

6 June 2014

PROPOSED ACQUISITION

Your Directors' stated intention is to secure an advanced mineral resource development project or an advanced exploration project.

We wish to advise that Dampier is significantly advanced in negotiations which, if successful, will result in the purchase of a mineral tenement package in the Duketon greenstone belt of the Eastern goldfields region north of Laverton in Western Australia. The tenement package covers over 20,000 ha of geology highly prospective for gold, nickel, PGE and copper and a large high quality data base is available which will allow early assessment and potentially a near term drilling programme.

In the event due diligence is successful and final agreement reached, it is your Directors' intention to conclude the transaction as soon as practicable. The purchase price (which may comprise a combination of cash and shares) and initial exploration commitments are likely to be in the range of \$200,000 to \$400,000.

Any transaction and capital initiative will be subject to completion of due diligence and regulatory approvals, including approval by Dampier shareholders, if required.

The proposed transaction triggers a defeating condition to Ord River's off market bid. Your Directors have carefully considered the proposed acquisition in light of the bid, and after due consideration of the alternatives believe that the acquisition is in the best interests of Dampier's shareholder.

Malcolm Carson
CHAIRMAN
DAMPIER GOLD LIMITED

PO Box 1981
West Perth WA 6872

6 Outram Street
West Perth WA 6005

P +61 8 6424 9700
F +61 8 6424 9799

Email: admin@dampiergold.com

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