interest in the underlying assets held by those trusts and where the value of the gross assets held directly or indirectly by those trusts is in aggregate less than \$1 million;
 - (C) acquiring or disposing of, or agreeing to acquire or dispose of, any assets (including any real property, units in trusts or shares in companies) which have an aggregate value in excess of \$1 million; or

- (D) entering into any contract or commitment that is not in the ordinary course of business, other than a contract or commitment in relation to a Competing Proposal where permitted under exclusivity arrangements in the Bid Implementation Agreement or a contract or commitment entered into to reasonably and prudently respond to an emergency or disaster (including a situation giving rise to a risk of personal injury or damage to property),

except for such acquisitions, disposals, agreements, waivers or compromises:

- (E) that have been Disclosed by DGO that the DGO Group intends to carry out between the date of the Bid Implementation Agreement and end of the Offer Period;
- (F) required or permitted to be done or procured by DGO to be done pursuant to the Bid Implementation Agreement or the Offer or the transactions contemplated by either (including, for clarity, transactions permitted under permitted interim financing arrangements described in clause 4.16 of the Bid Implementation Agreement);
- (G) required by law or by an order of a court of Government Agency; or
- (H) Gold Road has previously approved in writing

(g) No litigation on foot or pending

Between the Announcement Date and the end of the Offer Period (each inclusive), no litigation against any DGO Group Member which may reasonably result in a judgement of \$2.5 million or more against the DGO Group Member is commenced, is threatened to be commenced, is announced, or is made known to Gold Road (whether or not becoming public) or DGO, other than that which is Fairly Disclosed by DGO:

- (i) in its public filings with ASX at least 2 Business Days prior to the signing of the Bid Implementation Agreement; or
- (ii) is Fairly Disclosed in the Disclosure Materials at least 2 Business Days prior to signing the Bid Implementation Agreement.

(h) Financing

During the Offer Period, no DGO Group Member:

- (i) incurs, increases or guarantees any financial indebtedness of any kind (including any Debt), other than incurring or increasing any financial indebtedness owed to DGO or to a DGO Group Member that is directly or indirectly wholly-owned by DGO; or
- (ii) provides any financial accommodation to any entity other than DGO or to a DGO Group Member that is directly or indirectly wholly-owned by DGO,

except for such financial accommodation or financial indebtedness:

- (iii) that has been Disclosed by DGO;
- (iv) permitted under the interim financing arrangements described in clause 4.16 of the Bid Implementation Agreement;
- (v) required by law or by an order of a court or Government Agency; or
- (vi) Gold Road has previously approved in writing.

(i) No distributions

Between the Announcement Date and the end of the Offer Period (each inclusive), DGO does not announce, make, declare or pay any distribution (whether by way of dividend, capital reduction or otherwise and whether in cash or in specie).

(j) No material breach of the Bid Implementation Agreement

Between the Announcement Date and the end of the Offer Period (each inclusive), Gold Road does not become entitled to terminate the Bid Implementation Agreement under clause 8 of the Bid Implementation Agreement as a result of a material breach of the obligations of DGO (including the breach of any of the representations and warranties given by DGO) under the Bid Implementation Agreement.

10.13 ASX quotation of new Gold Road Shares

- (a) Gold Road has been admitted to the official list of the ASX. Shares of the same class as those to be issued as consideration have been granted Official Quotation by the ASX.
- (b) An application will be made within 7 days after the start of the bid period to the ASX for the granting of Official Quotation of the Gold Road Shares to be issued in accordance with the Offer. However, Official Quotation is not granted automatically on application.
- (c) Pursuant to the Corporations Act, this Offer and any contract that results from your acceptance of it are subject to a condition that permission for admission to official quotation by the ASX of the Gold Road Shares to be issued pursuant to the Offer is granted no later than 7 days following the end of the Offer Period. If this condition is not fulfilled, all contracts resulting from the acceptance of the Offers will be automatically void.

10.14 Nature and benefit of conditions

- (a) The Conditions in **section 10.12** are conditions subsequent. The non-fulfilment of any condition subsequent does not, until the end of the Offer Period (or in the case of the conditions in **section 10.12(e)**, until the end of the third Business Day after the end of the Offer Period), prevent a contract to sell DGO Shares from arising, but non-fulfilment of any of those conditions will have the consequence set out in **section 10.15**.
- (b) Both DGO and Gold Road agree not to do, or omit to do, anything which they are aware would, or would reasonably be expected to, result in any of the Bid Conditions in **section 10.12** being breached.
- (c) Both DGO and Gold Road must keep each other promptly and reasonably informed of the steps they have taken and their progress towards satisfaction of the Bid Conditions in **section 10.12**, and promptly notify each other if they become aware that any Bid Condition has been fulfilled or breached.
- (d) If any event occurs or becomes apparent which would cause any of the Bid Conditions in **section 10.12** to be breached or cause satisfaction of them to be unreasonably delayed, each of DGO and Gold Road must, to the extent they are actually aware of such information, immediately notify each other of that event.
- (e) Subject to the Corporations Act and **section 10.14** Gold Road alone is entitled to the benefit of the Bid Conditions in **section 10.12** or to rely on any non-fulfilment of any of them.
- (f) Each condition in **section 10.12** is a separate, several and distinct condition. No condition will be taken to limit the meaning or effect of any condition.

