

ASX RELEASE

17 December 2020

Dampier Launches Aggressive 2021 Exploration Program

Following on from a successful 2020 maiden field season, an aggressive ~30,000m exploration program is underway

Key Points:

- Excellent results from 2020 exploration programs across key project areas confirmed the highly prospective nature of the Company's project portfolio generating Tier 1 targets for follow-up drilling in 2021
 - Dampier's primary objective for the next stage program is to define new JORC Resources and extend existing commercially viable JORC Compliant Resources
 - The recent successful \$6m capital raising enables Dampier to execute a robust 2021 exploration program
 - Drilling is scheduled to commence in January 2021 to follow up the strong 2020 results within priority targets at:
 - Credo Well (maiden resources and new soil anomalies 2020)
 - Paradigm East (significant Reverse Circulation (RC) and Aircore (AC) results 2020)
 - Browns Dam (2020 discovery in Aircore results)
 - Other targets include Zuleika North, Castle East and several regional targets including the under-explored Carnage Shear on which Dampier has identified drill ready targets
 - Anomalous Auger results from Goongarrie and Menzies to be followed up
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Dampier Gold Limited (**ASX:DAU, Dampier or the Company**) is pleased to announce its exploration program for the 2021 field season. This is following an oversubscribed two tranche capital raising of \$6 million as announced on 7th December.

Highlights of the 2020 maiden field season have been:

- Strong RC results and maiden resource at Credo Well (ASX Ann. 2 June 2020)
- Orientation soil program identifies new anomalous zone at Credo Well (ASX Ann. 7 October 2020)
- Significant RC and Aircore results at Paradigm East (ASX Ann. 15 September 2020 and 28 October 2020)
- New gold zone discovered at Browns Dam (ASX Ann. 15 October 2020)
- Anomalous Gold and Nickel at Goongarrie (ASX Ann. 12 October 2020)
- Anomalous Gold Menzies (ASX Ann. 12 November 2020)

These results have confirmed the highly prospective nature of the Company's gold project portfolio. The work was completed in a highly efficient and effective manner and the new funding will allow further systematic drilling of the known gold systems and the delineation of new systems by systematic evaluation of priority targets.

An Aircore program of approximately 20,000m is planned along with RC drilling of up to 10,000m in the first 2 phases of exploration as well as mapping, geophysical interpretation, auger and soil sampling over the tenement portfolio with a view to identifying further targets for drill testing. A total budget of \$2.8 million is anticipated for this phase of exploration with the aim of identifying more than one significant gold system.

Credo Gold Project

The Credo Gold Project JV with Torian Resources Limited contains several key prospects with the Credo Well and Credo Well North being the most advanced of these. JORC resources totalling 12,250 oz of Au have been calculated from an interpreted high-grade corridor along cross cutting NE trending structures. This corridor returned anomalous soil results in an orientation soil survey between the known mineralised systems which demonstrated

the presence of such zones with an identical north east, south west orientation, giving scope for en-echelon mineralised structures along the 3km “high grade corridor”(see ASX Ann. 7 October 2020). Dampier’s target is to define several of these mineralised structures with the aim to aggregate into a substantial commercially viable JORC Compliant Resource at Credo.

The soil grid has recently been extended and the results for these will be available early in the new year.

Due to the shallow cover in this particular area, the soil anomalies will be followed up with RC drilling to test for repeat structures crossing the interpreted corridor. The gabbro host for the gold in the Credo Well area has been folded then fractured by these late north east trending structures and the brittle nature of the fracturing in the gabbro provides for excellent quartz vein development with gold hosted mostly within the veins.

