

ASX RELEASE

7 January 2019

DAMPIER ACQUIRES TENEMENTS NORTH OF KALGOORLIE WESTERN AUSTRALIA

The Directors of Dampier Gold Limited are very pleased to advise that the Company has acquired two exploration projects located ~100km north of the Kalgoorlie gold mining district in Western Australia.

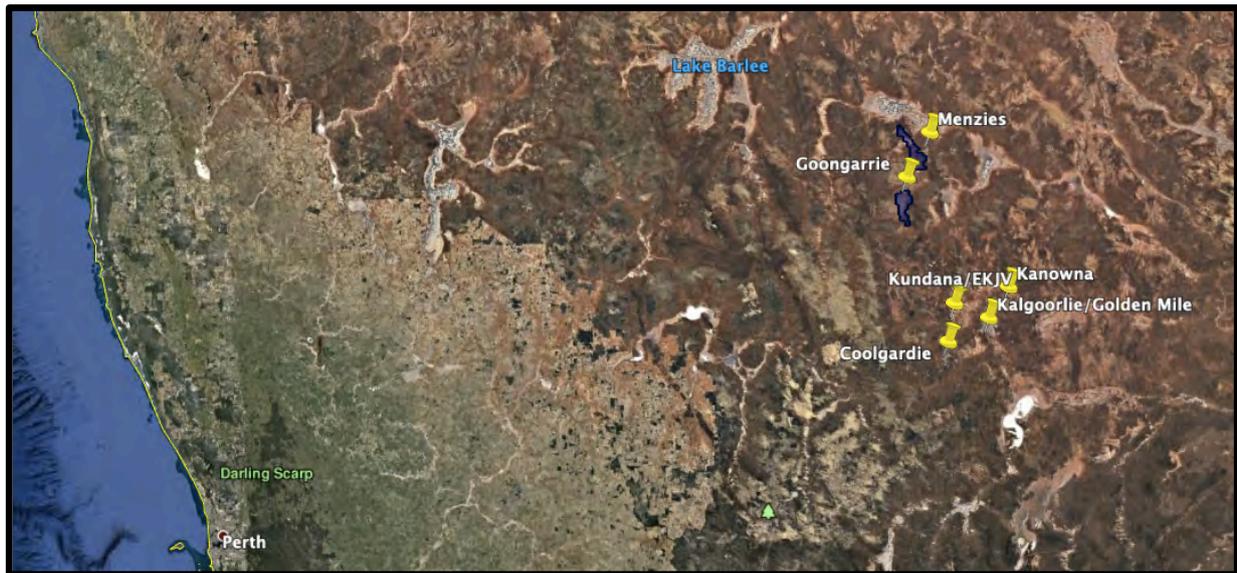
The acquisition comprises two exploration licence applications. Menzies, which lies adjacent to the Menzies gold camp and which has exploration potential for both hard rock and placer gold and Goongarrie, which lies southwest of Menzies and overlies an alluvial covered greenstone belt with exploration potential for hard rock gold and base metals.

The Menzies and Goongarrie acquisitions present exciting and cost-effective exploration opportunities for Dampier. The projects both lie within significant mineralised belts where company making projects have been developed from grass roots discoveries into successful gold mining operations. The Menzies gold camp, although a significant historical producer presents as an under explored anomaly relative to other gold camps on the Norseman - Wiluna greenstone belt such as Kalgoorlie, Leonora and Wiluna. The Goongarrie project overlies un-exposed and interpreted greenstone lithologies which have had very limited exploration. Dampier will actively explore both projects this coming field season with drill targets expected by the end of the June quarter.

Dampier directors are excited with the opportunity to secure exploration areas and be in a position to undertake exploration in one of the world's richest gold belts, particularly as the current spot gold price and outlook for further gains is very positive.

SUMMARY OF PROJECTS

The Menzies (196sqm) and Goongarrie (154sqkm) project tenements are located ~100km north northwest of the Kalgoorlie Golden Mile which in turn is located around 600km west of Perth, Western Australia as illustrated in the following figures. Both tenements have had minimal modern exploration carried out and both tenement applications are ready for approval.



Menzies is located immediately to the west of the Menzies town site in Western Australia and is a grass roots gold (Au) hard rock and placer target.