10.15 Freeing the Offer of conditions

- (a) Subject to the Corporations Act, Gold Road may in its sole discretion free this Offer and any contract resulting from its acceptance, from all or any of the Bid Conditions in **section 10.12**, either generally or by reference to a particular fact, matter, event, occurrence or circumstance (or class thereof), by giving a notice to DGO and to the ASX declaring this Offer to be free from the relevant condition or conditions specified, in accordance with section 650F of the Corporations Act, provided that Gold Road must not declare the Offer to be free of the 80% Minimum Acceptance Condition other than:

- (i) in the event of a Superior Proposal; or
 - (ii) in the event of termination of the Bid Implementation Agreement; or
- (b) If, at the end of the Offer Period (or in the case of a condition which satisfies the requirement in sections 652C(1) and (2) of the Corporations Act, at the end of the third Business Day after the end of the Offer Period), the Conditions have not been fulfilled and Gold Road has not declared the Offer (or it has not become) free from those Conditions, all contracts resulting from the acceptance of the Offer will be automatically void.

10.16 Notice on status of conditions

The date for giving the notice on the status of the conditions required by section 630(1) of the Corporations Act is 1 May 2022 (subject to variation in accordance with section 630(2) of the Corporations Act if the Offer Period is extended).

10.17 Withdrawal of Offer

- (a) Gold Road may withdraw this Offer but only with the consent in writing of ASIC (which consent may be given subject to such conditions, if any, as are imposed by ASIC). If ASIC gives such consent, Gold Road will give notice of the withdrawal to ASX and to DGO and will comply with any other conditions imposed by ASIC.
- (b) If, at the time this Offer is withdrawn, the Offer has been freed of all the conditions contained in section 10.12, all contracts arising from acceptance of the Offer before it was withdrawn will remain enforceable.
- (c) If the Offer remains subject to one or more of the conditions in section 10.12 at the time the Offer is withdrawn, all contracts arising from its acceptance will become void (whether or not the events referred to in the relevant conditions have occurred).
- (d) A withdrawal under section 10.17(a) will be deemed to take effect:
 - (i) if the withdrawal is not subject to conditions imposed by ASIC, on the date after the date on which that consent in writing is given by ASIC; or
 - (ii) if the withdrawal is subject to conditions imposed by ASIC, on the date after the date on which those conditions are satisfied.

10.18 Variation

Gold Road may vary this Offer in accordance with the Corporations Act and the Bid Implementation Agreement, provided that the varied terms and conditions are not substantially less favourable to DGO Shareholders than the terms set out in the Bid Implementation Agreement.

10.19 Stamp duty or other costs

- (a) All costs and expenses of the preparation, dispatch and circulation of this Offer and any stamp or other duty payable in respect of the transfers will be paid by Gold Road.
- (b) No brokerage is payable by you if you accept this Offer.

10.20 Governing law

This Offer and any contract that results from your acceptance of this Offer are governed by the laws in force in Western Australia.

10.21 Date of Offer

This Offer is dated 8 April 2022.

11 Definitions and interpretation

11.1 Definitions

In this Bidder's Statement, the following defined terms have the meanings given to them below, unless the context otherwise requires

80% Minimum Acceptance Condition	The condition of the Offer that at the end of the Offer Period, Gold Road has a relevant interest in at least 80% of all DGO Shares (on a fully diluted basis).
\$	Australian dollars.
Acceptance Facility	The institutional acceptance facility established by Gold Road for the purposes of the Offer and as described in section 10.7(a) .
Acceptance Form	The acceptance form for the Offer enclosed with this Bidder's Statement or, alternatively, an acceptance form sent to a DGO Shareholder by Gold Road's share registry in relation to the Offer.
Acceptance Instructions	Has the meaning given to that term in section 10.7(e) .
Accredited Investor	Has the meaning "accredited investor" as defined in Rule 501(a) under the US Securities Act of 1933.
Adjusted Post Hemi Resource Announcement De Grey VWAP	The De Grey VWAP for the 5 ASX trading days immediately following the date of the Hemi Resource Announcement multiplied by the simple average of the Gold Index for the 5 ASX trading days immediately following the date of the Hemi Resource Announcement divided by the simple average of the Gold Index for the 5 ASX trading days immediately prior to the date of the Hemi Resource Announcement.
Agreed Bid Terms	The terms and conditions set out in schedule 2 of the Bid Implementation Agreement.
Alternative Financing Proposal	Has the meaning given in section 9.1(i) .
Announcement Date	The date the Takeover Bid was announced, being 4 April 2022.
ASIC	The Australian Securities and Investments Commission.
Associate	Has the meaning given in section 12 of the Corporations Act and Associated has a corresponding meaning.
ASX	ASX Limited ACN 008 624 691 or the financial market known as the Australian Securities Exchange operated by it, as the context requires.
ASX Settlement	ASX Settlement Pty Limited ACN 008 504 532.
ASX Settlement Operating Rules	The operating rules of the settlement facility provided by ASX Settlement.
Bell Potter	Bell Potter Capital Limited ABN 54 085 797 735.
Bell Potter Finance Facility	The loan facility agreement for up to \$15 million between Bell Potter and DGO dated 13 July 2021.
Bell Potter Options	The unlisted options in DGO to acquire a DGO Shares required to be issued by DGO to Bell Potter pursuant to the terms of the Bell Potter Finance Facility.
Bid Implementation Agreement	The Bid Implementation Agreement entered into by Gold Road and DGO on 4 April 2022, which provides the manner in which Gold Road and DGO have agreed the Offer will be implemented.
Bidder's Statement	This document.

