

ASX RELEASE

10 March 2020

DAMPIER COMPLETES \$1M MILESTONE CAPITAL RAISING TO FAST-TRACK ITS KALGOORLIE GOLD STRATEGY

Investors back aggressive resource growth and development strategy in Kalgoorlie

Key Points:

- The Company has completed an initial \$1m capital raising through a share placement to sophisticated investors at \$0.025 per share with a 1:3 free attaching option each exercisable at \$0.05 (Placement).
 - Proceeds from the strongly supported Placement will be used to progress the Company's Kalgoorlie region gold exploration and appraisal strategy, with key planned activities to include:
 - High-impact drilling **commencing next month** at the Credo Well Gold Project within the gold rich Mt Pleasant district of the Kalgoorlie Goldfield, to test multiple targets the Company has identified from a detailed analysis of historical drilling and interpretation of geophysical data;
 - Aggressively explore the recently acquired Menzies, Goongarrie gold projects to develop a growth pipeline for future mining studies;
 - Progress studies on the Zuleika Gold Project, leveraging off the extensive historical drilling and geophysical data.
 - Project-wide aggressive exploration program on track, with new drilling programs set to commence.
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Dampier Gold Limited (ASX: DAU, Dampier or the Company) is pleased to announce that it has successfully completed an initial \$1 million Placement (which includes a \$55,000 conversion of debt to equity) to underpin the next pivotal stage of its exploration, development and growth strategy of its significant gold project holding located near Kalgoorlie in Western Australia.

The Placement was made to existing and new sophisticated investors at an issue price of \$0.025 per share raising a total of \$1 million before costs (including a \$55,000 conversion of debt to equity). Participants in the Placement have been issued with one (1) free attaching option (each exercisable at \$0.05 on or before 31st March 2022) (**Option**) for every three (3) shares subscribed for in the Placement. The new shares rank pari passu with the Company's existing issued ordinary fully paid shares.

The strongly supported capital raising resulted in the introduction of a number of strategic and high net worth investors who fully endorsed the Company's gold business development strategy. Other investors who also indicated a willingness to participate were faced with unprecedented delays due to the global health situation, these investors have indicated that they are keen to participate in future capital raisings.

Approval for the issue of a private placement of shares was obtained at a General Meeting held on 19 December 2019. The 13,333,333 Options were issued under LR 7.1.

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

"The success of the capital raising reflects the growing market recognition and confidence in the scale, potential and significance of the Dampier gold projects as the cornerstone of a new long-term Australian gold business in the highly endowed Kalgoorlie district of Western Australia.

The Placement facilitates the advancing of the next stage of the Company's multi-pronged strategy to become a gold producer in the near term.

With more than 20 million ounces of historical production, the Zuleika Shear is one of the most sought-after gold regions in Australia. The adjacent Carnage Shear, also known as East Zuleika Shear, runs through the Dampier tenements and displays many of the same characteristics to the Zuleika Shear but as yet, is under explored. The Dampier team is optimistic that the upcoming drilling campaigns will discover new gold deposits in this area.

Our objective is to rapidly build a sizeable and high-quality gold resource in the Kalgoorlie region by continuing to expand our strategic exploration footprint and growth pipeline.

The strong support shown by current and new sophisticated investors positively reflects the Company's assertions that it is well positioned to achieve its exploration and development goals."

Authorised for release by

Malcolm Carson
CHAIRMAN