The tenement, which covers 196sqkm is on strike along the Kalgoorlie Shear and represents an area with easy access which can be readily explored to define targets.

The gold hard rock target is possible a westerly extension of the prolific Menzies greenstone belt and the paleo placer represent an exciting Tertiary channel target eroding the Menzies Gold Camp.

Goongarrie is located on strike and between the K2 and the Kalgoorlie Shears and represents a grass roots gold and base metal (Volcanogenic Massive Sulphide) play. The tenement covers northern extensions of a known greenstone belt with interpreted Banded Iron Formations and ultramafic lithologies. The central part of the project area exhibits a structure which suggests a stoping of the greenstone similar to the Goongarrie goldfield located ~30-40km to the east.

The following figures show for Menzies the extent of the gold occurrences on the eastern boundary of the Menzies tenement acquired by Dampier and for both Menzies and Goongarrie, the regional magnetics which illustrate the presence of suitable lithologies and structures which typically host gold mineralisation associated with greenstone belts in Archaean terrains in general and in particular in the world class Kalgoorlie Goldfield region.

Figure 1 - Menzies – gold mineral occurrences (gold stars) and regional magnetics (1:100,000 scale) showing the presence of mafics and ultramafics in the Menzies tenement area.

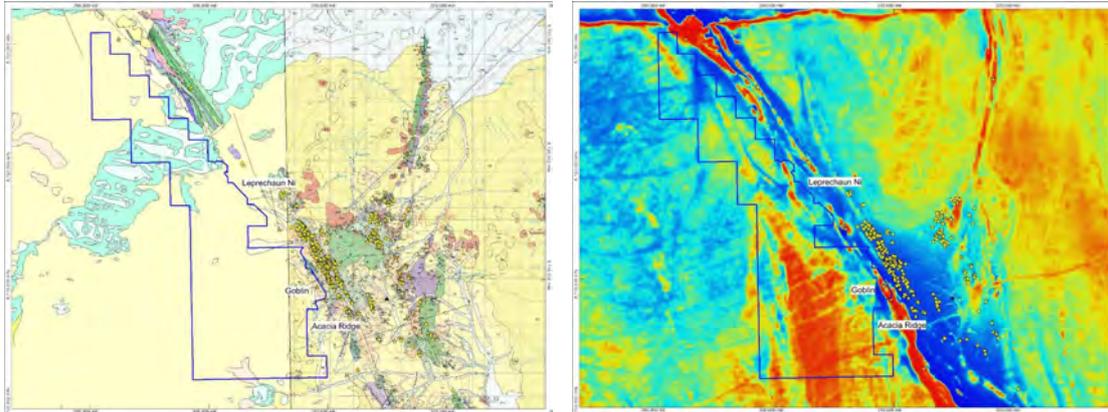
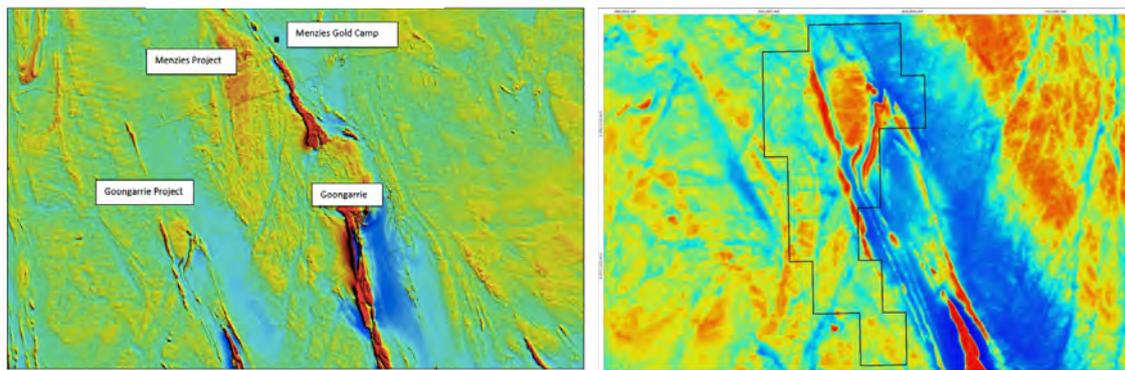


Figure 2 – Menzies and Goongarrie regional Total Magnetic Intensity (TMI) and Goongarrie, right hand figure show TMI which confirm the greenstones and associated rocks, extend into the under-explored tenement area.



