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September 2014 Quarterly Activities Report

ASX : DAU

CURRENT

ISSUED CAPITAL

Ordinary shares

83,252,297

Undiluted Market

Capitalisation

\$1.75M

Cash \$2.8M

DIRECTORS

Mr Malcolm Carson

Chairman

Mr Peter Evans

Non-Executive Director

Mr Peiji Zhang

Non-Executive Director

Ms Hui (Annie) Guo

Alternate Non-Executive

Director

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Summary

- Completed cost rationalisation measures to significantly reduce corporate overhead and administration costs.
- Progressed evaluation of advanced exploration and near-to production projects considered suitable for potential acquisition or joint venture.
- Secured financial support from high net worth investor with access to Asian capital markets and substantial private and public investors.
- Worked closely with Ord River Resources Limited (“Ord”) on the advancement of the Plutonic Dome Gold Project Joint Venture which included the following milestones:
 - * Ord satisfying the Earning Obligation under the Joint Venture which entitles Ord to a 30% direct equity in the Plutonic Dome Gold Project;
 - * The Joint Venture confirming financial support for the early development of the K2 Underground Deposit and the accelerated commercial evaluation of the Trident Deposit; and
 - * The Joint Venture confirming a significant increase in Resources and Reserves.

Corporate Overview

During the September quarter Dampier completed the rationalisation of administration overheads and settled legacy issues, including the closure of the office in West Perth, Western Australia.

During the quarter, the Board secured support from a high net worth investor with strong links to capital markets and the capacity to facilitate (along with all the other



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shareholders) the continued financial support required by the Company to secure new projects. The investor was allotted 16,567,247 shares on 20 October 2014.

With respect to growth opportunities, the Board continued to pursue its strategy of identifying and reviewing a number of gold projects which range from well advanced exploration to near term development.

Preliminary discussions were held with various groups who hold suitable assets and some progress was made with these groups. Due to constraints on Dampier's cash position, the Company was not in a position to formalise negotiations and to undertake the required due diligence.

Following the placement on 20 October, Dampier is better placed to advance the evaluation of opportunities and commence further negotiations.

On 11th September 2014, Ord River Resources Limited satisfied by the expenditure of \$2M its initial earning obligation under the Dampier / Ord Plutonic Dome Gold Joint Venture and became entitled to a 30% direct equity interest in the Plutonic Dome Gold Project. Ord River Resources further committed to sole fund an additional \$1M in expenditure by 10 February 2015, following which it will be entitled to an additional 15% in the Project. Ord River Resources may continue to earn an additional 40% in the Project through the further expenditure (in two separate tranches) of \$4M by 2 January 2016.

During the quarter, the Board is pleased to note that Ord River Resources made strong progress with the evaluation of the Plutonic Dome Gold Project by positioning the Project for future production from the K2 and Trident deposits.

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Plutonic Dome Gold Project

On 8 October 2014, Ord River Resources announced the following highlighted enhancements to the K2 Deposit pre-feasibility study for the Plutonic Dome Gold Project (70% Dampier : 30% Ord):

Project Returns	K2 DFS 01/07/14	K2 DFS 08/10/14	% Change
NPV @ 8%	\$8,352,441	\$14,870,142	78
NPV @ 10%	\$7,946,431	\$14,159,365	78
IRR	161%	229%	42
Payback Years	1.7	1.6	-6
Free Cash flow	\$10,250,714	\$18,224,304	78
C1 Cash Costs / oz	\$841/ oz	\$791/ oz	-6
All in Sustaining Costs	\$1,123/ oz	\$1,030/ oz	-8
C1 Cash Costs / t	\$155/ t	\$158/ t	2
All in Sustaining Costs	\$208/ t	\$206/ t	-1
Mined Tonnes	200,484 t ²	245,214 t ²	22
Head Grade	6.4 g/t ²	6.9 g/t ²	8
Recovered Ounces	37,000 ²	54,000 ²	46
Gold Price (\$AUD/oz) Assumption	\$1,400	\$1,402	-
Exchange Rate (AU/US) Assumption	\$0.93	\$0.87	-6

Notes:

Gold Metallurgical Recovery 90%

WA State Royalty 2.5%

Northern Star Royalty 1%

Mining Recovery for stopes 90%

Mining Recovery Crown Pillar 80%

Financial figures quoted for PDGP, please refer to agreement section below which stipulates equity ownership structure of the PDGP.

