

# Gold Road Takeover Offer for DGO Recommended

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Has made a unanimously recommended off-market takeover offer for [DGO Gold, ASX: DGO](#)), at an implied offer price of A\$3.55 per share.

The offer is conditional upon an 80% acceptance by DGO shareholders.

Gold Road	ASX : GOR
Stage	Production (50% JV)
Metals	Gold
Market cap	A\$1.33 Billion @ A\$1.50
Location	Laverton, Western Australia



Gold Road – Gruyere JV Gold Mine at night.

# GOLD ROAD MAKES RECOMMENDED TAKEOVER OFFER FOR DGO GOLD LIMITED

Gold Road Resources (ASX: GOR) has made a unanimously recommended off-market takeover offer for DGO Gold, ASX: DGO), at an implied offer price of A\$3.55 per share.

The offer is conditional upon an 80% acceptance by DGO shareholders.

## DGO owns a portfolio of prospective exploration and mining assets which includes:

- a ~14.4% shareholding in ASX listed De Grey Mining Ltd (the owner of the 9 million ounce Mallina Gold Project in Western Australia);
- a ~6.8% shareholding in ASX listed Dacian Gold Ltd (the owner of the Mt Morgans gold mine);
- a ~20.1% shareholding in ASX listed Yandal Resources Ltd (an exploration company focused on the Yandal Greenstone belt); and
- an attractive portfolio of exploration tenements in the Pilbara, Yilgarn, Bryah and Stuart Shelf Provinces.

# The Offer

- All scrip offer of 2.16 Gold Road shares for every DGO share, implying an offer price of \$3.55 per share, and an equity value of approximately A\$308 million (diluted basis)

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

- o 20% over the last trading day VWAP of \$2.91 for DGO Shares, at an implied offer price of \$3.49 based Gold Road's last trading day VWAP;
- o 28% over the 10 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 Gold Road's 30 day VWAP

The offer represents a compelling opportunity for DGO to unlock value in its portfolio, whilst providing shareholders with diversification and ongoing exposure to DGO's assets through a shareholding in a larger, more liquid, ASX 200 gold producer.

*DGO Directors unanimously recommend DGO shareholders accept the offer in the absence of a superior offer*, and intend to accept the offer for all shares they own or control (representing ~16% of DGO's shares on issue) 21 days after the offer opens, in the absence of a superior offer.

■ The offer is subject to an 80% minimum acceptance by DGO shareholders, no disposal of any marketable securities and other standard conditions.

GOR intends to waive all remaining conditions within 6 business days after the 80% acceptance condition is met. At this time the offer will become unconditional.

[For brevity, this summary has been abridged, to read the full news release, please click HERE](#)

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## ***Disclosure***

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

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