DAMPIER GOLD LIMITED

ABN 43 141 703 399

ANNUAL REPORT

for the year ended 30 June 2017

CORPORATE DIRECTORY

Board of Directors

Malcolm Carson	Executive Chairman
Hui Guo	Executive Director
Peiqi Zhang	Non-Executive Director

Company Secretary

Michael Higginson

Principal & Registered Office

29 Brookside Place
Lota, QLD 4179

Postal Address

29 Brookside Place
Lota, QLD 4179

Contact Details

+61 7 3901 0751 (Telephone)
+61 7 3901 0751 (Facsimile)
www.dampiergold.com

Share Registry

Advanced Share Registry Limited
110 Stirling Highway
Nedlands, Western Australia, 6009
+61 8 9389 8033 (Telephone)
+61 8 9262 3723 (Facsimile)
www.advancedshare.com.au

Auditor

Stantons International
Level 2, 1 Walker Avenue
West Perth, Western Australia 6005

ANNUAL REPORT
for the financial year ended 30 June 2017

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CHAIRMAN'S LETTER

Dear Shareholder

We are pleased to advise that during the financial year and following the receipt of shareholder approval, the Company finalised the sale of its 40% interest in the Plutonic Dome Project (Project) to Vango Mining Limited (Vango) for a total consideration of $8.2m.

The sale of the Dampier's interest in the Project was completed on favourable terms, which includes a series of milestone payments and royalties which will maximize Dampier's return.

The total sale price for Dampier's 40% interest in the Project was $8.2m, comprising a cash consideration of $2.2m, production milestone payments of up to $4m and gold price related royalties of up to $2m, therefore valuing 100% of the Project at $20.5m. The cash consideration was released into Dampier's account on 26 August 2016.

Subsequently, on 17 January 2017, the Company announced the execution of a non-binding terms sheet with Vango whereby Dampier can farm-in to the development of the K2 Deposit and Mine. The farm-in entitling Dampier to finance up to the lesser of $3m or 50% of the capital cost of the K2 Mining Project in exchange for up to a maximum of 50% equity interest in the tenements comprising the K2 Mining Project. This farm-in will not only generate revenue for the Company, but which will also accelerate the receipt of the royalty and milestone payments to be received as a result of the earlier sale of Dampier's 40% interest in the Project.

Following the receipt of shareholder approval on 3 March 2017, on 16 May 2017 the Company announced the execution of a binding terms sheet with Vango which established the basis for the farm-in. Subsequently, the parties have been preparing for the operation of the joint venture and the development of the mine, which will be supported by a more detailed Farm-in Joint Venture agreement.

Dampier has recently negotiated the terms of a debt package to cover its share of the capital costs of the K2 Mining Project and Vango is in the process of finalising its capital raising requirements for its share of the K2 project. Preparatory works on the K2 Mining Project are expected to be completed by the second quarter of 2018, with production commencing in 3rd or 4th quarter of 2018.

During the year, Dampier directors have also been working on assessing various other projects with near term cash flow as a priority. We will continue to work on these opportunities, which include mineral resources, primary production and infrastructure projects.

I wish to thank my fellow directors and our strong support team for their efforts in investigating and developing Dampier's business development models.

Yours sincerely

Malcolm Carson
Executive Chairman

DIRECTORS' REPORT

The Directors of Dampier Gold Limited (**Dampier** or the **Company**) submit their Annual Financial Statements of the Group being the Company and its controlled entities for the year ended 30 June 2017.

Directors

The names and particulars of the Directors of the Company in office during the year and until the end of the financial year are as follows. Directors were in office for the entire year unless otherwise stated.

Malcolm Carson, Executive Chairman

Mr Malcolm Carson (BSc, MSc, AUSIMM, AIG) has over 37 years' experience in the resource sector including field exploration geologist and commercial evaluation of mineral resources and project finance. Mr Carson has held senior positions in exploration and mining companies, the West Australian Government, investment banks and executive roles in ASX and TSX publicly listed companies.

Mr Carson is a director and chairman of Allegiance Coal Limited and a director of Canadian listed companies Pacific Wildcat Corporation and Compass Gold Corporation.

Hui Guo, Executive Director

Ms Hui Guo has more than 16 years' experience in mining M&A, capital raising and corporate governance. Ms Guo, the Managing Director of Columbus Minerals Pty Ltd (Columbus), has led a number of acquisitions and investments by Columbus in near-term production opportunities. Ms Guo is also the founder of Westlink Capital, a funding platform for facilitating and co-investing Australian resource sector projects with value uplift for Australian and Asian investors. Prior to working with Columbus and Westlink Capital, Ms Guo was a senior manager at PricewaterhouseCoopers in the finance sector.

Ms Guo was a director of Eagle Nickel Ltd – resigned 28 January 2015.

Peiqi Zhang, Non-Executive Director

Mr Peiqi Zhang has more than 30 years' experience and knowledge in the Chinese mining industry. Mr Zhang is the Chairman and founder of China Shanxi Guxian Jin Yu Coking Co., Ltd, Chairman of Inner Mongolia Jiyuan Iron and Steel Company, a senior member of Shanxi Province Federation of Industry and the Standing Committee, and a senior member of the CPPCC Standing Committee of Linfen City. China Shanxi Guxian Jin Yu Coking Co., Ltd mining enterprise has annual sales income of more than one billion Yuan, fixed assets of 500 million Yuan, employs 650 workers and has an annual production of 800,000 tons of coal. He is also a fellow of world academy of productivity science, and the Vice President of Glory Institution, a well-known charity organisation in China. Mr Zhang is one of the prominent leaders in the mining industry of Shanxi Province.

Company Secretary

Michael Higginson

Mr Higginson is the holder of a Bachelor of Business Degree. Mr Higginson was formerly an executive officer with the Australian Securities Exchange and has, over the last 29 years, held numerous company secretarial and directorship roles with a range of public listed companies both in Australia and the UK.

Mr Higginson is a director of SportsHero Limited and Cape Range Limited.

Interests in the shares and options of the Company and related bodies corporate

As at the date of this report, the interests of the Directors in the shares and unlisted options of Dampier Gold Limited are:

	Directors interests in ordinary shares		Directors interests in unlisted options	
Director	Current holding	Net increase/ (decrease)	Current holding	Net increase/ (decrease)
Malcolm Carson	–	–	6,000,000	6,000,000
Peiqi Zhang	12,630,849 (i)	–	–	–
Hui Guo	12,630,849 (i)	–	6,000,000	6,000,000

(i) These 12,630,849 shares are registered in the name of Columbus Minerals Pty Ltd. Both Mr Zhang and Ms Guo have a relevant interest in the 12,630,849 shares.

Principal Activities

The principal activities of the Group during the year were the sale of its interest in Plutonic Dome, the negotiation of a new farm-in joint venture with Vango, securing of a new project to the east of Plutonic Dome (the Shoemaker North Project) and the evaluation of many gold project joint ventures and asset sales.

In addition, Dampier reviewed new alternative business opportunities involving the export of Australian agriculture and food products to the vast Chinese consumer market.

DIRECTORS' REPORT

Financial Review

During the year, total exploration expenditure incurred by the Group for the year amounted to $30,763; continuing operations, $739 discontinued operations (2016: $35,098 discontinued operations). In line with the Group's accounting policies, all exploration expenditure, other than tenement acquisition costs, was expensed as incurred. The level of exploration expenditure is a direct result of reduced exploration activities undertaken by the Group as a result of the farming out of the Plutonic Dome Gold Project (Project). During the year, Vango completed the acquisition of the Company's interest in the Project via the acquisition of the Company's subsidiary Dampier (Plutonic) Pty Ltd (DPPL). The Company recorded a profit on disposal of $1,865,718. As a consequence of the sale of DPPL, the group no longer holds any tenement acquisition costs or carries any environmental rehabilitation provisions in its balance sheet.

The Company is ever mindful of the current lack of equity market support for junior explorers and has continued its rigorous focus on cost management in the interest of preserving cash.

Net administration expenditure incurred amounted to $882,630 (2016: $833,560), with the increase mainly attributable to legal fees associated with the sale of the Project and employment expenses.

The Group's net asset position increased from $2,149,613 to $3,182,215, due largely to the cash proceeds of $2.2m received from the sale of DPPL, offset by operating cash expenditure of $799,224.

As at 30 June 2017, cash and cash equivalents totalled $3,089,260.