²Total mining inventory includes Inferred Mineral Resources. See Table 3- Total Mining Inventory below.

An Updated Resources statement for the Plutonic Dome Gold Project, are presented below.

Malcolm Carson

CHAIRMAN

DAMPIER GOLD LIMITED

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Updated Resources Statements

01/10/14 Resources:

Global Resource:

The total global resource base for the Plutonic Dome Project has increased to:

8.3 million tonnes @ 3.1 g/t Au for 820,000 oz

Deposit	OP/UG	Measured		Indicated		Inferred		Total		
		Tonnes (000's)	Au g/t	Ounces (000's)						
*K2	UG	-	-	198	8.9	217	6.7	415	7.7	103
Sub-total		-	-	198	8.9	217	6.7	415	7.7	103
**K2SE	OP	-	-	1,048	1.1	937	1.1	1,985	1.1	70
Sub-total		-	-	1,048	1.1	937	1.1	1,985	1.1	70
**K3	OP	-	-	456	1.8	462	1.7	919	1.7	51
Sub-total		-	-	456	1.8	462	1.7	919	1.7	51
**Marwest	OP	-	-	-	-	267	2.5	268	2.5	21
Sub-total		-	-	-	-	267	2.5	268	2.5	21
***Trident	OP	-	-	-	-	-	-	-	-	-
	UG	-	-	854	6.2	1,356	4.8	2,210	5.3	379
Sub-total		-	-	854	6.2	1,356	4.8	2,210	5.3	379
***K1	OP	593	2.0	123	1.9	171	3.7	888	2.3	66
	UG	-	-	-	-	-	-	-	-	-
Sub-total		593	2.0	123	1.9	171	3.7	888	2.3	66
***ppp	OP	-	-	294	2.6	88	2.1	382	2.5	31
	UG	-	-	106	4	91	3.9	196	4	25
Sub-total		-	-	400	3	179	3	579	3	56
***Cinnamon	OP	-	-	961	2.3	54	2.3	1,015	2.3	74
	UG	-	-	-	-	-	-	-	-	-
Sub-total		-	-	961	2.3	54	2.3	1,015	2.3	74
Total		593	2.0	4,040	3.1	3,643	3.5	8,279	3.1	820

Table 3: Plutonic Dome Gold Project Mineral Resources as at September 2014

OP = open pit, UG = underground. Underground resources reported above a 3.0g/t Au cut-off.

* Resources reported in accordance with JORC 2012 Edition of Guidelines above a 3.0g/t Au cut-off grade.

** Resources reported in accordance with JORC 2012 Edition of Guidelines above a 0.5g/t Au cut-off grade.

*** Resources reported in accordance with JORC 2004 Guidelines. OP= open pit resources, reported within optimised conceptual pit shells at \$1,700/oz gold price above a 0.5g/t Au cut off. UG= underground resources, reported above a 3.0 g/t Au cut-off grade.

Due to rounding, tonnages and grades may not equate to exact contained ounces



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Competent Persons Statement

Mr Malcolm Carson has compiled information in this report from exploration results released by Ord River Resources Limited. Malcolm Carson has sufficient experience that is relevant to the style of mineralisation, the types of deposits under consideration and to the activity that he is undertaking and qualifies as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results ("JORC Code"). Mr Carson is a Member of the Australian Institute of Mining and Metallurgy (AusIMM) and Australian Institute of Geoscientists (AIG) and is a Director of Dampier Gold Limited. Mr Carson consents to the inclusion in the report the matters based on the information in which it appears.

