

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

DGR Global Limited

ABN

67 052 354 837

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|-----------------------------|
| 1 | +Class of +securities issued or to be issued | Unlisted Convertible Notes |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 500,000 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Refer Appendix A, attached. |

+ See chapter 19 for defined terms.

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<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>N-A, unlisted instrument.</p>
<p>5 Issue price or consideration</p>	<p>\$1.00 per Note</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Working Capital and Investment.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>N-A</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	
<p>6d Number of +securities issued with security holder approval under rule 7.1A</p>	
<p>6e Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)</p>	

+ See chapter 19 for defined terms.

6f	Number of securities issued under an exception in rule 7.2		
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.		
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements		
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements		
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	16 November 2012	
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	Number	+Class
		324,202,760	Ordinary Shares
9	Number and +class of all +securities not quoted on ASX (including the securities in section 2 if applicable)	Number	+Class
		16,000,000	Unlisted Options (28c @ 29/11/13)
		11,875,000	Unlisted Options (28c @ 28/02/14)
		300,000	Unlisted Options (28c @ 28/02/15)
		5,000,000	Unlisted Options (28c @ 24/04/15)
		500,000	Convertible Notes

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10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?

12 Is the issue renounceable or non-renounceable?

13 Ratio in which the +securities will be offered

14 +Class of +securities to which the offer relates

15 +Record date to determine entitlements

16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?

17 Policy for deciding entitlements in relation to fractions

18 Names of countries in which the entity has +security holders who will not be sent new issue documents
Note: Security holders must be told how their entitlements are to be dealt with.
Cross reference: rule 7.7.

19 Closing date for receipt of acceptances or renunciations

20 Names of any underwriters

21 Amount of any underwriting fee or commission

22 Names of any brokers to the issue

+ See chapter 19 for defined terms.

23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	
25	If the issue is contingent on +security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	
33	+Despatch date	

+ See chapter 19 for defined terms.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38 Number of securities for which
+quotation is sought

39 Class of +securities for which
quotation is sought

40 Do the +securities rank equally in
all respects from the date of
allotment with an existing +class
of quoted +securities?

If the additional securities do not
rank equally, please state:

- the date from which they do
- the extent to which they
participate for the next
dividend, (in the case of a
trust, distribution) or interest
payment
- the extent to which they do
not rank equally, other than in
relation to the next dividend,
distribution or interest
payment

41 Reason for request for quotation
now

Example: In the case of restricted securities, end
of restriction period

(if issued upon conversion of
another security, clearly identify
that other security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)		

+ See chapter 19 for defined terms.

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Quotation Agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Date: 19 November 2012

(~~Director~~/Company secretary)

Print name: Karl Schlobohm

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+ See chapter 19 for defined terms.

Appendix A

DGR Global Limited - Appendix 3B (19 November 2012)

Term Sheet for Convertible Notes

AREA	DETAIL
Issuer	DGR Global Limited
Issue Price	\$1.00 per Note
Security	Unsecured
Term	3 years
Interest	Until the notes are converted into shares or redeemed, the Notes will pay 12% per annum payable quarterly in advance. Interest to be paid in cash or shares at the election of the Noteholder (based on 80% of the 5 day VWAP a DGR share).
Conversion Rights	<p>The Notes may NOT be converted in the first 12 months from issue, unless due to a Change of Control event. However, in the circumstances of a Change of Control event and the notes are redeemed in Year 1, the Company will pay the Noteholder an early redemption penalty being 120 per cent of the face value of the Notes.</p> <p>Subsequently, the Notes may be converted into DGR shares or into a basket of shares in listed unencumbered entities held by the Company (calculated based on the proportional value of the basket of shares held by DGR), at the Noteholder's election, at the Maturity Date, or on the Directors accepting a Change of Control proposal for the Company. If the Noteholder elects to convert into a basket of shares, the proportional value of the basket will be determined by the 5 day VWAP of the listed unencumbered shares.</p>
Conversion Price	<p>The higher of \$0.12 or 80% of the last published net tangible asset value of DGR's investment.</p> <p>The conversion of the Notes to be done in tranches of \$10,000.</p>
Redemption	If the Notes are not redeemed or converted prior to maturity (i.e. term) the Notes must be redeemed by the Company at an equivalent issue price (i.e. face value).
Early Redemption Rights	The Company may exercise an early redemption right in Year 2 or Year 3 by providing the Noteholder 15 days written notice. If the Note is redeemed within the second year of its term, the Company will pay the Noteholder an early redemption penalty being 110 per cent of the face value of the Notes. If the Note is redeemed with the third year of its term, the Company will pay the Noteholder an early redemption penalty being 105 per cent of the face value of the Notes.
Transferability	The Notes are transferable
Rights	The Notes shall carry the right to attend but NOT vote at any general meeting. The Notes do not carry any entitlement to participate in future issues of shares by the Company prior to any conversion or redemption of the Notes.
Approval	The Notes will be subject to all regulatory approval.