Operating Results for the Year

Summarised operating results are as follows:

	2017	
	Revenues $	Results $
Revenues and loss from continuing operations before tax	**80,865**	**(1,068,728)**
Profit from discontinued operations after tax	**1,865,869**	**1,865,130**

Shareholder Returns

Profit/(loss) per share	2017	2016
From continuing and discontinued operations		
Basic profit/(loss) per share (cents)	**0.83**	(1.11)
Diluted profit/(loss) per share (cents)	**0.83**	(1.11)
From continuing operations		
Basic profit/(loss) per share (cents)	**(1.12)**	(0.85)
Diluted profit/(loss) per share (cents)	**(1.12)**	(0.85)
From discontinued operations		
Basic profit/(loss) per share (cents)	**1.95**	(0.26)
Diluted profit/(loss) per share (cents)	**1.95**	(0.26)

The average market price of the Company's shares did not exceed the exercise price of any of the options on issue at 30 June 2017. Therefore, diluted earnings per share is the same as basic earnings per share.

Risk Management

The Board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that activities are aligned with the risks and opportunities identified by the Board.

Given the size of the Group, the number of employees and the scale of its present activities, the Board is of the view that, at this stage, a separate risk committee is not necessary. The Company believes that it is important for all Board members to be a part of the risk management process and accordingly such matters of risk are discussed and dealt with by the Board.

The Board has a number of mechanisms in place to ensure that management's objectives and activities are aligned with the risks and opportunities identified by the Board. These include the following:

- Board oversight and approval of Group activities and reporting obligations.
- delegated authority limits exist in respect of financial expenditure and other business activities.
- a comprehensive insurance program is undertaken.

DIRECTORS' REPORT

Significant Changes in the State of Affairs

On 25 August 2016, the Company announced completion of the sale of Dampier (Plutonic) Pty Ltd, a wholly owned subsidiary which holds interests in the tenements comprising the Plutonic Dome Gold Project to Vango Mining Limited (**Vango**).

On 17 January 2017, the Company announced that it entered into a non-binding heads of agreement with Vango (**HoA**) whereby Dampier may finance up to 50% of the capital cost for the development of the K2 Mine in exchange for up to a 50% equity interest in the tenements comprising the K2 Mining Project. Pursuant to the HoA, Dampier may contribute up to the lesser of 50% of CAPEX or $3,000,000 to the development of the K2 Mine.

On 16 May 2017, the Company announced the execution of a Binding Terms Sheet with Vango covering the farm-in by the Company into the development and ore production from the K2 Mine located at Plutonic Dome (Terms Sheet). Under the Terms Sheet, Dampier has agreed to contribute towards the development of the K2 Mine up to the lesser of 50% of CAPEX or $3,000,000 to the development, exploration and mining of gold ore and its processing for the extraction of gold and any other item as agreed by the joint venture committee.

Dampier stands to earn up to a further $6m from the successful development of the K2 Mine in milestone and royalty payments pursuant to the sale by Dampier in 2016 of its 40% interest in the Plutonic Dome Gold Project.

Other than as disclosed in this Report, no significant changes in the state of affairs of the Group occurred during the financial year.

Significant Events after the Balance Date

No matters or circumstances have arisen since the end of the year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

Likely Developments and Expected Results

The Group continues its search for a new resource projects or other new business opportunities that have the potential to generate positive cash flows and enhance shareholder value. Activity levels will, however, be impacted by the state of the equity markets, the expectations of vendors and the ability of the Group to raise funds for any new acquisition and working capital.

Over the past year, the Company has identified new opportunities, which have been subject to a detailed assessment and due diligence. Opportunities have been presented and/or considered in a diverse range of resource and industrial sectors. Whilst several opportunities have demonstrated significant potential, no new acquisition or transaction has to date emerged.

Environmental Regulation and Performance

The Group is subject to significant environmental regulation with respect to its exploration activities.

The Group aims to ensure the appropriate standard of environmental care is achieved and,in doing so, so far as it is aware is in compliance with all environmental regulation. The Directors of the Group are not aware of any breach of environmental legislation for the year under review.

Remuneration Report (Audited)

The remuneration report is set out under the following main headings:

A. Principles used to determine the nature and amount of remuneration

B. Details of remuneration

C. Service agreements

D. Share-based compensation

The information provided in this remuneration report has been audited as required by section 308(3C) of the *Corporations Act 2001*.

A. Principles used to determine the nature and amount of remuneration

The remuneration policy has been designed to align Director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives. The Board of Dampier Gold Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain appropriately qualified Directors and executives to run and manage the Group.

The remuneration policy, setting the terms and conditions for executive Directors and other senior executives, was developed by the Board. Executives receive a base salary (which is based on factors such as experience and skills) and superannuation. The Board reviews executive packages annually and determines policy recommendations by reference to the Group's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

Executives receive a superannuation guarantee contribution required by the government, which is currently 9.5%, and do not receive any other retirement benefits.

DIRECTORS' REPORT

All remuneration paid to Directors and executives is valued at the cost to the Group and expensed.

The Board policy is to remunerate Non-Executive Directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the Non-Executive Directors and reviews the remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when or if required (no remuneration consultants were used during 2017). The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by shareholders at the Annual General Meeting (currently $300,000). Fees for Non-Executive Directors are not linked to the performance of the Group.

Performance based remuneration

The Group has no short term incentives included in executive remuneration packages.

Group performance, shareholder wealth and Directors' and executives' remuneration

No relationship exists between shareholder wealth, Directors' and executive remuneration and Group performance.

B. Details of remuneration

Details of remuneration of the Directors and other key management personnel (as defined in *AASB 124 Related Party Disclosures)* of Dampier Gold Limited and the Group are set out in the following table.

The key management personnel of Dampier Gold Limited are the Directors and Company Secretary, as listed on page 4.

Given the size and nature of operations of Dampier Gold Limited and the Group, there are no other personnel who are required to have their remuneration disclosed in accordance with the Corporations Act 2001.

The tables below show the 2017 and 2016 figures for remuneration received by the Directors and other key management personnel.

	Short Term			Post-employment				
	Salary & fees	Bonus	Non-Monetary benefits (i)	Superannuation	Retirement benefits	Share-based payments	Total	Proportion of remuneration performance related
2017	$	$	$	$	$	$	$	%
Directors								
Malcolm Carson (ii)	166,500	-	3,140	3,420	-	118,100	291,160	–
Peiqi Zhang	36,000	-	3,140	-	-	-	39,140	–
Hui Guo	168,818	-	3,140	3,420	-	118,100	293,478	–
Other key management personnel								
Michael Higginson	15,570	-	3,140	-	-	-	18,710	–
Total	386,888	-	12,560	6,840	-	236,200	642,488	

(i) Relates to Directors and Officers Indemnity Insurance paid on behalf of the Directors and Officers of the Company.
(ii) Mr Carson's short term and post-employment benefits were paid to Mineral Resource Consultants Pty Ltd, a company controlled by Mr Carson (Refer note 16 - Key management personnel disclosures).

	Short Term			Post-employment				
	Salary & fees	Bonus	Non-Monetary benefits (i)	Superannuation	Retirement benefits	Share-based payments	Total	Proportion of remuneration performance related
2016	$	$	$	$	$	$	$	%
Directors								
Malcolm Carson (ii)	168,000	-	2,920	3,420	-	-	174,340	–
Peiqi Zhang	36,000	-	2,920	-	-	-	38,920	–
Hui Guo	219,818	-	2,920	3,420	-	-	226,158	–
Peter Evans (iii)	12,600	-	880	1,197			14,677	–
Other key management personnel								
Michael Higginson	26,105	-	2,920	-	-	-	29,025	–
Total	**462,523**	-	**12,560**	**8,037**	-	-	**483,120**	

(i) Relates to Directors and Officers Indemnity Insurance paid on behalf of the Directors and Officers of the Company.
(ii) Mr Carson's short term and post-employment benefits were paid to Mineral Resource Consultants Pty Ltd, a company controlled by Mr Carson (Refer note 16 - Key management personnel disclosures).
(iii) Mr Evans resigned as a Director on 6 November 2015.

DIRECTORS' REPORT

C. Service Agreements

On 18 February 2016, the Company entered into a consultancy agreement with Hui Gou, for a term of 3 years. Pursuant to the agreement, the Company is paying Ms Guo at the rate of $10,000 per month. The agreement can be terminated by the giving of 6 months written notice.