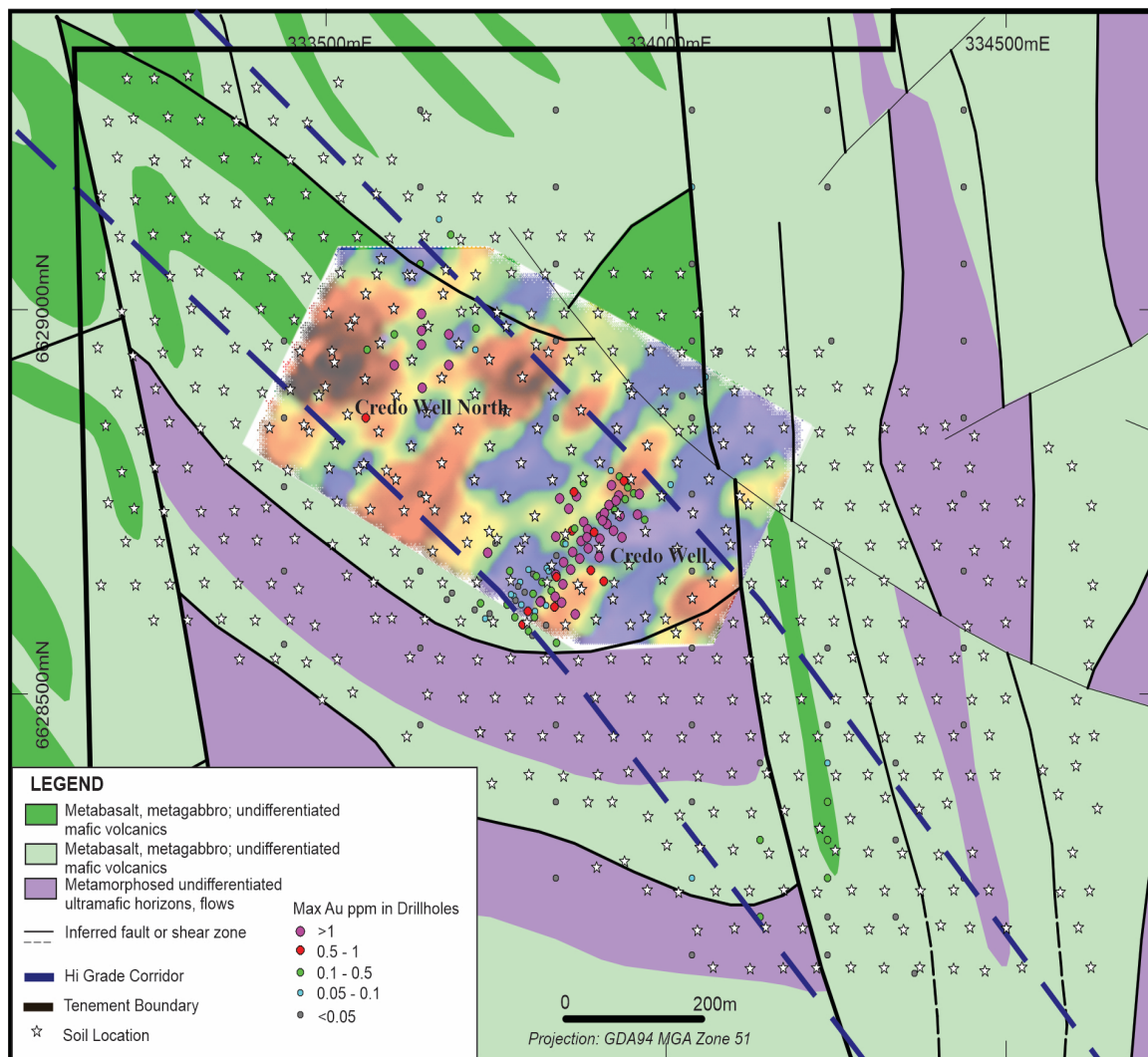


Figure 1 Phase 2 soils and previous gold anomalism

A Maiden JORC Resource for both Credo NW and Credo Well was announced on 2 June 2020 with a total resource of over 12,000oz Au from the 2 deposits.