The information in this announcement that relates to Mineral Resources for K2 and Plutonic Dome Project Exploration Results is based on information compiled and fairly represented by Mr Jonathan King, consultant geologist, who is a Member of the Australian Institute of Geoscientists and employed by Geonomics Australia Pty Ltd. Mr King has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he has undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr King consents to the inclusion in this report of the matters based on this information in the form and context in which it appears

Information in this announcement that relates to the Ore Reserves has been compiled by Shane McLeay Principal Engineer – Entech Pty Ltd, who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr McLeay is a Fellow of the Australasian Institute of Mining and Metallurgy and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



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Mining Tenement Information:

Tenement	Status	Holders	Application	term
M52/367	Live	DAMPIER (PLUTONIC) PTY LTD	12-Mar-93	21 Years (Renewed)
M52/369	Live	DAMPIER (PLUTONIC) PTY LTD	12-Mar-93	21 Years (Renewed)
M52/370	Live	DAMPIER (PLUTONIC) PTY LTD	12-Mar-93	21 Years (Renewed)
M52/572	Live	DAMPIER (PLUTONIC) PTY LTD	31-Jul-95	21 Years
M52/396	Live	DAMPIER (PLUTONIC) PTY LTD	06-May-93	21 Years (Renewed)
E52/527	Live	DAMPIER (PLUTONIC) PTY LTD	28-Sep-90	5 Years (Extended)
M52/670	Live	DAMPIER (PLUTONIC) PTY LTD	18-Nov-97	21 Years
M52/671	Live	DAMPIER (PLUTONIC) PTY LTD	18-Nov-97	21 Years
M52/672	Live	DAMPIER (PLUTONIC) PTY LTD	18-Nov-97	21 Years
M52/246	Live	DAMPIER (PLUTONIC) PTY LTD	07-Feb-91	21 Years (Renewed)
M52/247	Live	DAMPIER (PLUTONIC) PTY LTD	07-Feb-91	21 Years (Renewed)
M52/395	Live	DAMPIER (PLUTONIC) PTY LTD	06-May-93	21 Years
M52/303	Live	DAMPIER (PLUTONIC) PTY LTD	27-Feb-92	21 Years (Renewed)
M52/304	Live	DAMPIER (PLUTONIC) PTY LTD	27-Feb-92	21 Years (Renewed)
M52/320	Live	DAMPIER (PLUTONIC) PTY LTD	25-May-92	21 Years (Renewed)
M52/321	Live	DAMPIER (PLUTONIC) PTY LTD	26-May-92	21 Years (Renewed)
M52/323	Live	DAMPIER (PLUTONIC) PTY LTD	26-May-92	21 Years (Renewed)
E52/2071	Live	DAMPIER (PLUTONIC) PTY LTD	09-Feb-07	5 Years (Extended)
E52/2072	Live	DAMPIER (PLUTONIC) PTY LTD	09-Feb-07	5 Years (Extended)
M52/253	Live	DAMPIER (PLUTONIC) PTY LTD	14-May-91	21 Years (Renewed)
M52/590	Live	DAMPIER (PLUTONIC) PTY LTD	01-Mar-96	21 Years
M52/593	Live	DAMPIER (PLUTONIC) PTY LTD	01-Mar-96	21 Years
M52/779	Live	DAMPIER (PLUTONIC) PTY LTD	02-Jul-01	21 Years
M52/780	Live	DAMPIER (PLUTONIC) PTY LTD	02-Jul-01	21 Years
M52/257	Live	DAMPIER (PLUTONIC) PTY LTD	15-May-91	21 Years (Renewed)
M52/258	Live	DAMPIER (PLUTONIC) PTY LTD	15-May-91	21 Years (Renewed)
M52/259	Live	DAMPIER (PLUTONIC) PTY LTD	15-May-91	21 Years (Renewed)
M52/269	Live	DAMPIER (PLUTONIC) PTY LTD	01-Jul-91	21 Years (Renewed)