The Company has not entered into any service agreements with the other Directors or the Company Secretary.

D. Share-based Compensation

Options and rights over equity instruments granted as compensation

Following the receipt of shareholder approval on 29 November 2016, on 6 December 2016 12,000,000 options were issued as follows:

- 3,000,000 options each exercisable at $0.05 and expiring 31 July 2019 and 3,000,000 options each exercisable at $0.10 and expiring 31 July 2021 were issued to the nominee of Hui Guo. The fair value of the options at grant date was $118,100; and
- 3,000,000 options each exercisable at $0.05 and expiring 31 July 2019 and 3,000,000 options each exercisable at $0.10 and expiring 31 July 2021 were issued to Malcolm Carson. The fair value of the options at grant date was $118,100.

The 12,000,000 options vested immediately on grant date.

There were no other options and performance rights over ordinary shares in the Company that were granted as compensation to Directors and key management personnel during the reporting period.

Equity instrument disclosures relating to Directors and key management personnel

(i) *Option holdings*

The number of options over ordinary shares in the Company held during the financial year by each Director of Dampier Gold Limited and other key management personnel of the Company, including their personally related parties, are set out below:

Key management personnel	Balance at 1 July 2016 No.	Granted as compen-sation No.	Exercised No.	Net other change No.	Balance at 30 June 2017 No.	Vested and exercisable No.	Unvested No.
2017							
Directors							
Malcolm Carson	-	6,000,000	-	-	6,000,000	6,000,000	-
Peiqi Zhang	-	-	-	-	-	-	-
Hui Guo	-	6,000,000	-	-	6,000,000	6,000,000	-
Other key management personnel							
Michael Higginson	-	-	-	-	-	-	-
	-	**12,000,000**	**-**	**-**	**12,000,000**	**12,000,000**	**-**

Details of options held as at reporting date by key management personnel of the Company are set out below:

Key management personnel	Grant date	Number granted	Fair value per option $	Vesting date	Number of options vested during year	Vested %
2017						
Directors						
Malcolm Carson	6 Dec 2016	3,000,000	$0.0184	6 Dec 2016	3,000,000	100%
	6 Dec 2016	3,000,000	$0.0184	6 Dec 2016	3,000,000	100%
Peiqi Zhang	-	-	-	-	-	-
Hui Guo	6 Dec 2016	3,000,000	$0.021	6 Dec 2016	3,000,000	100%
	6 Dec 2016	3,000,000	$0.021	6 Dec 2016	3,000,000	100%
Other key management personnel						
Michael Higginson	-	-	-	-	-	-

(ii) *Share holdings*

The number of shares in the Company held during the financial year by each Director of Dampier Gold Limited and other key management personnel of the Group, including their personally related parties, are set out below. There were no shares granted during the reporting year as compensation.

Key management personnel	Balance at 1 July 2016 No.	Received on exercise of options No.	Net other change No.	Balance at 30 June 2017 No.
2017				
Directors				
Malcolm Carson	-	-	-	-
Peiqi Zhang	12,630,849 *	-	-	12,630,849
Hui Guo	12,630,849 *	-	-	12,630,849
Peter Evans	-	-	-	-
Other key management personnel				
Michael Higginson	-	-	-	-

* These 12,630,849 shares are registered in the name of Columbus Minerals Pty Ltd. Both Mr Zhang and Ms Guo have a relevant interest in the 12,630,849 shares.

End of Remuneration Report

Directors Meetings

The following table sets out the number of meetings attended by each of the Directors during the year.

Director	Board Meetings*	
	A	B
Malcolm Carson	6	6
Peiqi Zhang	4	6
Hui Guo	6	6

Notes

A – Number of meetings attended.

B – Number of meetings held during the time the Director held office during the year.

* Includes certain written resolutions of the Directors.

The current Board has assumed the duties and responsibilities typically delegated to an audit committee, risk committee, remuneration committee and nomination committee.

Shares under Option

As at the date of this report there are 12,000,000 unissued ordinary shares in respect of which options are outstanding. All options previously issued were not exercised and were cancelled in accordance with their terms.

	Number of options
Balance at the beginning of the year	-
Movements of share options during the year	
Grant of director options – exercisable at $0.05 and expiring 31 July 2019	6,000,000
Grant of director options – exercisable at $0.10 and expiring 31 July 2021	6,000,000
Total number of options outstanding at 30 June 2017	**12,000,000**
Movements of share options after the reporting date	-
Total number of options outstanding at the date of this report	**12,000,000**
Total number of vested options outstanding at the date of this report	**12,000,000**

Insurance of Directors and Officers

During or since the financial year, the Group paid premiums insuring all the Directors and Officers of Dampier Gold Limited against costs incurred in defending proceedings for conduct involving:

a) a wilful breach of duty; or

b) a contravention of sections 182 or 183 of the *Corporations Act 2001*,

as permitted by section 199B of the *Corporations Act 2001*.

DIRECTORS' REPORT

The total amount of insurance premiums incurred for the year was $12,560.

Dividends

No dividends were paid or declared during the financial year and no recommendation for payment of dividends has been made.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with the leave of the Court under section 237 of the Corporations Act 2001.

Non-Audit Services

During the year ended 30 June 2017, no fees were paid to Stantons International for non-audit services.

Auditor's independence declaration

The auditor's independence declaration as required under section 307C of the Corporations Act 2001 is included on page 11.

Signed in accordance with a resolution of the Directors made pursuant to s 298(2) of the Corporations Act 2001.

On behalf of the Directors

Malcolm Carson
Executive Chairman

Dated this 29th day of September 2017

AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF DAMPIER GOLD LIMITED

Stantons International Audit and Consulting Pty Ltd
trading as
Stantons International
Chartered Accountants and Consultants

PO Box 1908
West Perth WA 6872
Australia

Level 2, 1 Walker Avenue
West Perth WA 6005
Australia

Tel: +61 8 9481 3188
Fax: +61 8 9321 1204

ABN: 84 144 581 519
www.stantons.com.au

29 September 2017

The Directors
Dampier Gold Limited
29 Brookside Place
LOTA QLD 4179

Dear Sirs

RE: DAMPIER GOLD LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Damier Gold Limited.

As Audit Director for the audit of the financial statements of Dampier Gold Limited for the year ended 30 June 2017, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LIMITED
(Trading as Stantons International)
(An Authorised Audit Company)

Martin Michalik

Martin Michalik
Director

Liability limited by a scheme approved
under Professional Standards Legislation

Member of Russell Bedford International

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the financial year ended 30 June 2017

	Note	Consolidated 2017 $	Consolidated 2016 $
Continuing Operations			
Revenue		**80,865**	51,900
Administration expenses		**(882,630)**	(833,560)
Exploration expenditure		**(30,763)**	-
Share-based payments	24(b)	**(236,200)**	-
Loss from continuing operations before income tax benefit	4	**(1,068,728)**	(781,660)
Income tax expense	5	**-**	-
Loss from continuing operations		**(1,068,728)**	(781,660)
Discontinued Operations			
Profit/(loss) from discontinued operations after tax	6	**1,865,130**	(234,463)
Profit/(loss) for the year		**796,402**	(1,016,123)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss		**-**	-
Items that may be reclassified subsequently to profit or loss		**-**	-
Total comprehensive income/(loss) for the year		**796,402**	(1,016,123)
Profit/(loss) attributable to owners of the Company		**796,402**	(1,016,123)
Total comprehensive income/(loss) attributable to owners of the Company		**796,402**	(1,016,123)
Profit/(loss) per share:			
From continuing and discontinued operations			
Basic (cents per share)	23	**0.83**	(1.11)
Diluted (cents per share)	23	**0.83**	(1.11)
From continuing operations			
Basic (cents per share)	23	**(1.12)**	(0.85)
Diluted (cents per share)	23	**(1.12)**	(0.85)
From discontinued operations			
Basic (cents per share)	23	**1.95**	(0.26)
Diluted (cents per share)	23	**1.95**	(0.26)

The accompanying notes form part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 30 June 2017