Business Day	A day on which banks are open for business in Perth, Western Australia and Melbourne, Victoria, other than a Saturday, Sunday or public holiday in Perth, Western Australia or Melbourne, Victoria.
CGT	Means capital gains tax.
CHES	The Clearing House Electronic Subregister System, which provides for electronic transfer of listed securities in Australia.
CHES Holding	A number of DGO Shares which are registered on DGO's share register being a register administered by ASX Settlement and which records uncertificated holdings of DGO securities.
Combined Group	Gold Road and its Subsidiaries following Gold Road acquiring control of DGO.
Combined Group Pro-Forma Historical Financial Information	Has the meaning given in section 5.6 .
Competing Proposal	<p>Any proposal, offer, agreement or transaction by a party that, if entered into or completed, would mean:</p> <p>(a) a Third Party (either alone or together with any Associate) would directly or indirectly:</p> <ul style="list-style-type: none"> (i) acquire a relevant interest, or an economic interest under a cash settled equity swap or similar derivative or right to acquire either a legal, beneficial or economic interest, in more than 20% of DGO Shares on issue; (ii) acquire or obtain an interest (including an economic interest) in all or the majority of the business conducted by, or assets or property of, the DGO Group, including the Marketable Securities; (iii) acquire Control of DGO or any DGO Group Member; or (iv) a person may otherwise directly or indirectly acquire or merge with DGO or any DGO Group Member; or <p>(b) that the Takeover Bid could not be implemented or implementation of the Takeover Bid would be materially adversely affected,</p> <p>in each case whether by way of takeover bid, capital reduction, sale of assets, sale of securities, strategic alliance, dual listed company structure, joint venture or partnership, or other transaction or arrangement with a similar outcome.</p> <p>For the avoidance of doubt, each successive material modification or variation of any proposal, agreement, arrangement or transaction in relation to a Competing Proposal will constitute a new Competing Proposal.</p>
Conditions	Has the meaning given in section 10.12
Confirmation Letter	Has the meaning given in section 10.7(h) .
Control	Has the meaning given in section 50AA of the Corporations Act.
Controlling Participant	In relation to your DGO Shares, has the same meaning as in the ASX Settlement Operating Rules.
Corporations Act	The <i>Corporations Act 2001 (Cth)</i> .
Custodian	Has the meaning given in section 10.7(e)(ii) .
Custodian Direction	Has the meaning given in section 10.7(e)(ii) .
Dacian	Dacian Gold Limited ABN 61 154 262 978.
Deal	In relation to the Marketable Securities, means to sell, assign, transfer, grant an Encumbrance over, exercise or otherwise dispose of, or agree or offer to do the same, in relation to that Marketable Security or any legal, beneficial or economic interest in that Marketable Security.

Debt	<p>Any present or future actual or contingent debt or other monetary liability in respect of money borrowed or raised or any financial accommodation, including in respect of any:</p> <ul style="list-style-type: none"> (a) bill, bond, debenture, note or similar financial instrument (whether or not negotiable); (b) indemnity obligation to the issuer of a guarantee, indemnity, bank guarantee, bond, letter of credit or similar instrument; (c) lease or hire purchase entered into primarily as a method of raising finance or financing the acquisition of the asset leased or hired (including any sale and lease back transaction); (d) obligation to deliver goods or other property or provide services paid for in advance by any financier or in relation to another financing transaction; (e) redeemable shares where the holder has the right (conditional or not) to require redemption; (f) receivables sold (other than to the extent they are sold on a non-recourse basis); or <p>Guarantee of other Debt described above.</p>
De Grey	De Grey Mining Limited ABN 65 094 206 292.
De Grey VWAP	The 5 day volume weighted average price of De Grey ordinary shares on the ASX.
DGO	DGO Gold Limited ABN 96 124 562 849.
DGO Board	The board of directors of DGO.
DGO Convertible Offer	An offer by Gold Road to each DGO Convertible Securityholder in respect of the DGO Convertible Securities held by them.
DGO Convertible Security	A DGO Option and a DGO Performance Right.
DGO Convertible Security Cancellation Deed	A deed facilitating the cancellation of DGO Convertible Securities or the transfer of the DGO Convertible Securities to Gold Road for the consideration set out in those cancellation deeds.
DGO Convertible Securityholder	Each person who is registered as the holder of a DGO Convertible Security.
DGO Convertible Security Consideration	The Gold Road Share consideration for each DGO Option held by the Optionholder.
DGO Director	A director of DGO.
DGO Group	<ul style="list-style-type: none"> (a) DGO; (b) each entity that is a Subsidiary of DGO; and (c) any entity that, directly or indirectly through one or more intermediaries, is Controlled by, DGO from time to time, <p>and a reference to a DGO Group Member is to any of them.</p>
DGO Option	An unlisted option issued by DGO to acquire a DGO Share, details of which are set out in section 4.2 .