M52/270	Live	DAMPIER (PLUTONIC) PTY LTD	01-Jul-91	21 Years (Renewed)
M52/183	Live	DAMPIER (PLUTONIC) PTY LTD	11-Sep-89	21 Years (Renewed)
P52/1393	Live	DAMPIER (PLUTONIC) PTY LTD	25-Jan-11	4 Years
M52/654	Live	DAMPIER (PLUTONIC) PTY LTD	30-May-97	21 Years
M52/278	Live	DAMPIER (PLUTONIC) PTY LTD	09-Aug-91	21 Years (Renewed)
M52/279	Live	DAMPIER (PLUTONIC) PTY LTD	09-Aug-91	21 Years (Renewed)
M52/233	Live	DAMPIER (PLUTONIC) PTY LTD	11-Jul-90	21 Years (Renewed)
M52/234	Live	DAMPIER (PLUTONIC) PTY LTD	11-Jul-90	21 Years (Renewed)
M52/235	Live	DAMPIER (PLUTONIC) PTY LTD	11-Jul-90	21 Years (Renewed)
M52/299	Live	DAMPIER (PLUTONIC) PTY LTD	19-Dec-91	21 Years (Renewed)
M52/217	Live	DAMPIER (PLUTONIC) PTY LTD	07-May-90	21 Years (Renewed)
M52/218	Live	DAMPIER (PLUTONIC) PTY LTD	07-May-90	21 Years (Renewed)
M52/219	Live	DAMPIER (PLUTONIC) PTY LTD	07-May-90	21 Years (Renewed)
M52/220	Live	DAMPIER (PLUTONIC) PTY LTD	07-May-90	21 Years (Renewed)
M52/226	Live	DAMPIER (PLUTONIC) PTY LTD	29-Jun-90	21 Years (Renewed)
M52/227	Live	DAMPIER (PLUTONIC) PTY LTD	29-Jun-90	21 Years (Renewed)
M52/228	Live	DAMPIER (PLUTONIC) PTY LTD	29-Jun-90	21 Years (Renewed)
M52/229	Live	DAMPIER (PLUTONIC) PTY LTD	29-Jun-90	21 Years (Renewed)
M52/230	Live	DAMPIER (PLUTONIC) PTY LTD	29-Jun-90	21 Years (Renewed)
M52/231	Live	DAMPIER (PLUTONIC) PTY LTD	29-Jun-90	21 Years (Renewed)
M52/232	Live	DAMPIER (PLUTONIC) PTY LTD	29-Jun-90	21 Years (Renewed)
M52/291	Live	DAMPIER (PLUTONIC) PTY LTD	03-Dec-91	21 Years (Renewed)
M52/292	Live	DAMPIER (PLUTONIC) PTY LTD	03-Dec-91	21 Years (Renewed)
M52/293	Live	DAMPIER (PLUTONIC) PTY LTD	03-Dec-91	21 Years (Renewed)
P52/1220	Live	DAMPIER (PLUTONIC) PTY LTD	09-Feb-07	4 Years
P52/1221	Live	DAMPIER (PLUTONIC) PTY LTD	09-Feb-07	4 Years
P52/1222	Live	DAMPIER (PLUTONIC) PTY LTD	09-Feb-07	4 Years
P52/1223	Live	DAMPIER (PLUTONIC) PTY LTD	09-Feb-07	4 Years
M52/366	Live	DAMPIER (PLUTONIC) PTY LTD	23-Feb-93	21 Years (Renewed)
M52/305	Live	DAMPIER (PLUTONIC) PTY LTD	09-Mar-92	21 Years (Renewed)
M52/306	Live	DAMPIER (PLUTONIC) PTY LTD	09-Mar-92	21 Years (Renewed)
M52/478	Live	DAMPIER (PLUTONIC) PTY LTD	18-Feb-94	21 Years

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Applications Pending

Tenement	Status	Holders	Application	Area
L52/154	Pending	DAMPIER (PLUTONIC) PTY LTD	05-Mar-13	372.263 HA
M52/748	Pending	BARRICK (PLUTONIC) LIMITED	10-Apr-00	2.3404 HA
M52/781	Pending	DAMPIER (PLUTONIC) PTY LTD	02-Jul-01	937 HA
M52/782	Pending	DAMPIER (PLUTONIC) PTY LTD	02-Jul-01	952 HA

No tenements were acquired or disposed of during the quarter

During the quarter, Ord River Resources Limited earned a 30% interest in all of the tenements listed above.

No beneficial interests in Farm-in or Farm-out agreements were acquired or disposed during the quarter

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