	Note	Consolidated 2017 $	Consolidated 2016 $
Current assets			
Cash and cash equivalents	7	**3,089,260**	1,697,729
Trade and other receivables	8	**196,747**	167,147
Non-current assets held for sale	6	**-**	1,295,910
Total current assets		**3,286,007**	3,160,786
Non-current assets			
Property, plant and equipment	10	**10,168**	4,206
Total non-current assets		**10,168**	4,206
TOTAL ASSETS		**3,296,175**	3,164,992
Current liabilities			
Trade and other payables	12	**113,960**	55,379
Non-current liabilities related to non-current assets held for sale	6	**-**	960,000
Total current liabilities		**113,960**	1,015,379
TOTAL LIABILITIES		**113,960**	1,015,379
NET ASSETS		**3,182,215**	2,149,613
Equity			
Issued capital	14	**23,771,993**	23,771,993
Reserves	14(f)	**236,200**	-
Accumulated losses		**(20,825,978)**	(21,622,380)
Total equity		**3,182,215**	2,149,613

The accompanying notes form part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2017

Consolidated	**Attributable to equity holders**			
For the year ended 30 June 2016	**Ordinary Shares $**	**Option Reserve $**	**Accumulated Losses $**	**Total Equity $**
Balance at beginning of year	**23,547,665**	**76,103**	**(20,682,360)**	**2,941,408**
Total comprehensive income				
Loss for the year	–	–	(1,016,123)	(1,016,123)
Other comprehensive income for the year	–	–	–	–
Total comprehensive loss for the year	–	–	(1,016,123)	(1,016,123)
Transactions with owners recorded direct to equity				
Issue of shares	237,270	–	–	237,270
Share issue expenses	(12,942)	–	–	(12,942)
Cancellation of expired options		(76,103)	76,103	–
Total transactions with owners	224,328	(76,103)	76,103	224,328
Balance as at 30 June 2016	**23,771,993**	–	**(21,622,380)**	**2,149,613**

Consolidated	**Attributable to equity holders**			
For the year ended 30 June 2017	**Ordinary Shares $**	**Option Reserve $**	**Accumulated Losses $**	**Total Equity $**
Balance at beginning of year	**23,771,993**	–	**(21,622,380)**	**2,149,613**
Total comprehensive income				
Profit for the year	–	–	796,402	796,402
Other comprehensive income for the year	–	–	–	–
Total comprehensive income for the year	–	–	796,402	796,402
Transactions with owners recorded direct to equity				
Issue of options	–	236,200	–	236,200
Balance as at 30 June 2017	**23,771,993**	**236,200**	(20,825,978)	**3,182,215**

The accompanying notes form part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the financial year ended 30 June 2017

	Note	**Consolidated 2017 $**	Consolidated 2016 $
Cash flows from operating activities			
Receipts from customers		**31,000**	-
Payments for exploration and evaluation		**(40,744)**	(176,518)
Payments to suppliers and employees		**(829,598)**	(813,402)
Interest received		**40,118**	62,659
Net cash (used in) operating activities	22	**(799,224)**	(927,261)
Cash flows from investing activities			
Proceeds from sale of subsidiary, net of cash disposed		**2,199,192**	25,000
Payment for property, plant and equipment		**(8,437)**	(3,045)
Net cash provided by investing activities		**2,190,755**	21,955
Cash flows from financing activities			
Proceeds from issues of ordinary shares		**-**	237,270
Payment for share issue costs		**-**	(12,942)
Net cash provided by financing activities		**-**	224,328
Net increase/(decrease) in cash and cash equivalents		**1,391,531**	(680,978)
Cash and cash equivalents at the beginning of the financial year		**1,697,729**	2,378,707
Cash and cash equivalents at the end of the financial year	7	**3,089,260**	1,697,729

The accompanying notes form part of the consolidated financial statements.

1. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These financial statements are for Dampier Gold Limited and its controlled entities (Group). The financial statements are presented in Australian dollars. Dampier Gold Limited is a company limited by shares, domiciled and incorporated in Australia.

The financial statements were authorised for issue by the Directors on 29 September 2017.

(a) Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

The Group has consistently applied the following accounting policies to all periods presented in the financial statements. The Group has considered the implications of new and amended Accounting Standards applicable for annual reporting periods beginning after 1 July 2016 but determined that their application to the financial statements is either not relevant or not material.

(b) Going concern

The financial report has been prepared on the going concern basis.

The Directors believe there are sufficient grounds to believe that the business will be able to continue to pay its debts as and when they fall due. This is based on future cash forecasts, existing cash reserves and the ability to significantly reduce activity to preserve cash if necessary. Furthermore, the Directors are also of the opinion that a capital raising could be achieved to raise additional funds if required.

(c) Principles of consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent, Dampier Gold Limited (Dampier or the Company) and the Company's subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Details of the subsidiaries are provided in note 20.

The assets, liabilities and results of the subsidiary are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of the subsidiary have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non-controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

(d) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, is the full Board of Directors.

(e) Income tax

The income tax expense or revenue for the year is the tax payable on the current year's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(f) Business combinations

The purchase method of accounting is used to account for all business combinations, including business combinations involving entities or businesses under common control, regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange plus costs directly attributable to the acquisition. Where equity instruments are issued in an acquisition, the fair value of the instruments is their published market price as at the date of exchange unless, in rare circumstances, it can be demonstrated that the published price at the date of exchange is an unreliable indicator of fair value and that other evidence and valuation methods provide a more reliable measure of fair value. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the Group's share of the fair value of the identifiable net assets of the subsidiary acquired, the difference is recognised directly in the statement of profit or loss and other comprehensive income, but only after a reassessment of the identification and measurement of the net assets acquired.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

(g) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

(h) Cash and cash equivalents

For statement of cash flows presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

(i) Trade and other receivables

Receivables are recognised and carried at original invoice amount less a provision for any uncollectible debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written-off as incurred.

(j) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item.

Depreciation is provided on plant and equipment. Depreciation is calculated on a straight line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	Depreciation rate (%)
Plant and equipment	25.00 – 33.33

(k) Investments and other financial assets

Classification

The Group classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

i. Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

ii. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the statement of financial position.

iii. Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. If the Group were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

iv. Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date. Investments are designated available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

Financial assets – reclassification

The Group may choose to reclassify a non-derivative trading financial asset out of the held-for-trading category if the financial asset is no longer held for the purpose of selling it in the near term. Financial assets other than loans and receivables are permitted to be reclassified out of the held-for-trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near term. In addition, the Group may choose to reclassify financial assets that would meet the definition of loans and receivables out of the held-for-trading or available-for-sale categories if the Group has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made. Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed to the statement of profit or loss and other comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the statement of profit or loss and other comprehensive income as gains and losses from investment securities.

Subsequent measurement

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the statement of profit or loss and other comprehensive income within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the statement of profit or loss and other comprehensive income as part of revenue from continuing operations when the Group's right to receive payments is established.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in equity. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

Impairment

The Group assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the statement of profit or loss and other comprehensive income. Impairment losses recognised in the statement of profit or loss and other comprehensive income on equity instruments classified as available-for-sale are not reversed through the statement of profit or loss and other comprehensive income.

If there is evidence of impairment for any of the Group's financial assets carried at amortised cost, the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, excluding future credit losses that have not been incurred. The cash flows are discounted at the financial asset's original effective interest rate. The loss is recognised in the statement of profit or loss and other comprehensive income.

(l) Tenement acquisition, exploration and evaluation costs

Exploration and evaluation expenditure on areas of interest are expensed as incurred. Costs of tenement acquisition will normally be expensed but will be assessed on a case by case basis and may be capitalised to areas of interest and carried forward where right of tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest or, where exploration and evaluation activities in the area of interest have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. When an area of interest is abandoned or the Directors decide that it is not commercial, any accumulated acquisition costs in respect of that area are written off in the financial period the decision is made. Each area of interest is also reviewed at the end of each accounting period and accumulated costs written off to the extent that they will not be recoverable in the future. Where projects have advanced to the stage that Directors have made a decision to mine, they are classified as development properties. When further development expenditure is incurred in respect of a development property, such expenditure is carried forward as part of the cost of that development property only when substantial future economic benefits are established. Otherwise such expenditure is classified as part of the cost of production or written off where production has not commenced.

(m) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured, non-interest bearing and are paid on normal commercial terms.

(n) Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

(o) Earnings per share

i. Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

ii. Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(p) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(q) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations issued by the AASB which are not yet mandatorily applicable to the Group have not been applied in preparing these consolidated financial statements. Those which may be relevant to the Group are set out below. The Group does not plan to adopt these standards early.