DGO Option Consideration	<p>For DGO Options exercise at:</p> <ul style="list-style-type: none"> (a) \$2.50 and expiring 30 June 2022, 0.7045 Gold Road Shares per DGO Option; (b) \$4.50 and expiring 31 July 2022, 0.0600 Gold Road Shares per DGO Option; (c) \$5.37 and expiring 13 July 2023, 0.1779 Gold Road Shares per DGO Option; (d) \$5.37 and expiring 31 December 2023, 0.2581 Gold Road Shares per DGO Option; and (e) \$5.37 and expiring 31 March 2024, 0.2291 Gold Road Shares per DGO Option.
DGO Performance Right	A performance right issued by DGO to acquire a DGO Share, details of which are set out in section 4.2 .
DGO Register	The Registers of members of DGO maintained in accordance with the Corporations Act and Register has the same meaning.
DGO Share	A fully paid ordinary share in DGO.
DGO Shareholder	Each person who is registered as the holder of a DGO Share in the DGO Register.
Disclosed	<p>Has the meaning of Fairly Disclosed</p> <ul style="list-style-type: none"> (a) prior to the entry into the Bid Implementation Agreement in the Disclosure Materials; (b) no later than 2 Business Days prior to the date of the Bid Implementation Agreement: <ul style="list-style-type: none"> (i) by way of announcement to the ASX; or (ii) in any publicly available record of ASIC.
Disclosure Materials	<p>In respect of:</p> <ul style="list-style-type: none"> (a) DGO disclosure materials, the online data room established by DGO and materials provided to Gold Road and its Representatives by Q&A which is accessed via Dropbox external fileshare and information provided to Gold Road and its Representatives by way of e-mail to a senior executive or director of Gold Road and (b) Gold Road disclosure materials, the materials provided to DGO and its Representatives by Q&A by way of e-mail to a senior executive or director of DGO, <p>the relevant indexes of which has been initialled by, or on behalf of, the parties for identification.</p>
Dividend	Has the meaning given in section 1.9 .
Dividend Reinvestment Plan	The Gold Road dividend reinvestment plan as subject to the Gold Road Dividend Reinvestment Plan Rules (amended from time to time).
Eligible Shareholders	Has the meaning given to that term in section 10.7(a) and are DGO Shareholders, including beneficial shareholders, resident in Australia, New Zealand, Singapore, United Kingdom and the United States, except that DGO Shareholders, including beneficial holders, resident in the United States must be Accredited Investors who complete and return a customary US investor certificate that is available from Gold Road.
Encumbrance	A security for payment of money, performance of an obligation or protection against default, including a 'security interest' (as defined in the <i>Personal Property Securities Act 2009 (Cth)</i>), bill of sale, mortgage, charge, lien, pledge, trust, power, title retention arrangement, right of set-off, profit a prendre, assignment of income, garnishee order, monetary claim or flawed deposit arrangement.

Excluded Claims	Those claims agreed in writing by DGO and Gold Road prior to the date of the Bid Implementation Agreement to be 'Excluded Claims'.
Exclusivity Period	The period from the date of the Bid Implementation Agreement until: <ul style="list-style-type: none"> (a) the date of termination of the Bid Implementation Agreement; or (b) the end of the Offer Period, whichever is earliest.
Facility Agent	Means Computershare Investor Services Pty Ltd ACN 078 279 277.
Facility Documents	Has the meaning given to that term in section 10.7(o) .
Fairly Disclosed	That sufficient information has been disclosed in writing and with sufficient specificity so that a sophisticated recipient of the relevant information who is experienced in transactions of the nature of the Takeover Bid and familiar with the business sector in which DGO operates would reasonably be expected to be aware of the nature, import and significance of the fact, matter or circumstance disclosed or recorded.
Financing Notice	Has the meaning given in section 9.1(i) .
Foreign Shareholder	Has the meaning given to that term in section 9.9 .
Gold Index	Is calculated by taking the simple average of each of the Gold Index Constituent Factors on any given ASX trading day.
Gold Index Constituents	Are St Barbara Ltd, Regis Resources Ltd, Silver Lake Resources Ltd, Westgold Resources Ltd and Ramelius Resources Ltd.
Gold Road	Gold Road Resources Limited ABN 13 109 289 527.
Gold Road Board	The board of directors of Gold Road.
Gold Road Constitution	The constitution of Gold Road as amended or varied from time to time.
Gold Road Director	A director of Gold Road.
Gold Road Group	<ul style="list-style-type: none"> (a) Gold Road; (b) each entity that is a Subsidiary of Gold Road; and (c) any entity that, directly or indirectly through one or more intermediaries, is Controlled by, Gold Road from time to time, and a reference to a Gold Road Group Member is to any of them.
Gold Road Share	A fully paid ordinary share in the capital of Gold Road.
Gold Road Shareholder	A holder of a Gold Road Share.
GOR Counterproposal	Has the meaning given in section 9(d)(iv)(C) .
GOR Financing Proposal	Has the meaning given in section 9.1(i) .
Government Agency	Any foreign or Australian government or governmental, semi-governmental, administrative, monetary, fiscal or judicial body, department, commission, authority, tribunal, agency or entity or any minister of the Crown in right of the Commonwealth of Australia or any State, any other federal, state, provincial, or local government, and including any self-regulatory organisation established under statute or otherwise discharging substantially public or regulatory functions, and the ASX or any other stock exchange.
Hemi	The gold mineralisation deposit at the Mallina Gold Project, which currently comprises the Aquila, Brolga, Crow, Diucon, Eagle and Falcon zones of mineralisation.

