

ANNUAL GENERAL MEETING  
27 October, 2016

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CHAIRMAN'S ADDRESS

Ladies and Gentlemen

In the past year Dome Gold Mines has made significant advances at its three projects in Fiji and continues steadily on the path to development and production. The Sigatoka Ironsands Project has retained its place as our flagship and the recent recovery in the iron ore price has added to that project's strengths. We have lodged an application for a mining lease to cover the proposed production areas at Sigatoka and we await the grant of that lease by the Fijian Government. Once we have the lease approval we can move ahead with completion of resource drilling, leading on to a final feasibility study and project financing. Dome remains enthusiastic about the potential for Sigatoka to deliver strong cash flows over many years, underwriting our growth as a mining company.

While we wait for the next phase of work at Sigatoka to begin, Dome has been active at its other projects in Fiji, including its porphyry copper-gold prospects at Namoli-Wainivau and its exciting gold project on Ono Island.

At Ono in particular we are very much encouraged by the results of an electrical geophysics survey conducted by Dome in the past couple of months. Our geologists had already identified two attractive gold prospects on Ono, known as Naqara East and Naqara West, each one occupying about 2km<sup>2</sup> in area. They are close to each other but appear to be separated by a barren zone of faulting between them. The Naqara prospects are characterised by intense hydrothermal alteration of the rocks exposed at the current land surface, with silicified zones and textures typical of Pacific Rim epithermal gold deposits. We see a strong analogy between the model interpreted for Ono and the existing major gold deposit and operating mine at Lepanto in the Philippines.

The Ono prospect areas are also well defined by geochemistry, including anomalous gold, silver, arsenic and copper values. Studies of the alteration mineralogy have supported our interpretation that what we see at surface today at Ono is the upper part of a high sulphidation, epithermal gold system, or perhaps two systems. Under that interpretation, the target for gold mineralisation is a boiling zone, thought to exist at 200-300m depth.

The recent geophysical survey, which was of the induced polarisation offset pole-dipole type, was aimed at providing more information about structure and possible mineralisation below the present surface. This was expected to assist in defining targets for exploration drilling. At Naqara East the results

exceeded our expectations, with the delineation of a distinct linear zone of high resistivity, surrounded by high chargeability. The resistive linear feature is thought to be a siliceous alteration zone like those often found in epithermal gold boiling zones, where gold grades can be very high. The chargeable surrounds are interpreted as zones rich in pyrite and could also carry gold in more disseminated form. Together these constitute a very attractive drill target and three drill holes are planned for the initial program.

At Naqara West the results were less definitive, largely due, we believe, to the proximity of the sea and the incursion of conductive sea water into the highly fractured rocks. Even so, anomalous chargeability was detected and this area remains highly prospective. We plan to drill two holes into the Naqara West prospect in the first program.

Ladies and gentlemen, the rate at which Dome is able to progress its exploration and development objectives in Fiji is determined partly by factors outside our control, such as the Fijian Government's approval processes, and partly by the amount of capital we have available to fund our exploration activities. In regard to the latter, the past several years have been very challenging for the many small resource companies listed in Australia, as risk capital for exploration has been in short supply.

In these circumstances, Dome, like most of our peers, has not progressed as rapidly as we would have liked. Nevertheless, we have been able to move ahead and are now in a strong position to deliver an exciting new gold discovery in the coming twelve months, as well as take our flagship Sigatoka project to the final feasibility stage. That we have been able to do so is a tribute to the skill and dedication of our staff and also to the loyalty and support of our shareholders. We have been especially fortunate to receive substantial funding from Japan and Taiwan in the last year and I thank those overseas shareholders for their vision and faith in our company.

Looking ahead, I know I can expect the ongoing commitment of Dome's geologists, other field staff and administrative personnel, both in Fiji and in Sydney, led by our CEO, Jack McCarthy. With matching support from our shareholders and other stakeholders in Dome, I am optimistic that 2017 will be a year of great achievement for your company. I look forward to bringing you news of our progress as the year unfolds.

Thank you.

G.G. LOWDER  
Chairman