- AASB 9: *Financial Instruments* and associated Amending Standards (applicable for annual reporting period commencing 1 January 2018).

  The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

  The key changes that may affect the Group on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of the Standard, the application of such accounting would be largely prospective.

  The directors anticipate that the adoption of AASB 9 will not have a material impact on the Group's financial instruments.

- *AASB 15: Revenue from Contracts with Customers* (applicable to annual reporting periods commencing on or after 1 January 2018).

  When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: *Leases* and related interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as either operating leases or finance leases. Lessor accounting remains similar to current practice.

  The main changes introduced by the new Standard are as follows:

  - recognition of the right-to-use asset and liability for all leases (excluding short term leases with less than 12 months of tenure and leases relating to low value assets);
  - depreciating the right-to-use assets in line with AASB 116: *Property, Plant and Equipment* in profit or loss and unwinding of the liability in principal and interest components;
  - inclusion of variable lease payments that depend on an index or a rate in the initial measurement of the lease liability using the index or rate at the commencement date;
  - application of a practical expedient to permit a lessee to elect not to separate non-lease components and instead account for all components as a lease; and
  - additional disclosure requirements.

  The transitional provisions of AASB 16 allow a lease to either retrospectively apply the Standard to comparatives in line with AASB 108 or recognise the cumulative effect of retrospective application as an adjustment to opening equity at the date of initial application.

  The directors anticipate that the adoption of AASB 15 will not have a material impact on the Group's revenue recognition and disclosures.

- *AASB 16: Leases* (applicable to annual reporting periods commencing on or after 1 January 2019).

  AASB 16 removes the classification of leases as either operating leases or finance leases for the lessee effectively treating all leases as finance leases. Short term leases (less than 12 months) and leases of a low value are exempt from the lease accounting requirements. Lessor accounting remains similar to current practice.

  The directors anticipate that the adoption of AASB 16 will not have a material impact on the Group's revenue recognition and disclosures).

- *Other standards not yet applicable*

  There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions

(r) Critical accounting judgements, estimates and assumptions

The preparation of these financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are:

Capitalised tenement acquisition costs

The Group has capitalised significant tenement acquisition expenditure on the basis either that this is expected to be recouped through future successful development (or alternatively sale) of the areas of interest concerned or on the basis that it is not yet possible to assess whether it will be recouped.

The future recoverability of capitalised tenement acquisition expenditure is dependent on a number of factors, including whether the Group decides to exploit the related lease itself, or, if not, whether it successfully recovers the related tenement acquisition costs through sale. Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

Share-based payments

The Group measures the cost of equity settled transactions with employees and suppliers by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using a recognised pricing model.

Environmental rehabilitation provisions

The Company assesses its rehabilitation provision at each reporting date. Significant estimates and assumptions are made in determining the provision for rehabilitation as there are numerous factors that will affect the ultimate liability payable. These factors include estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes, cost increases/decreases, and changes in discount rates. Those uncertainties may result in future actual expenditure differing from the amounts currently provided. The provision at balance date represents management's best estimate of the future rehabilitation costs required. Changes to estimated future costs are recognised in the Statement of Financial Position by adjusting the rehabilitation asset and liability.

Deferred taxation

Deferred tax assets are only recognised for deductible temporary differences when management considers that it is probable that future taxable profits will be available to utilise those temporary differences.

2. Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Risk management is carried out by the full Board of Directors as the Group believes that it is crucial for all Board members to be involved in this process. The Chairman, with the assistance of senior management as required, has responsibility for identifying, assessing, treating and monitoring risks and reporting to the Board on risk management.

(a) Market risk

i. Foreign exchange risk

As all operations are currently within Australia the Group is not exposed to foreign exchange risk.

ii. Price risk

The Group is exposed to gold commodity price risk. The gold price can be volatile and influenced by factors beyond the Group's control. As the Group is engaged in exploration and development activities, no sales of commodities are forecast for the next 12 months, and accordingly, no hedging or derivative transactions have been used to manage commodity price risk.

iii. Interest rate risk

The Group is exposed to movements in market interest rates on cash and cash equivalents. Group policy is to monitor the interest rate yield curve out to six months to ensure a balance is maintained between the liquidity of cash assets and the interest rate return. Of the year-end balance of cash and cash equivalents and non-current term deposits for the Group, $2,747,053 is subject to interest rate risk. The proportional mix of floating interest rates and fixed rates to a maximum of six months fluctuate during the year depending on current working capital requirements. The weighted average interest rate received on cash and cash equivalents by the Group was approximately 2.09%.

Sensitivity analysis

As at 30 June 2017, if interest rates had changed by -/+25 basis points with all other variables held constant, the profit for the Group would have been approximately $6,868 lower/higher as a result of lower/higher interest income from cash and cash equivalents and non-current deposits.

(b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's main exposure to credit risk is through the investment of our surplus funds. To minimise this risk the Group only invests with counterparties that have an acceptable credit rating.

As the Group does not presently have any significant debtors, lending or significant stock levels, a formal credit risk management policy is not maintained.

(c) Liquidity risk

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Group. Due to the nature of the Group's activities, being mineral exploration and development, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. The Board of Directors constantly monitor the state of equity markets in conjunction with the Group's current and future funding requirements, with a view to initiating appropriate capital raisings as required.

The financial liabilities of the Group are confined to trade and other payables as disclosed in the statement of financial position. All trade and other payables are non-interest bearing and due within 12 months of the reporting date.

(d) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. All financial assets and financial liabilities of the Group at the balance date are recorded at amounts approximating their carrying amount.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

3. Segment Information

For management purposes, the Group has identified only one reportable segment being exploration and evaluation activities undertaken in Australia. This is the basis on which internal reports are provided to the Directors for assessing performance and determining the allocation of resources within the Group.

4. Income / (Loss) from continuing operations

	Consolidated 2017 $	Consolidated 2016 $
Loss from continuing operations before income tax has been determined after:		
(a) Revenue		
Consulting fees received	**31,000**	-
Interest revenue	**49,865**	51,900
	80,865	51,900
(b) Expenses		
Depreciation	**2,475**	1,178

5. Income Taxes

	Consolidated 2017 $	Consolidated 2016 $
Income tax recognised in profit or loss		
(a) Income tax expense comprises:		
Current tax expense	**-**	-
Research and Development Rebate received	**-**	-
Deferred tax expense relating to the origination and reversal of temporary differences	**-**	-
Total tax benefit	**-**	-
(b) Numerical reconciliation of income tax expense to prima facie tax payable		
Profit/(loss) from continuing operations before income tax expense	**796,402**	(1,016,123)
Prima facie tax benefit at the Australian tax rate of 27.5% (2016: 30%)	**219,011**	(304,837)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Share-based payments	**70,860**	-
Entertainment	**2,273**	1,401
Fines	**220**	-
	292,364	(303,436)
Movements in unrecognised temporary differences	**(161,865)**	(56,485)
Tax effect of current year tax losses for which no deferred tax asset has been recognised	**(130,499)**	359,921
Income tax benefit	**-**	-
(c) Unrecognised deferred tax balances		
Deferred Tax Assets (at 27.5%)		
On Income Tax Account		
Legal expenses	**32,987**	17,456
Property, Plant and Equipment	**203**	6,199
Provision for expenses	**20,943**	296,622
Provision for impairment	**-**	30,300
Capital raising costs	**6,696**	15,335
Carry forward revenue and capital tax losses	**6,226,928**	6,935,374
	6,287,757	7,301,286
Deferred Tax Liabilities (at 27.5%)		
Unearned income	**802**	3,066
Tenement acquisition costs	**5,532**	388,773
	6,334	391,839

Net deferred tax assets have not been brought to account as it is not probable within the immediate future that taxable profits will be available against which deductible temporary differences and tax losses can be utilised.

The Group's ability to use losses in the future is subject to the Group satisfying the relevant tax authority's criteria for using these losses.

6. Assets held for sale and discontinued operations

On 19 January 2016 the Company announced to the ASX that it had entered into a heads of agreement for the sale of Dampier (Plutonic) Pty Ltd ("DPPL"), a wholly owned subsidiary which holds interests in the tenements comprising the Plutonic Dome Gold Project ("Project") to Vango Mining Limited ("Vango"). On 3 March 2016, shareholders approved the sale of DPPL to Vango. The sale was completed on 25 August 2016.