Hemi Resource Announcement	Has the meaning given in section 10.12(d)(iii) .
Holder Identification Number	Has the same meaning as "HIN" in the ASX Settlement Operating Rules.
Implementation Period	The period from the date of the Bid Implementation Agreement until the end of the Offer Period (inclusive of those dates).
Ineligible Foreign Shareholder	Has the meaning given to that term in section 10.11 .
Initial Maximum Offer Period	A date that is 6 months from the opening of the Offer.
Interested Person	Any of: <ul style="list-style-type: none"> (a) a Director or proposed director of Gold Road; (b) a person named in this Bidder's Statement as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Bidder's Statement; or (c) a promoter of Gold Road.
Issuer Sponsored Holdings	A holding of DGO Shares on the DGO issuer sponsored subregister.
JORC Code	The Australian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves (2012 Edition).
Last Practicable Date	The last practicable date, being 5 April 2022, prior to the date of this Bidder's Statement.
Listing Rules	The official listing rules of ASX, as amended from time to time.
Marketable Parcel	Has the meaning given to that term in the Listing Rules.
Marketable Securities	203,577,703 De Grey ordinary shares, 23,362,809 Yandal ordinary shares and 1,665,630 Yandal unlisted options exercisable at A\$0.65 and expiring on 31 December 2022, and 74,293,843 Dacian ordinary shares.
Mineral Resources	Has the meaning given in the JORC Code.
Mining Tenements	The tenements which are identified in Schedule 5 of the Bid Implementation Agreement and any tenement applied for or granted in renewal or extension of, or in substitution for, any such tenement.
Offer	The offer for DGO Shares by Gold Road under Chapter 6 of the Corporations Act contained in this Bidder's Statement (or, if the context so requires, this Bidder's Statement itself).
Offer Period	The period referred to in section 10.3 , during which the Offer remains open for acceptance.
Official Quotation	Official quotation on ASX.
Ore Reserve	Has the meaning given in the JORC Code.
Participant	An entity admitted to participate in CHESS under Rule 4.3.1 and 4.4.1 of the ASX Settlement Operating Rules.
Permitted Indebtedness	Any financial indebtedness, including any debt, under the financial accommodation available to the DGO Group from its financiers as at the Bid Implementation Agreement, a facility agreement or credit approved term sheet (as such financial accommodation, agreement or term sheet may be amended to reflect the terms of any consent provided by the relevant financiers) existing as at the date of the Bid Implementation Agreement (which includes the Bell Potter Finance Facility), provided that the relevant facility agreements, credit approved term sheet, any applicable consent and any amendments or proposed amendments to an agreement or term sheet were Disclosed.