Upper cut off 30g/t applied

Table 1 JORC 2012 Resource Summary Credo Well JV

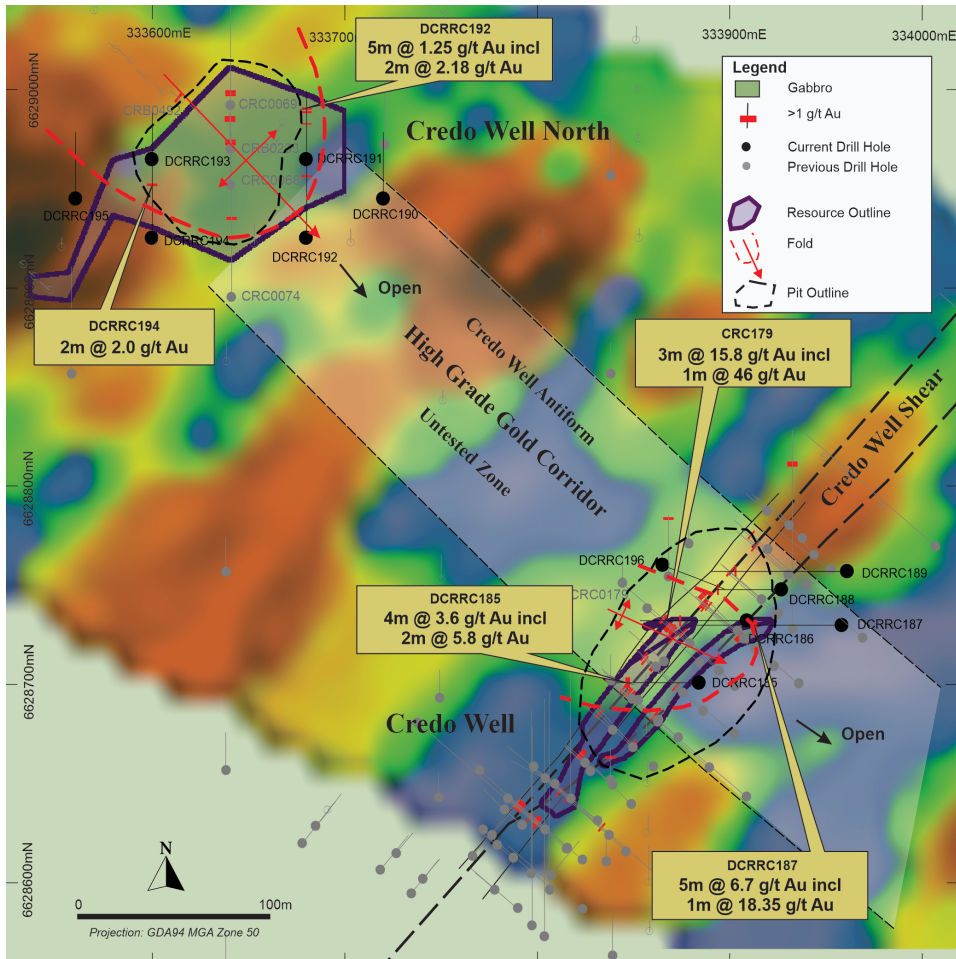


Figure 2 Soil anomalies super imposed on the high-grade corridor and pit outlines

Paradigm East – Zuleika Gold Project

Paradigm East prospect is within the Zuleika Gold Project JV with Torian Resources Limited. The Paradigm East prospect was discovered in the 1990's by Dominion Mining and contains some high-grade supergene zones up to **7m @ 9.8 g/t Au including 2m @30.9 g/t Au (DQRC004) from 42 to 49m within an overall anomalous zone of 27m @2.87 g/t from 33 to 60m**. Results from RC and Aircore drilling from 2020 include RC results of 4m @ 1.77 g/t from 86m in DPERC009 and a 1m @ 1.02 g/t (with a repeat gold of **7.97 g/t Au**) from 117m in DPERC005 and in Aircore **24m @6.4 g/t Au from 28m incl 4m @ 34.7 g/t from 32m in DPEAC0021 and 8m @ 2.2 g/t Au from 48m incl 4m @ 3.3 g/t Au from 48m in DPEAC0004**. (ASX Ann. 15 September 2020)

These results are from an east-west structural corridor that runs from Northern Star's Paradigm mine and continues for a strike length of over 2km through Dampier's ground. The gold appears to be shear and vein hosted within mafic and volcanoclastic sediments. Cross cutting NW trending zones may control mineralisation further and will be a target of further work.

It is proposed to test the entire corridor with wide spaced aircore drilling as well as extending the drilling to the north in key areas. Infill drilling around anomalous zones will then define resource targets for the corridor.