The financial performance of the discontinued operations for the year ended 30 June 2017, which is included in the profit from discontinued operations per the statement of profit or loss and other comprehensive income is as follows:

Revenue		
Interest revenue	**151**	2,602
Profit on sale of tenements	**-**	25,000
	151	27,602
Expenses		
Exploration and evaluation expenses	**(739)**	(35,098)
Capitalised tenement acquisition cost write-down	**-**	(485,967)
Write back of rehabilitation provision	**-**	360,000
Bond guarantee impairment	**-**	(101,000)
	(739)	(262,065)
Loss before income tax	**(588)**	(234,463)
Income tax expense	**-**	-
Total loss after tax attributable to the discontinued operation	**(588)**	(234,463)

	Consolidated 2017 $	Consolidated 2016 $
The net cash flows of the discontinued operation which have been incorporated into the statement of cash flows are as follows:		
Net cash outflow from operating activities	(5,937)	(174,240)
Net cash inflow from investing activities	2,199,192	25,000
Net cash outflow from financing activities	-	-
Net increase / (decrease) in cash provided by / (used in) the discontinued operation	**2,193,255**	**(149,240)**
Non-current assets held for sale		
Capitalised tenement acquisition costs	-	1,295,910
Non-current liabilities relating to non-current assets held for sale		
Environmental rehabilitation provision	-	960,000

Following the disposal of DPPL during the year, there are no longer any assets or liabilities held in relation to the discontinued operation as at 30 June 2017.

Details of disposal of subsidiary

Book value of net assets over which control was lost	**25 August 2016 (date of disposal) $**
Current assets	
Cash and cash equivalents	808
Total current assets	**808**
Non-current assets	
Capitalised tenement acquisition costs	1,295,910
Total non-current assets	**1,295,910**
Total assets	**1,296,718**
Current liabilities	
Trade and other payables	2,436
Total current liabilities	**2,436**
Non-current liabilities	
Environmental rehabilitation provision	960,000
Total non-current liabilities	**960,000**
Total liabilities	**962,436**
Net assets derecognised	**334,282**
Consideration received	
Cash	2,200,000
Net assets derecognised	(334,282)
Gain on disposal of subsidiary	**1,865,718**
Loss after tax during the period to date of sale	**(588)**
Profit from discontinued operations after tax	**1,865,130**

7. Current assets: Cash and cash equivalents

	Consolidated 2017 $	Consolidated 2016 $
Cash at bank and on hand[(i)]	**345,938**	119,132
Bank short term deposits	**2,743,322**	1,578,597
	3,089,260	1,697,729

(i) Cash at bank and in hand earns interest at floating rates based on daily bank deposit rates

8. Current assets: Trade and other receivables

	2017	2016
Interest receivable	**20,118**	10,219
Sundry receivables	**176,629**	156,928
	196,747	167,147

9. Non-current assets: Term deposits

	2017	2016
Bank and short term deposits	-	-
Carrying amount at beginning of year	-	101,000
Provision for impairment *	-	(101,000)
Carrying amount at end of year	-	-

Non-current term deposits are used for cash backing bank guarantees provided for the purpose of environmental bonds lodged with the Department of Mines and Petroleum.
* A provision for impairment of $101,000 was recognised in the previous year in relation to the funds held in the bond guarantee facility with Macquarie Bank.

10. Non-current assets: Property, plant & equipment

	2017	2016
Plant & equipment		
At cost	**23,620**	201,341
Less: Accumulated depreciation	**(13,452)**	(197,135)
	10,168	4,206
Reconciliation/movement for the year		
Carrying amount at beginning of year	**4,206**	2,530
Additions	**8,437**	3,045
Depreciation charge	**(2,475)**	(1,369)
Carrying amount at end of year	**10,168**	4,206

11. Non-current assets: Capitalised acquisition costs

	2017	2016
Tenement acquisition costs carried forward in respect of mining areas of interest		
Opening net book amount	-	1,781,877
Diminution due to joint venture earn-in and surrender of tenements	-	(485,967)
Closing net book amount	-	1,295,910
Reclassification as asset held for sale (see note 6)	-	(1,295,910)
Closing net book amount	-	-

12. Current liabilities: Trade and other payables

	2017	2016
Trade payables	**34,356**	42,030
Other payables and accruals	**79,604**	13,349
	113,960	55,379

13. Provisions

	2017	2016
(a) Current provisions	-	-
Annual leave provision	-	-
	-	-

The Group did not have any employees in the current year or prior year.

	2017	2016
(b) Non-current provisions		
Rehabilitation provision [(i)]		
Opening net book amount	-	1,320,000
Diminution due to joint venture earn-in	-	(360,000)
	-	960,000
Reclassification as liability related to asset held for sale (see note 6)	-	(960,000)
Closing net book amount	-	-

(i) Relates to independently estimated rehabilitation costs on Plutonic Dome tenements.

14. Issued capital and Reserves

(a) Share capital

	2017 No.	2017 $	2016 No.	2016 $
Ordinary shares fully paid	**95,740,141**	**23,771,993**	95,740,141	23,771,993
Total issued capital	**95,740,141**	**23,771,993**	95,740,141	23,771,993

(b) Movements in ordinary share capital

	2017 No.	2017 $	2016 No.	2016 $
Balance at beginning of financial year	**95,740,141**	**23,771,993**	83,252,297	23,547,665
Conversion of options	-	-	-	-
Placement of shares to investor	-	-	12,487,844	237,270
Share issue costs	-	-	-	(12,942)
Balance at end of the financial year	**95,740,141**	**23,771,993**	95,740,141	23,771,993

(c) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

(d) Movements in options on issue

	2017 No. of options	2016 No. of options
Beginning of the financial year	-	3,000,000
Expired – each exercisable at $0.15, on or before 15 October 2015	-	(3,000,000)
Grant of options each exercisable at $0.05, on or before 31 July 2019	**6,000,000**	-
Grant of options each exercisable at $0.10, on or before 31 July 2021	**6,000,000**	-
Balance at end of the financial year	**12,000,000**	-

(e) Capital risk management

The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it may continue to provide returns for shareholders and benefits for other stakeholders.

Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Group's capital risk management is the current working capital position against the requirements of the Group to meet exploration programmes and corporate overheads. The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required. The working capital position of the Group at reporting date is as follows:

	Consolidated 2017 $	Consolidated 2016 $
Cash and cash equivalents	**3,089,260**	1,697,729
Trade and other receivables	**196,747**	167,147
Trade and other payables	**(113,960)**	(55,379)
Working capital position	**3,172,047**	1,809,497

(f) Reserves: Options and performance rights

	2017	2016
Balance at beginning of the financial year	-	76,103
Cancellation of expired options	-	(76,103)
Grant of 12,000,000 director options	**236,200**	-
	236,200	-

The reserve is to account for the fair value of share options and performance rights issued by the Company on acquisition of assets and as employee and director incentives.

15. Dividends

No dividends were paid during the financial year. No recommendation for payment of dividends has been made.

16. Key management personnel disclosures

	Consolidated 2017 $	Consolidated 2016 $
(a) Key management personnel compensation		
Short-term benefits	**399,448**	475,083
Post-employment benefits	**6,840**	8,037
Share-based payments	**236,200**	-
	642,488	483,120

Detailed remuneration disclosures are provided in the remuneration report on pages 6 to 9.

(b) Loans to key management personnel

There were no loans to key management personnel during the year.

(c) Other transactions with key management personnel

- Mineral Resource Consultants Pty Ltd, a company with which the Company's Chairman Malcolm Carson is associated, was paid $166,000 (2016: $171,420) in director's and consulting fees at normal commercial rates and superannuation at the statutory rate. At 30 June 2017, there was $2,500 (plus GST) outstanding to Mineral Resource Consultants Pty Ltd.
- Mr Zhang was paid $36,000 (2016: $36,000) in director's fees, related super and consulting fees at normal commercial rates. At 30 June 2017, there was nothing outstanding to Mr Zhang.
- Ms Guo was paid $167,818 (2016: $223,238) in director's fee and consulting fees at normal commercial rates and superannuation at the statutory rate. At 30 June 2017, there was $2,500 (plus GST) outstanding to Ms Guo.
- Mr Higginson was paid $15,570 (2016: $26,105) in company secretarial fees at normal commercial rates. At 30 June 2017, there was $nil owing to Mr Higginson.

Please refer to note 19(d) for further details of transactions with key management personnel.