Record Date	The date set by Gold Road under section 633(2) of the Corporations Act, being 7.00pm (Sydney time) on Thursday, 7 April 2022.
Reimbursement Fee	\$2,900,000.
Related Body Corporate	The meaning given to that term in the Corporations Act.
Related Person	In respect of DGO: <ul style="list-style-type: none"> (a) each DGO Group Member; and (b) each Representative of any DGO Group Member.
Relevant Interest	Has the meaning given to that term in sections 608 and 609 of the Corporations Act.
Representative	In relation to a party, its directors, employees, Officers, agents and advisers.
Right	All accretions, rights or benefits of whatever kind attaching or arising from DGO Shares directly or indirectly at or after the date of the Bid Implementation Agreement (including, all dividends and distributions and all rights to receive them or rights to receive or subscribe for securities, notes, bonds, options or other securities declared, paid or issued by DGO Group Members).
Sale Nominee	Has the meaning given to that term in section 10.11(a)(i) of this Bidder's Statement.
Securityholder Reference Number	Has the same meaning as in the ASX Settlement Operating Rules.
Small Parcel	A parcel of Gold Road Shares having a value of less than A\$500 based on the highest closing price of Gold Road on the ASX during the period from the date of this Bidder's Statement until the earlier of the end of the Offer Period and five ASX trading days before the first day on which Gold Road must provide the Offer consideration under the Offer.
Small Parcel Shareholder	A DGO Shareholder who would be entitled to receive a total number of DGO Shares as consideration under the Offer which constitute a Small Parcel.
Subsidiary	A subsidiary within the meaning given to that term in section 9 of the Corporations Act.
Superior Proposal	<p>A bona fide Competing Proposal:</p> <ul style="list-style-type: none"> (a) of the kind referred to in any of the paragraphs of the definition of Competing Proposal; and (b) not resulting from a breach by DGO of any of its obligations under clause 6 of the Bid Implementation Agreement (it not being understood that any actions by Related Persons of DGO not permitted by clause 6 of the Bid Implementation Agreement will be deemed to be a breach by DGO for these purposes), <p>that in the unanimous determination of the DGO Board, acting in good faith, and after receiving written advice from their external legal adviser and financial advisers, determine:</p> <ul style="list-style-type: none"> (c) is reasonably capable of being completed substantially in accordance with its terms; and (d) would, if completed substantially in accordance with its terms, be reasonably likely to be more favourable to DGO Shareholders (as a whole) than the Takeover Bid (as completed), <p>in each case taking into account all terms and conditions and other aspects of</p> <ul style="list-style-type: none"> (e) Competing Proposal (including any timing considerations, any conditions precedent, whether the Competing Proposal remains subject to due diligence and/or finance, regulatory conditions and associated material delays, the identity of the proponent or other matters affecting the probability of the Competing Proposal being completed and being completed in a timely manner); and (f) the Takeover Bid (including an assessment of any tax benefits to DGO Shareholders flowing from the availability of CGT roll-over relief).

Takeover Bid	The off-market takeover bid constituted by the dispatch of the Offer that satisfies the requirements in clause 2 of the Bid Implementation Agreement.
Takeover Transferee Holding	Has the same meaning as in the ASX Settlement Operating Rules.
Target's Statement	The target's statement to be prepared by DGO in relation to the Takeover Bid in compliance with Part 6.5 of the Corporations Act.
Third Party	A person other than: (a) Gold Road; (b) any other Gold Road Group Member; or (h) any Associate of any Gold Road Group Member.
Third Party Consent	The consents, approvals, waivers or acknowledgements required from Third Parties in any way linked to the change in control of DGO resulting from the Takeover Bid.
VWAP	The daily volume weighted average price of shares sold on ASX's trading platform.
Yandal	Yandal Resources Limited ABN 86 108 753 608.

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11.2 Interpretation

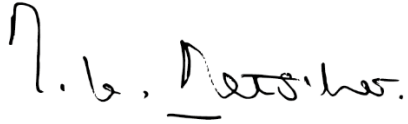
The following rules of interpretation apply unless the intention appears or the context requires otherwise:

- (a) a reference to a time is a reference to Perth time, unless specifically otherwise indicated;
- (b) headings are for convenience only and do not affect interpretation;
- (c) the singular includes the plural and conversely;
- (d) a reference to a section is to a section of this Bidder's Statement or a section of the annexure to this Bidder's Statement, as applicable;
- (e) a gender includes all genders;
- (f) where a word or phrase is defined, the other grammatical forms have a corresponding meaning;
- (g) a reference to a person includes a body corporate, an unincorporated body or other entity and conversely;
- (h) a reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (i) a reference to any legislation or to any provision of any legislation includes any modification or re-enactment of it, any legislative provision substituted for it and all regulations and statutory instruments issued under it;
- (j) a reference to any instrument or document includes any variation or replacement of it;
- (k) a term not specifically defined in this Bidder's Statement has the meaning given to it (if any) in the Corporations Act or the ASX Settlement Operating Rules, as the case may be;
- (l) a reference to a right or obligation of any two or more persons confers that right, or imposes that obligation, as the case may be, jointly and individually;
- (m) a reference to you is to a person to whom an Offer is made; and
- (n) the words 'include', 'including', 'for example' or 'such as' are not used as, nor are they to be interpreted as, words of limitation, and, when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind.

12 Approval of Bidder's Statement

This Bidder's Statement has been approved by a unanimous resolution passed by all the Gold Road Directors.

Signed for and on behalf of
Gold Road Resources Limited

A handwritten signature in black ink that reads "T. Netscher". The signature is written in a cursive style with a large initial "T" and a distinct "N".

Tim Netscher
Non-Executive Chairman
Gold Road Resources Limited

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Annexure 1

ASX announcements since 28 March 2022

The following announcements have been made to ASX concerning Gold Road since the release of its 2021 Annual Report on 28 March 2022 to the Last Practicable Date.