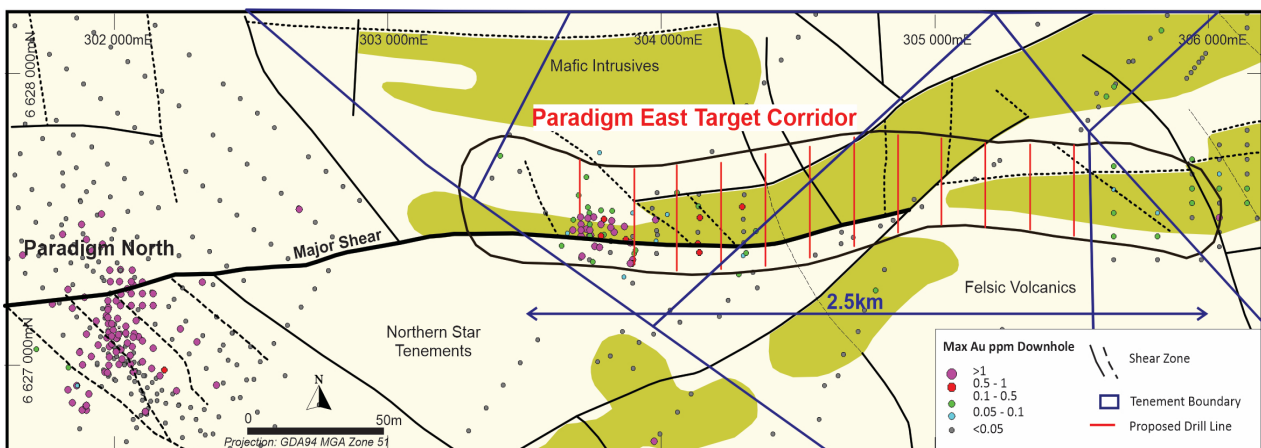


Figure 3 Paradigm East proposed follow-up Stage 1, 2021 drill lines

Browns Dam – Zuleika Gold Project

Browns Dam prospect is within the Zuleika Gold Project. Wide spaced drilling in 2020 was designed to test a zone of interpreted ultramafics along the Zuleika Shear, a major regional gold host. There was only minor drilling within the area previously and geophysics interpretation identified several complex structural zones and potential flexures along the main Zuleika trend.

Best intercepts within the composite sampling were **5m of 3.1 g/t Au** from 38m Including **1m @ 6.60 g/t Au** from 42m and 1m @ 5.23 g/t Au from 39m in DBDAC0026 and **2m of 0.85 g/t Au** from 51m, included in **17m of 0.33 g/t** from 40m in DBDAC0027. (ASX Ann. 15 October 2020)

Several lower-level anomalies of greater than 50ppb Au were intersected and 6 holes intersected gold above 100ppb, considered to be highly anomalous.

Aircore drilling infilling this wide spaced program in areas of anomalous results will further define the controls on this gold mineralisation prior to RC drilling to define the system.

