

ASX RELEASE

22 April 2020

DAMPIER GOLD COMMENCES THE ZULEIKA FARM-IN JOINT VENTURE SITUATED WITHIN THE WORLD CLASS MINERALISED ZULEIKA SHEAR IN THE KALGOORLIE GOLD DISTRICT

Dampier's strategy of aggressive resource growth and development in the Kalgoorlie region is on track

Key Points:

- Dampier has elected to commence the Zuleika Gold Project farm-in Joint Venture on varied terms.
 - The Zuleika Project lies within the world class Zuleika Shear, with more than 20 million ounces of historical production and represents one of the most sought after gold regions in Australia.
 - The Zuleika Project hosts defined high potential drill targets, which Dampier plans to prioritise and test within the near term.
 - Dampier has the right to earn up to a 75% interest in the Zuleika Project by spending \$1m over 4 years.
 - Initial exploration will focus on identified strategic targets.
-

Dampier Gold Limited (ASX: DAU) (Dampier or the Company) is pleased to announce that it has elected to commence the Zuleika Project joint venture (**Zuleika Project**) with Torian Resources Limited (ASX: TNR) (**Torian**) pursuant to a binding terms sheet (**BTS**) signed and announced on 4 October 2019. The terms of the BTS have been favourably varied as below and will enable the Company to progress its strategic resource growth and development strategy with a focus on future exploration upside in the prolific Kalgoorlie Goldfields.

Under the terms of the BTS, Dampier was to acquire up to a 75% interest in the Zuleika Project by expenditure of \$4 million over a staged four-year period. Dampier and Torian have mutually agreed to amend certain terms of the BT as follows:

Key Terms of the amended BTS

- Dampier is to acquire up to a 75% interest in the Zuleika Project by expenditure of \$1 million over a 4-year period in the following stages:



- An initial 30% interest in the Zuleika Project by incurring expenditure of \$250,000 no later than 15 months from commencement;
 - A further additional 15% interest in the Zuleika Project by incurring additional expenditure of \$250,000 no later than 12 months following the initial stage farm-in;
 - A further additional 15% interest in the Zuleika Project by incurring additional expenditure of \$250,000 no later than 12 months following the second stage farm-in; and
 - A final additional 15% interest in the Zuleika Project by incurring additional expenditure of \$250,000 no later than 12 months following the third stage farm-in.
- The previously agreed temporary loan facility of \$500,000 by Dampier to Torian has been eliminated.
- Torian no longer has a claw-back right to buyback 25% of the equity from Dampier.
- All other material terms of the Agreement remain unchanged.

Dampier's Executive Chairman, Mr Malcolm Carson, said:

"We are delighted that the Company has commenced the Zuleika Project joint venture and is now positioned to commence exploration on the world class Zuleika Shear.

The Company has secured a significant tenement position in one of the world's most prolific gold producing areas via the commencement of the Zuleika Project and the Company's other joint venture interests at Credo Well, Menzies and Goongarrie. The building of this strategic portfolio of proximate tenements in known gold producing areas, has been the focus of the Company for the last 2 years.

*Despite the current challenging situation, the Directors of Dampier have worked tirelessly through these difficult times and pushed on to complete **a 1000m RC programme and a 2600m AC programme at Credo Well with assay results due shortly**. Geological evidence from the drilling demonstrated typical ore grade zones observed in drill cuttings. Further, the Company has conducted substantial evaluation of the Zuleika Project database and performed detailed analysis of the historical drilling and geophysics in anticipation of this Joint Venture being initiated. The Company is now eager to embark on a strategically targeted programme at the Zuleika Project and we certainly look forward to continuing our strong and constructive working relationship with Torian.*

With more than 20 million ounces of historical production, the Zuleika Shear is one of the most sought-after gold regions in Australia. The Zuleika Project lies north and partly along strike of several major gold deposits including Northern Star's (ASX: NST) 7.0 Moz East Kundana Joint Venture and Evolution's (ASX: EVN) 1.8 Moz Frogs Legs and White Foil deposits. The adjacent Carnage Shear, also known as East Zuleika Shear, runs through the Dampier tenements and displays many of the same characteristics to the Zuleika Shear but as yet, is under explored. The Dampier team is optimistic about the exploration upside on discovery in the world class Kalgoorlie Goldfields.

The Company is on track to build a sizeable and high-quality gold resource in the Kalgoorlie region by continuing to expand our strategic exploration footprint and growth pipeline."

Authorised for release by

Malcolm Carson
CHAIRMAN