Date lodged	Description of announcement
28 March 2022	2021 Annual Report
28 March 2022	Dividend/Distribution – GOR
28 March 2022	2021 Full Year Results and Dividend
28 March 2022	2021 Sustainability Report - Advancing Our Future
28 March 2022	2021 Corporate Governance Statement
28 March 2022	Appendix 4G
29 March 2022	Ord Minnett Conference Investor Presentation
1 April 2022	Change of Director's Interest Notice
1 April 2022	Notification of cessation of securities - GOR
4 April 2022	Gold Road Makes Recommended Takeover for DGO Gold
4 April 2022	Application for quotation of securities – GOR
7 April 2022	March 2022 Production Update

Corporate Directory

Gold Road Resources Limited

ABN 13 109 289 527

A public company limited by shares incorporated in Australia

DIRECTORS

Tim Netscher	Non-executive Chairman
Duncan Gibbs	Managing Director & CEO
Brian Levet	Non-executive Director
Maree Arnason	Non-executive Director
Denise McComish	Non-executive Director

COMPANY SECRETARY

Hayden Bartrop

PRINCIPAL AND REGISTERED OFFICE

Level 2, 26 Colin Street
West Perth WA 6005

Telephone: +61 8 9200 1600

Email: perth@goldroad.com.au
Website: www.goldroad.com.au

OFFER INFORMATION LINE

1300 620 417 (within Australia)
+61 3 9415 4653 (outside Australia)

Monday to Friday

8.30am and 5.00pm (Sydney time)

FINANCIAL ADVISERS TO THE OFFER

RBC Capital Markets
Level 47, 2 Park Street
Sydney NSW 2000

AUSTRALIAN LEGAL ADVISERS TO THE OFFER

Corrs Chambers Westgarth
Level 6, 123 St Georges Terrace
Perth WA 6000

AUDITORS

KPMG
235 St Georges Terrace
Perth WA 6000

SHARE REGISTRY & FACILITY AGENT

Computershare Investor Services Pty Limited
Yarra Falls, 452 Johnston Street
Abbotsford VIC 3067

Gold Road Resources Limited

ABN 13 109 289 527

Return your Form:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 52
Melbourne Victoria 3001
Australia

For all enquiries:



Phone:

(within Australia) 1300 620 417
(outside Australia) +61 3 9415 4653

DGOTKO

MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001

Takeover Acceptance Form

ISSUER

Your form must be received by the end of the Offer Period.

This form and the Bidder's Statement are important documents that require your immediate attention. This form relates to an offer ("Offer") by Gold Road Resources Limited ("Gold Road") (ABN 13 109 289 527) to acquire all of your Shares in DGO Gold Limited ("DGO") (ABN 96 124 562 849) the terms of which are set out in the Bidder's Statement from Gold Road dated 7 April 2022 as replaced or supplemented (the "Bidder's Statement"). Capitalised terms used in this form have the same meaning as in the Bidder's Statement, unless otherwise defined.

If you are in doubt about how to deal with this Offer, please contact your financial or other professional advisor.

Note this form can only be used in relation to the securityholding represented by the details printed above and overleaf.

Step 1: Registration Name & Offer Details

Your consideration will be issued to the name(s) as they appear on the latest copy of the DGO register, as provided to Gold Road. The current address recorded by Gold Road is printed above and overleaf. If you have recently bought or sold Shares your holding may differ from that shown. If you have already sold all your Shares in DGO, do not complete or return this form.

Step 2: Accept the Offer

Only sign and return this form if you wish to accept the Offer for ALL of your Shares.

Step 3: Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders must sign.

Power of Attorney: Where signing as Power of Attorney ("POA"), you must attach an original certified copy of the POA to this form.

Companies: Where the holding is in the name of a Company, this form must be signed in accordance with the Corporations Act, either as:

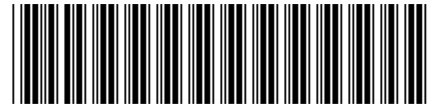
- a Sole Director and Sole Company Secretary **OR** a Sole Director (if no Company Secretary exists), **OR**
- two Directors, **OR**
- a Director and a Company Secretary.

Foreign Companies: Where the holding is in the name of a foreign company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.

Deceased Estate: All executors must sign and a certified copy of Probate or Letters of Administration must accompany this form.

Entering contact details is not compulsory, but will assist us if we need to contact you.

Turn over to complete the form →



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IND

Takeover Acceptance Form

For your security keep your SRN/
HIN confidential.

STEP 1 Registration Name & Offer Details

Registration Name: MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001

Offer Details: Securityholding as at 7.00pm (Sydney time) 7 April 2022:

Consideration to be issued to you on the basis of 2.16 Gold Road Shares for every DGO Share accepted.

By accepting the Offer for ALL of your Shares, you are accepting the Offer for ALL the DGO Shares as recorded by Gold Road as being held by you at the date your acceptance is processed (even if different to the number stated above).

STEP 2 Accept the Offer

Only sign and return this form if you wish to accept the Offer for ALL of your Shares in DGO. The consideration applicable is set out in the terms of Gold Road's Offer.

STEP 3 Signature of Securityholder(s) *This section must be completed.*

I/We accept the Offer made by Gold Road for Shares in DGO and I/we agree to be bound by the terms and conditions of the Offer and transfer ALL of my/our Shares as per the above instruction.

Individual or Securityholder 1

**Sole Director and Sole Company Secretary/
Sole Director (cross out titles as applicable)**

Securityholder 2

Director

Securityholder 3

**Director/Company Secretary
(cross out titles as applicable)**

**Contact
Name** _____

**Contact
Daytime
Telephone** _____

Date ____ / ____ / ____

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited ("CIS") for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. We may also use your personal information to send you marketing material approved by Gold Road Resources Limited. You may elect not to receive marketing material by contacting CIS using the details provided on the front of this form or by emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to Gold Road Resources Limited or to third parties upon direction by Gold Road Resources Limited where related to the administration of your securityholding or as otherwise required or permitted by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.