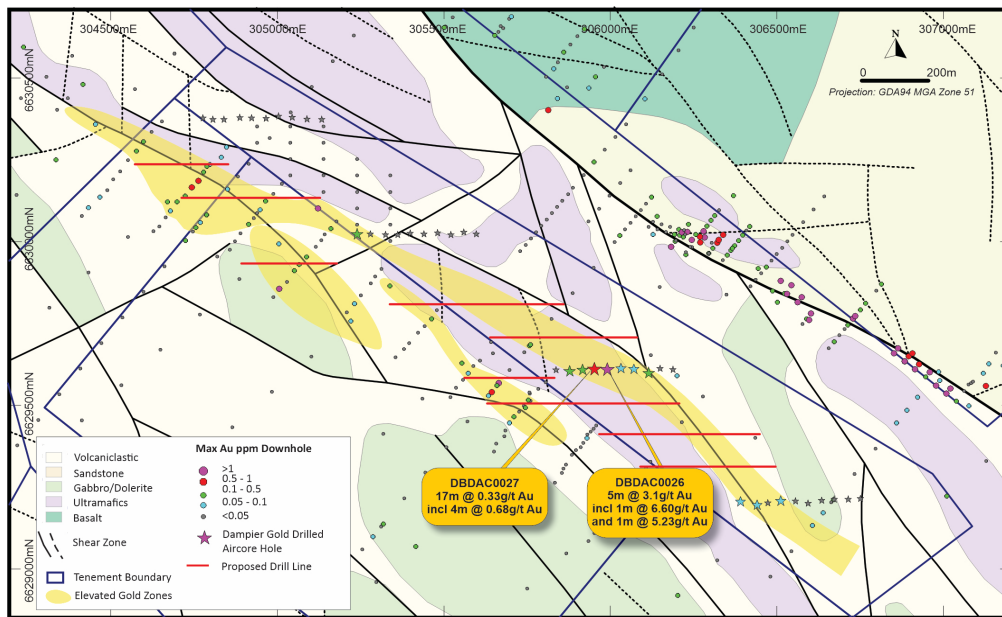


Figure 4 Browns Dam Aircore drilling showing proposed Stage 1, 2021 drill lines

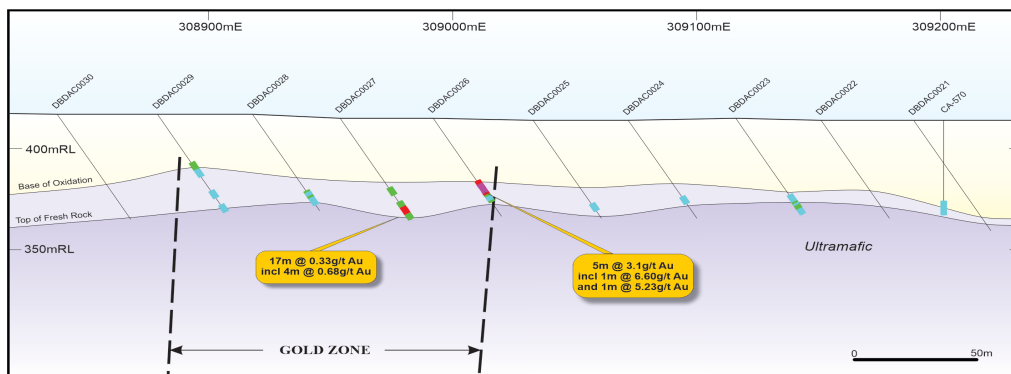


Figure 5 Cross section Line 3 Browns Dam showing 2020 drilling results

Big Hand/Kurrawang – Zuleika Gold Project

Previous work in Zuleika Central has identified mineralised zones parallel to the Zuleika shear and within the Kurrawang formation. Previous drilling has included up to **6m @ 2.4 g/t Au** in ZJVR007, **1m @ 50.4 g/t Au** in ZJVR006 and **4m @ 2.57 g/t Au** in ZRB405. Follow up of these targets and testing of underexplored zones along these structures will include Aircore and RC drilling.

Carnage Shear – Zuleika Gold Project

The Carnage Shear area is a major structure forming the north eastern boundary of the Kurrawang basin with the south western boundary controlled by the Zuleika Shear. The Carnage Shear and the Zuleika Shear represent the boundaries of the Kurrawong Epiclastic Basin which is an ancient geological feature considered significant in capping hydrothermal fluids and concentrating gold mineralisation.

There are several known gold occurrences along the structure indicating it has been an active conduit for mineralising fluids. The structure has been under explored due to a combination of cover and the discovery of gold on the Zuleika Shear having been the primary focus of exploration dollars historically. Sparse Aircore drilling has often ended within clay zones and many holes may not have been effective tests for bedrock anomalism.

Despite this there are numerous elevated values of greater than 100ppb Au and one highly anomalous area with up to **4m @ 2 g/t Au** in the north-western part of the target area. Initial drilling will be to ensure a suitable drilling

method is used to reach bedrock effectively and to test some regional structures and magnetic features. Following this initial work, a more substantial program to evaluate the full potential of this area will be planned.