17. Remuneration of auditors

	Consolidated 2017 $	Consolidated 2016 $
Audit and review of the financial report	**31,404**	25,373
Agreed upon procedures relating to Joint Venture expenditure	**-**	4,196
	31,404	29,569

The auditor of Dampier Gold Limited is Stantons International.

18. Commitments and contingencies

	Consolidated 2017 $	Consolidated 2016 $
(a) Exploration commitments		
Not longer than 1 year	**-**	-
Longer than 1 year and not longer than 5 years	**-**	-
	-	-

Following the sale of the Plutonic Dome Project to Vango, the Group no longer has any minimum expenditure exploration commitments. However. pursuant to the Binding Terms Sheet with Vango dated 12 May 2017 covering the farm-in to the K2 Mine development, the Company has agreed to contribute towards the development of the K2 Mine up to the lesser of 50% of CAPEX or $3,000,000. The earn in period is two years from the date of the Terms Sheet.

	Consolidated 2017 $	Consolidated 2016 $
(b) Lease commitments: Company as lessee		
Not longer than 1 year	**43,333**	43,333
Longer than 1 year and not longer than 5 years	**-**	-
Aggregate lease expenditure contracted for at reporting date but not recognised as liabilities.	**43,333**	43,333

(c) Contingent assets and liabilities

At balance date there are no contingent assets (other than as disclosed below) or liabilities noted by the Group.

Following the sale of DPPL to Vango, the Group has a contingent asset of $6m in the form of additional consideration of up to $4m and a royalty of up to $2m.

The $4m consideration comprises the following amounts to be paid by Vango:

- $1,000,000 (excluding GST) on production of a total of 45,000 ounces of gold from the Project tenements;
- $1,000,000 (excluding GST) on production of a total of 100,000 ounces of gold from the Project tenements;
- $1,000,000 (excluding GST) on production of a total of 200,000 ounces of gold from the Project tenements; and
- $1,000,000 (excluding GST) on production of a total of 300,000 ounces of gold from the Project tenements.

The $2m royalty is payable by Vango in gold or cash on overall production from the Project tenements as follows:

- 1.0% on each ounce of gold produced from the Project tenements as of the date of issue of the mint receipt, calculated at the London Spot Fix AM (USD/oz) on that day, where the London Spot Fix AM (USD/oz) is equal to or greater than US$1,175/oz, or
- 2.0% on each ounce of gold produced from the Project tenements as of the date of issue of the mint receipt, calculated at the London Spot Fix AM (USD/oz) on that day, where the London Spot Fix AM (USD/oz) is equal to or greater than US$1,250/oz, or

- 3.0% on each ounce of gold produced from the Project tenements as of the date of issue of the mint receipt, calculated at the London Spot Fix AM (USD/oz) on that day, where the London Spot Fix AM (USD/oz) is equal to or greater than US$1,400/oz, or
- 4.0% on each ounce of gold produced from the Project tenements as of the date of issue of the mint receipt, calculated at the London Spot Fix AM (USD/oz) on that day, where the London Spot Fix AM (USD/oz) is equal to or greater than US$1,500/oz.

19. Related party transactions

(a) Parent entity
The ultimate parent entity within the Group is Dampier Gold Limited.

(b) Subsidiaries
Interests in subsidiaries are set out in note 20.

(c) Key management personnel
Disclosures relating to key management personnel are set out in note 16.

(d) Loans to and transactions with related parties
At the date of disposal, the Company had advanced $17,186,130 to its wholly owned subsidiary, Dampier (Plutonic) Pty Ltd (DPPL), to fund the on-going exploration and evaluation of the Group's projects. The loan was non-interest bearing and had no specific repayment date nor was it subject to any contracts. At the date of disposal, the loan was forgiven by the parent.

At the reporting date the Company had advanced $118,723 to its wholly owned subsidiary, Aurigin Foods Pty Ltd, to fund ongoing investigation into the viability of exporting high quality Australian food and agriculture products. The loan is non-interest bearing and has no specific repayment date nor is it subject to any contracts.

During the year the Company incurred office rent of $52,000 (2016: $8,666) at normal commercial rates paid/payable to Annie Guo for rental of the Company's office in Sydney. At 30 June 2017, there was nil outstanding to Ms Guo.

The Group had no outstanding receivables from its Directors or other related parties as at 30 June 2017.

20. Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1(c):

Name	Country of Incorporation	Class of Shares	Equity Holding 2017 and 2016
Dampier (Plutonic) Pty Ltd	Australia	Ordinary	0% and 100%
Aurigin Foods Pty Ltd	Australia	Ordinary	100% and 0%
Aurigin Foods Franchising Pty Ltd	Australia	Ordinary	100% and 0%

The proportion of ownership interest is equal to the proportion of voting power held.

21. Subsequent events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

22. Notes to the statement of cash flows

	Consolidated 2017 $	Consolidated 2016 $
Reconciliation of net loss after income tax to net cash outflow from operating activities		
Profit/(loss) for the year	**796,402**	(1,016,123)
Adjusted for:		
Depreciation	**2,475**	1,369
Profit on sale of tenements	**-**	(25,000)
Share-based payments (write back)/expense	**236,200**	-
Capitalised tenement acquisition costs written down	**-**	485,967
Provision for impairment of bond guarantee	**-**	101,000
Gain on sale of subsidiary	**(1,865,718)**	-
Change in operating assets and liabilities		
(Increase) in trade and other receivables	**(29,600)**	(147,377)
Increase in trade and other payables	**61,017**	32,903
(Decrease) in provisions	**-**	(360,000)
Net cash outflow from operating activities	**(799,224)**	(927,261)

23. Profit/(loss) per share

	Consolidated 2017 $	Consolidated 2016 $
From continuing and discontinued operations		
Basic (cents per share)	**0.83**	(1.11)
Diluted (cents per share)	**0.83**	(1.11)
From continuing operations		
Basic (cents per share)	**(1.12)**	(0.85)
Diluted (cents per share)	**(1.12)**	(0.85)
From discontinued operations		
Basic (cents per share)	**1.95**	(0.26)
Diluted (cents per share)	**1.95**	(0.26)

The average market price of the Company's shares did not exceed the exercise price of any of the options on issue at 30 June 2017. Therefore, diluted earnings per share is the same as basic earnings per share.

	2017	2016
(a) Reconciliation of earnings used in calculating loss per share		
Profit/(loss) attributable to the owners of the Company used in calculating basic and diluted loss per share	**796,402**	(1,016,123)
	2017 No. of shares	2016 No. of shares
(b) Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	**95,740,141**	91,360,842

24. Share-based payments

(a) Employees and contractors options

The Group provides benefits to employees (including Directors) of the Group in the form of share-based payment transactions, whereby options to acquire ordinary shares are issued as an incentive to improve employee and shareholder goal congruence.

On 6 December 2016, 12,000,000 options were issued as follows:

- 3,000,000 options each exercisable at $0.05 and expiring 31 July 2019 and 3,000,000 options each exercisable at $0.10 and expiring 31 July 2021 were issued to the nominee of Hui Guo. The fair value of the options at grant date was $118,100; and
- 3,000,000 options each exercisable at $0.05 and expiring 31 July 2019 and 3,000,000 options each exercisable at $0.10 and expiring 31 July 2021were issued to Malcolm Carson. The fair value of the options at grant date was $118,100.

These 12,000,000 options vested immediately on grant date.

There have been no other share options or performance share rights granted in the current year.

The following reconciles the outstanding share options granted at the beginning and end of the financial year:

	2017		2016	
	Number of options	Weighted average exercise price $	Number of options	Weighted average exercise price $
Balance at beginning of financial year	–	–	3,000,000	0.15
Granted during the financial year	**12,000,000**	**0.075**	–	–
Forfeited/cancelled during the financial year	–	–	–	–
Exercised during the financial year	–	–	–	–
Expired during the financial year	–	–	(3,000,000)	(0.15)
Balance at end of the financial year	**12,000,000**	**0.075**	–	–
Exercisable at end of financial year	**12,000,000**	**0.075**	–	–

The weighted average remaining contractual life of share options outstanding at the end of the financial year was 3.09 years (2016: nil years), and the weighted average exercise price is $0.075.

The fair value of the equity-settled share options granted is estimated at the date of the grant using a Black-Scholes model taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the models used.