For personal use only

Gold Road Resources Limited

ABN 13 109 289 527

DGOTKO
MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001

Return your Form:



To Your Controlling Participant:
Return this form directly to your stockbroker



By Mail:
Computershare Investor Services Pty Limited
GPO Box 52
Melbourne Victoria 3001
Australia

For all enquiries:

Phone:
(within Australia) 1300 620 417
(outside Australia) +61 3 9415 4653

Takeover Acceptance Form

CHES

 **Your form must be received with sufficient time to allow processing prior to the end of the Offer Period.**

This form and the Bidder's Statement are important documents that require your immediate attention. This form relates to an offer ("Offer") by Gold Road Resources Limited ("**Gold Road**") (ABN 13 109 289 527) to acquire all of your Shares in DGO Gold Limited ("**DGO**") (ABN 96 124 562 849) the terms of which are set out in the Bidder's Statement from Gold Road dated 7 April 2022 as replaced or supplemented (the "**Bidder's Statement**"). Capitalised terms used in this form have the same meaning as in the Bidder's Statement, unless otherwise defined.

If you are in doubt about how to deal with this Offer, please contact your financial or other professional advisor.
Note this form can only be used in relation to the securityholding represented by the details printed above and overleaf.

Step 1: Registration Name & Offer Details

Your consideration will be issued to the name(s) as they appear on the latest copy of the DGO register, as provided to Gold Road. The current address recorded by Gold Road is printed above and overleaf. If you have recently bought or sold Shares your holding may differ from that shown. If you have already sold all your Shares in DGO, do not complete or return this form.

Step 2: Accept the Offer

Only sign and return this form if you wish to accept the Offer for ALL of your Shares.
As your DGO Shares are in a CHES holding, you may contact your Controlling Participant directly (normally your stockbroker) with instructions to accept the Offer. If you do this, your Controlling Participant will provide you with details as to what they require in order to accept the Offer on your behalf. If you want Gold Road to contact your Controlling Participant on your behalf, sign and return this form to the address above so that it is received in sufficient time to allow your instruction to be acted upon by the close of the Offer Period. This will authorise Gold Road and Computershare Investor Services Pty Limited ("**CIS**") to request your Controlling Participant to initiate acceptance of the Offer on your behalf.

By signing this form, you warrant to Gold Road (and authorise Gold Road to warrant on your behalf) that you have full legal and beneficial ownership of the Shares to which this form relates and that Gold Road will acquire them free from all mortgages, charges, liens, encumbrances (whether legal or equitable), restrictions on transfer of any kind and free from any third party rights. You should allow sufficient time for your Controlling Participant or Gold Road to initiate the acceptance of Gold Road's Offer on your behalf. Neither Gold Road or CIS will be responsible for any delays incurred by the process of requesting your Controlling Participant to accept the Offer.

Step 3: Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders must sign.

Power of Attorney: Where signing as Power of Attorney ("**POA**"), you must attach an original certified copy of the POA to this form.

Companies: Where the holding is in the name of a Company, this form must be signed in accordance with the Corporations Act, either as:

- a Sole Director and Sole Company Secretary **OR** a Sole Director (if no Company Secretary exists), **OR**
- two Directors, **OR**
- a Director and a Company Secretary.

Foreign Companies: Where the holding is in the name of a foreign company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.

Deceased Estate: All executors must sign and a certified copy of Probate or Letters of Administration must accompany this form.

Entering contact details is not compulsory, but will assist us if we need to contact you.

Turn over to complete the form →



X 2222222222

IND

Takeover Acceptance Form

For your security keep your SRN/
HIN confidential.

STEP 1 Registration Name & Offer Details

Registration Name: MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001

Controlling Participant Identifier:

Offer Details: Securityholding as at 7.00pm (Sydney time) 7 April 2022:

2000

Consideration to be issued to you on the basis of 2.16 Gold Road Shares for every DGO Share accepted.

By accepting the Offer for ALL of your Shares, you are accepting the Offer for ALL the DGO Shares as recorded by Gold Road as being held by you at the date your acceptance is processed (even if different to the number stated above).

STEP 2 Accept the Offer

Only sign and return this form if you wish to accept the Offer for ALL of your Shares in DGO. The consideration applicable is set out in the terms of Gold Road's Offer.

STEP 3 Signature of Securityholder(s) *This section must be completed.*

I/We accept the Offer made by Gold Road for Shares in DGO and I/we agree to be bound by the terms and conditions of the Offer and transfer ALL of my/our Shares as per the above instruction.

Individual or Securityholder 1

Securityholder 2

Securityholder 3

Sole Director and Sole Company Secretary/
Sole Director (cross out titles as applicable)

Director

Director/Company Secretary
(cross out titles as applicable)

Contact
Name

Contact
Daytime
Telephone

Date / /

Privacy Notice

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