Transaction Terms

In accordance with the terms and conditions of a binding Terms Sheet with Magnum Mining & Exploration Limited (ASX code: MGU) and Discovery Capital Limited (the **Vendors**), Dampier has acquired an 80% interest in each of exploration licence application 29/1052 (Menzies) and exploration licence application 29/1051 (Goongarrie). Both applications are ready for approval.

The consideration paid by Dampier is the issue of 10,000,000 fully paid ordinary shares and a cash payment of \$20,000. Following expenditure by Dampier of \$300,000 on each of the tenements, the Vendors can elect to contribute their 20% pro-rata share on all future expenditure on either of the Menzies or Goongarrie projects or receive a 2% Gross Royalty on either the Menzies or Goongarrie projects.

The 10,000,000 fully paid shares will held in voluntary escrow for a period of 24 months.

Malcolm Carson
CHAIRMAN

Competent Persons Statement

Mr Malcolm Carson has compiled information in this report from information and exploration results supplied to Dampier Gold 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 and Allegiance Coal Limited. Mr Carson consents to the inclusion in the report the matters based on the information in which it appears.

**JORC CODE, 2012 Edition-Table 1 Menzies and Goongarrie Projects:
SECTION 1: SAMPLING TECHNIQUES AND DATA**

Criteria	JORC Code Explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> <i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i> 	<ul style="list-style-type: none"> N/A No Samples Reported
Drilling techniques	<ul style="list-style-type: none"> <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i> 	<ul style="list-style-type: none"> N/A No Drilling Reported
Drill sample recovery	<ul style="list-style-type: none"> <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i> 	<ul style="list-style-type: none"> N/A No Drilling Reported
Logging	<ul style="list-style-type: none"> <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> N/A No Drilling Reported
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> N/A No Drilling or Samples Reported
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> 	<ul style="list-style-type: none"> N/A No Assays Reported

Criteria	JORC Code Explanation	Commentary
	<ul style="list-style-type: none"> Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> N/A <p>No Sampling or Assays Reported</p>
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> No Drill holes or sample points are being reported. All figures have a GDA 94 / MGA (zone 51) grid
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> No Samples have been reported. Regional Geophysical imagery was sourced from the WA geological survey pre-competitive geophysical data.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> No sampling has been reported and the regional magnetic data has been acquired on an east – west grid with is approximately perpendicular to the general greenstone stratigraphy.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> N/A <p>No Samples or Assays Reported</p>
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> No Audits have been undertaken, <p>No Assay or Samples reported</p>

Section 2: REPORTING OF EXPLORATION RESULTS Menzies and Goongarrie Projects:

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The Menzies project is located immediately to the west of the Menzies townsite, approximately 120km NNW of Kalgoorlie while Goongarrie is approximately 100km NNW of Kalgoorlie in Western Australia. The Menzies project consists of one exploration licence application ELA29/1052 (196km²) and the Goongarrie project is exploration licence application ELA29/1051 (154km²). This release details the terms whereby Dampier will acquire an 80% interest in both tenements.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Within the body of the release the company acknowledges work undertaken in the region including the pre-competitive open file geophysical and geological work undertaken by the Western Australian Geological Survey. Previous exploration by various companies is currently being compiled to assist with targeting and evaluation
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The geological target at Goongarrie is a structurally hosted (orogenic) gold system while at Menzies there is potential for structurally hosted (orogenic) gold deposits, paleo channel hosted gold deposits and

Criteria	JORC Code Explanation	Commentary
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<p>lateritic nickel cobalt mineralisation..</p> <ul style="list-style-type: none"> No drilling reported
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> No Assay or drilling results reported
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> No drilling results reported.
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> Appropriate summary diagrams are included in the body of the announcement.
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> No drilling or Assay Results have been reported. The geophysical (magnetic) images are derived from the WA Geological Survey pre-competitive imagery
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> The local scale and regional geophysical and historical geological mapping and interpretation is reported in the body of the announcement.
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> Additional work including geophysics, geological mapping and interpretation, geochemical sampling and potentially drilling is either planned or is expected to be planned to further evaluate the potential within the projects