	Class 1	**Class 2**
Expected volatility	124%	124%
Risk-free interest rate	1.91%	2.16%
Expected life of option	2.67 years	4.67 years
Unlisted options exercise price	$0.05	$0.10
Share price at grant date	$0.03	$0.03

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

	Consolidated 2017 $	Consolidated 2016 $
(b) Expenses arising from share-based payments transactions		
Total expenses arising from share-based payment transactions recognised during the year were as follows:		
Options issued to directors	**236,200**	-

25. Parent entity information

The following information relates to the parent entity, Dampier Gold Limited, at 30 June 2017. The information presented here has been prepared using accounting policies consistent with those presented in note 1.

	2017 $	2016 $
Current assets	**3,277,200**	1,719,978
Non-current assets	**10,178**	11,349
Total assets	**3,287,378**	1,731,327
Current liabilities	**113,960**	50,030
Non-current liabilities	**-**	-
Total liabilities	**113,960**	50,030
Net assets	**3,173,418**	1,681,297
Issued capital	**23,771,993**	23,771,992
Reserves	**236,200**	-
Accumulated losses	**(20,834,775)**	(22,090,695)
Total equity	**3,173,418**	1,681,297
Profit/(loss) for the year	**1,255,920**	(884,826)
Total comprehensive income/(loss) for the year	**1,255,920**	(884,826)

There are no cross guarantees provided by the Company on behalf of its subsidiaries.

DIRECTORS' DECLARATION

The Directors declare that:

(a) in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

(b) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with Australian Accounting Standards and International Financial Reporting Standards as disclosed in note 1(a) and give a true and fair view of the financial position of the Group as at 30 June 2017 and its performance for the year ended on that date;

(c) the audited remuneration disclosures set out in the Directors' Report comply with Accounting Standard AASB 124 Related Party Disclosures and the Corporations Act and Regulations 2001; and

(d) the Directors have been given the declarations required by s.295A of the Corporations Act 2001 for the year ended 30 June 2017.

Signed in accordance with a resolution of the Directors made pursuant to s.295(5) of the Corporations Act 2001.

On behalf of the Directors

Malcolm Carson
Executive Chairman
29 September 2017

Stantons International Audit and Consulting Pty Ltd
trading as
Stantons International
Chartered Accountants and Consultants

PO Box 1908
West Perth WA 6872
Australia

Level 2, 1 Walker Avenue
West Perth WA 6005
Australia

Tel: +61 8 9481 3188
Fax: +61 8 9321 1204

ABN: 84 144 581 519
www.stantons.com.au

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DAMPIER GOLD LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Dampier Gold Limited, the Company and its subsidiaries, ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2017, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2017 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

We have defined the matters described below to be key audit matters to be communicated in our report.

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key Audit Matters	How the matter was addressed in the audit
Disposal and Deconsolidation of Subsidiary	
During the year, the Company disposed of its wholly owned subsidiary, Dampier (Plutonic) Pty Limited (refer to Note 6 of the financial report). The disposal and deconsolidation of subsidiary is a key audit matter due to: • The disposal and the resulting deconsolidation process involving detailed calculations in arriving at the loss or gain on disposal, the accounting for the subsidiary profit and loss items up to the date of disposal in the reported year-end figures, and the treatment of intercompany balances at date of disposal; and • the classification of the disposed subsidiary as a discontinued operation requires compliance with the measurement and disclosure provisions of AASB 5 *Non-current Assets Held for Sale and Discontinued Operations* ("AASB 5").	Inter alia, our audit procedures included the following: i. We inspected the underlying sale agreements and held discussions with management to determine the effective date of loss of control for deconsolidation, consideration received and treatment of intercompany balances; ii. We verified that all subsidiary asset and liability balances were appropriately deconsolidated and that only profit and loss items up the date of disposal were included in the reported consolidated year-end figures; and iii. We ensured appropriate disclosure was made in the financial statements relating to discontinued operations as required by AASB 5.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2017, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DAMPIER GOLD LIMITED

Stantons International

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in Internal control that we identify during our audit.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the consolidated financial report of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 6 to 9 of the directors' report for the year ended 30 June 2017. The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DAMPIER GOLD LIMITED

Stantons International

Opinion on the Remuneration Report

In our opinion, the Remuneration Report of Dampier Gold Limited for the year ended 30 June 2017, complies with section 300A of the Corporations Act 2001.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd

Martin Michalik
Director

West Perth, Western Australia
29 September 2017

ASX ADDITIONAL INFORMATION

The following additional information is required by the Australian Securities Exchange. The information is current as at 22 September 2017.

(a) Distribution schedule and number of holders of equity securities as at 22 September 2017

	1 – 1,000	1,001 – 5,000	5,001 – 10,000	10,001 – 100,000	100,001 and over	Total
Fully Paid Ordinary Shares (DAU)	19	72	67	191	83	432
Options expiring 31 July 2019	-	-	-	-	2	2
Options expiring 31 July 2021	-	-	-	-	2	2

The number of holders holding less than a marketable parcel of fully paid ordinary shares as at 22 September 2017 is 175.

(b) 20 Largest holders of quoted equity securities as at 22 September 2017

The names of the twenty largest holders of fully paid ordinary shares (ASX code: DAU) are:

Rank	Name	Units	% of Units
1	QIAN HUANG	16,567,247	17.304
2	DEZHI QIU	12,487,844	13.043
3	COLUMBUS MINERALS PTY LTD	8,321,982	8.692
4	PIAT CORP PTY LTD	4,784,000	4.997
5	NEWMEK INVESTMENTS PTY LTD	4,712,303	4.922
6	COLUMBUS MINERALS PTY LTD	4,308,867	4.501
7	HSBC CUSTODY NIMINEES (AUSTRALIA) LIMITED	3,433,448	3.586
8	NORTHERN STAR REOSURCES LTD	3,400,000	3.551
9	MARK ELLIDGE & JENNIFER ELLIDGE	3,000,000	3.133
10	SAHARA MINERALS PTY LTD	2,730,001	2.851
11	JIANJUN ZHOU	2,297,990	2.400
12	FRANCIS JOSEPH MAHER & SHARON JANE MAHER	902,782	0.943
13	JOANNE BURDEN & RICHARD JOHN BURDEN	700,001	0.731
14	FD MANAGEMENT PTY LTD	648,448	0.677
15	WONFAIR INVESTMENTS PTY LTD	645,000	0.674
16	JASON FRANK MADALENA	635,868	0.664
17	PERSHING AUSTRALIA NOMINEES PTY LTS	589,800	0.616
18	FORSYTH BARR CUSTODIANS LTD	524,000	0.547
19	SEGEFIELD PTY LTD	500,000	0.522
20	JEFFREY HOWARD LATIMER & JUDITH ANN LATIMER	500,000	0.522
	Total	**71,689,581**	**74.879**

Australian Securities Exchange Listing – Official Quotation has been granted for 95,740,141 ordinary fully paid shares. There are 12,000,000 unquoted options on issue.

(c) Substantial Shareholders

Substantial shareholders in Dampier Gold Limited and the number of equity securities over which the substantial shareholder has a relevant interest as disclosed in substantial holding notices provided to the Company are listed below:

Substantial Shareholder	No of Shares Held
Qian Huang	16,567,247
Columbus Minerals Pty Ltd	12,630,849
Dezhi Qiu	12,487,844

(d) Unquoted Securities

There are 12,000,000 unquoted options on issue as at 22 September 2017.

ASX ADDITIONAL INFORMATION

(e) Names of persons holding more than 20% of a given class of unquoted securities (other than employee options) as at 22 September 2017

Other than 12,000,000 employee options, there are no other classes of unquoted securities on issue as at 22 September 2017.

(f) Restricted Securities at 22 September 2017

There are no restricted securities on issue as at 22 September 2017.

(g) Voting Rights

All fully paid ordinary shares carry one vote per ordinary share without restriction.

(h) Company Secretary

The Company Secretary is Mr Michael Higginson.

(i) Registered Office

The Company's Registered Office is 29 Brookside Place, Lota, QLD 4179.

(j) Share Registry

The Company's Share Registry is Advanced Share Registry
110 Stirling Highway
Nedlands, Western Australia, 6009
+61 8 9389 8033 (Telephone)
*61 8 9262 3723 (Facsimile)
www.advancedshare.com.au

(k) On-Market Buy-back

The Company is not currently performing an on-market buy-back.

(l) Schedule of interests in mining tenements

Applications for Western Australian Exploration Licences: 69/3484 and 69/3485