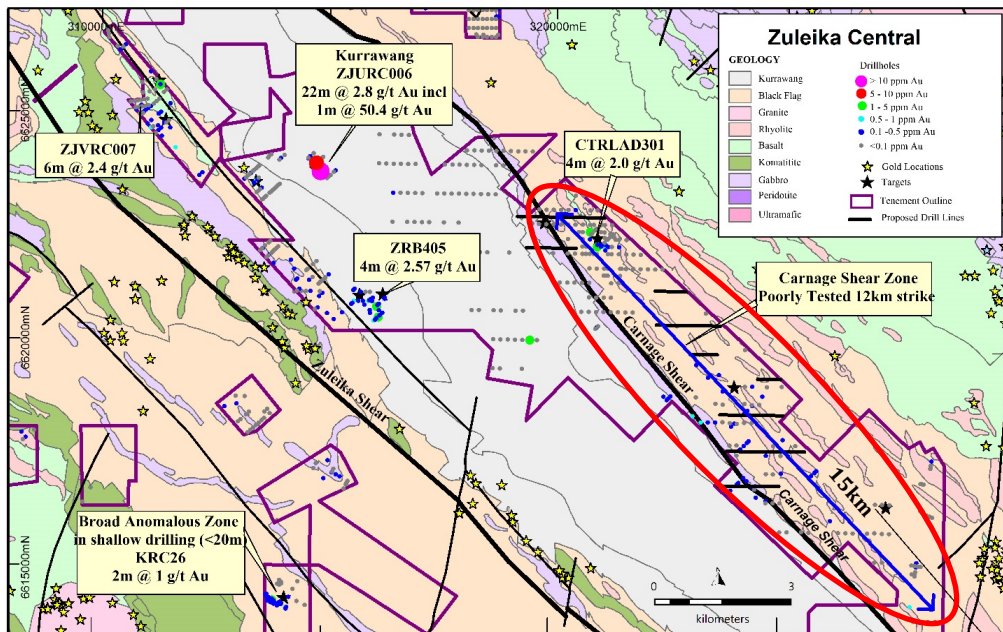


Figure 6 Carnage Shear showing proposed Stage 1, 2021 drill lines along largely “untested” 15km of strike

Goongarrie Gold Project

Recent Auger sampling has provided encouragement for greenstone hosted gold and granite hosted gold with anomalous values from several zones at Goongarrie (ASX Ann. 12 October 2020). These highly encouraging Auger traverses in loose transported cover and were on wide spacing. Ground mapping of the anomalous areas will be undertaken, together with detailed geophysical interpretation to verify targets prior to infill Aircore drilling.

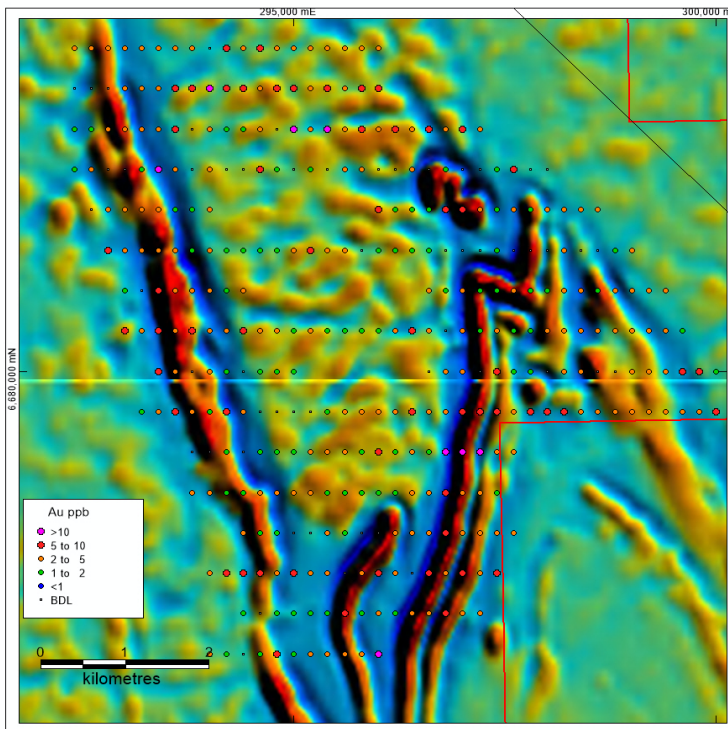


Figure 7 Goongarrie auger drilling showing anomalous gold results

Menzies Gold Project

Recent Auger sampling provided encouragement for greenstone hosted gold and granite hosted gold with strong anomalism at Menzies (ASX Ann. 12 November 2020). These Auger traverses were on wide spacing and ground mapping of the anomalous areas will be undertaken prior to infill Aircore drilling.

