Gold Road Tables ‘Final Offer’ in DGO Takeover Bid

Gold Road Resources (ASX:GOR)

Announced an increased offer for all the outstanding ordinary shares of DGO. The Improved Offer consideration is 2.25 Gold Road shares for every DGO Share outstanding.

The implied value of the DGO shares is $2.95, which is a 7.6% premium to DGO’s 10 Day VWAP as at 27 May 2022 of $2.74.

Gold Road Resources	ASX : GOR
Stage	Production (50% JV)
Metals	Gold
Market cap	A$1.2 Billion @ A$1.35
Location	Laverton, Western Australia

Gold Road – Gruyere JV Gold Mine at night.

IMPROVED AND FINAL OFFER OF 2.25 GOLD ROAD SHARES FOR EVERY DGO SHARE

Gold Road Resources Limited (Gold Road) (ASX:GOR) is pleased to announce an increased offer for all the outstanding ordinary shares of DGO. The Improved Offer consideration is 2.25 Gold Road shares for every DGO Share outstanding (the Improved Offer).

Gold Road's improved Offer is best and final and will not be increased, in the absence of either:

- a Competing Proposal

; or

- an announcement being made which Gold Road considers is or is likely to be a material positive change to the operational or financial circumstances in respect of DGO or any of the listed entities in which DGO holds Marketable Securities (being, De Grey, Yandal and Dacian, together DGO's Investment Entities); or
- a proposed change in control of any of DGO's Investment Entities is announced.

Based on the prevailing market prices as at 27 May 2022 (being the last trading day immediately prior to Gold Road's announcement of its Improved Offer), the implied value of the DGO shares is $2.95, which is a 7.6% premium to DGO's 10 Day VWAP as at 27 May 2022 of $2.74.

Highlights

 Improved Offer consideration of 2.25 Gold Road shares for every DGO share
(previously 2.16 Gold Road shares for every DGO share)
 The Improved Offer is best and final and there will be no increase in the offer
except in limited circumstances noted below, including the absence of a competing
proposal or material positive change in circumstances with respect to DGO or the
DGO Investment Entities
 Gold Road's Improved Offer represents compelling value and a significant premium
for DGO shareholders relative to the respective unaffected volume weighted average share prices (VWAPs) of both companies
 Gold Road has received acceptances from 21.5% of the shareholders in DGO (as of
27 May 2022) and has the unanimous support from the DGO Directors, in the
absence of a Superior Proposal
 The payment terms of the Offer have been accelerated to 7 business days from 21
days
 The Improved Offer is set to close at 30 June 2022 (7:00PM Sydney time) and will
not be extended except in limited circumstances noted below, including where Gold
Road's voting power in DGO shares (including acceptances received under the
institutional acceptance facility) increases to 75% or more by close of trading on
Tuesday, 21 June 2022 (7:00PM Sydney time)

For brevity, this summary has been redacted, to read the full news release, please click HERE

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If you need clarification of any information contained in this note, or have any questions, I will be delighted to assist – Please email andrew@city-investors-circle.com

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Disclosure

At the time of writing the author owns shares in ***Gold Road Resources***, bought in the market at the prevailing price on the day of purchase.

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