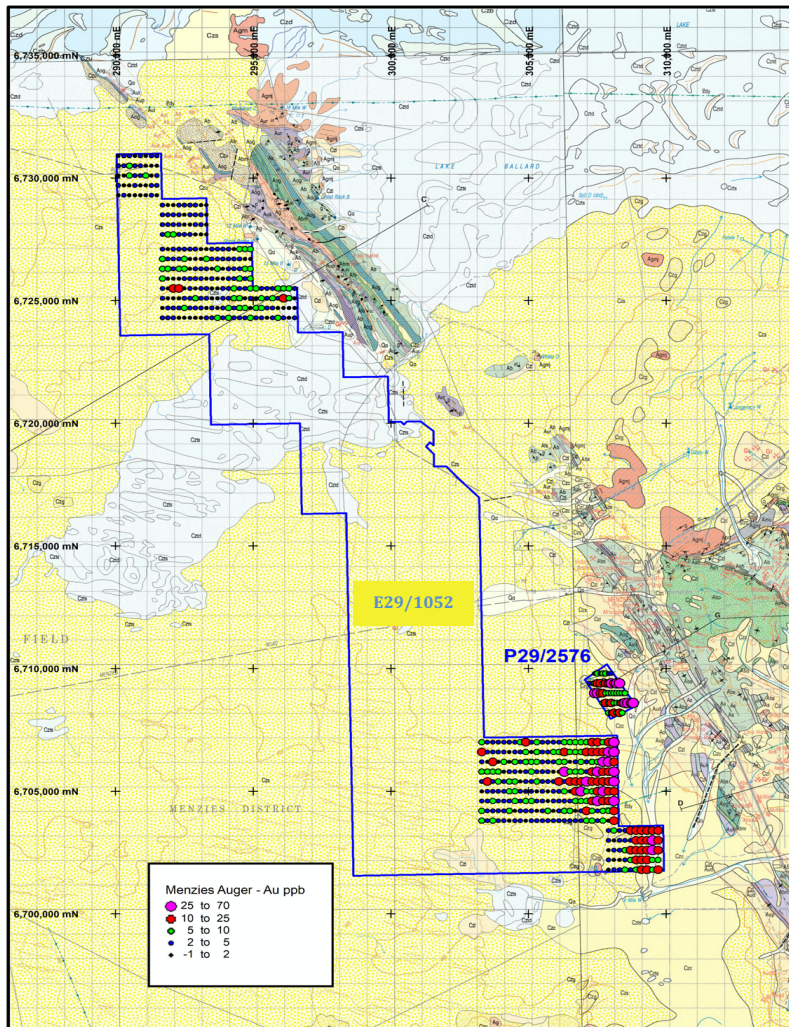


Figure 8 Menzies Project auger sample location on 100k mapped geology

Managing Director of Dampier Ms Annie Guo Said:

"Dampier directors are fulfilling their commitment to shareholders to aggressively explore through drilling its highly prospective tenement portfolio in the Kalgoorlie and Menzies Region, Western Australia.

The recent capital raising supported by new and existing shareholders demonstrates the confidence shareholders have in Dampier's exploration strategy.

This announcement sets out in broad terms what Dampier aims to achieve with Stage 1 Exploration commencing in January 2021. During 2021 as the exploration proceeds, we will continuously report the results of each campaign to shareholders.

Our primary objective is to define and extend commercially viable JORC Compliant Resources and proceed rapidly to further development and to convert Dampier from an explorer to a producer.

We are confident that the ground Dampier has secured has scope for one or more discoveries and our aim is to achieve this result in 2021 and beyond. Directors are determined to deliver value added results to our shareholders.”

Authorised for release by

Malcolm Carson
CHAIRMAN

Competent persons statement

The information in this report that relates to the Statement of Mineral Resource Estimates exploration results has been compiled by Mr David Jenkins, a full-time employee of Terra Search Pty Ltd, geological consultants employed by Dampier Gold Ltd. Mr Jenkins is a Member of the Australian Institute of Geoscientists and has sufficient experience in the style of mineralisation and type of deposit under consideration and the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves (“JORC Code”). Mr Jenkins consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.