dampiergold LIMITED

ABN 43 141 703 399

Financial Report for the half-year ended 31 December 2019

www.dampiergold.com

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CORPORATE DIRECTORY

Board of Directors

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

Company Secretary

Michael Higginson

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www.dampiergold.com
ABN 43 141 703 399

DIRECTORS' REPORT

Your Directors submit the Financial Report of Dampier Gold Limited ("Dampier" or the "Company") for the half-year ended 31 December 2019.

Directors

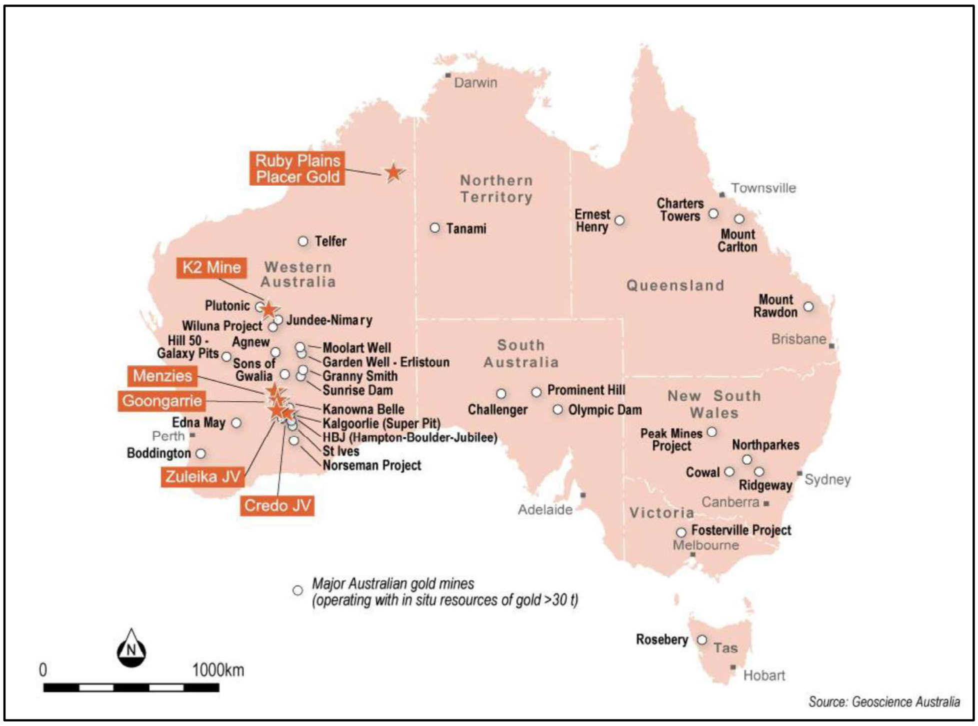
The names of the Directors of the Company in office during the half year and to the date of this Report are:

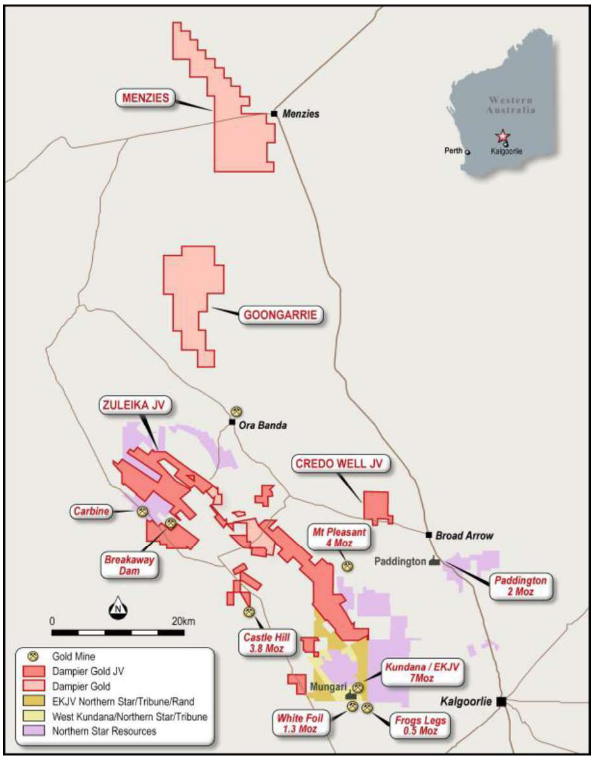
Malcolm Carson	(Executive Chairman)
Hui Guo	(Executive Director)
Peiqi Zhang	(Non-Executive Director)

Review of Operations

Exploration and Evaluation

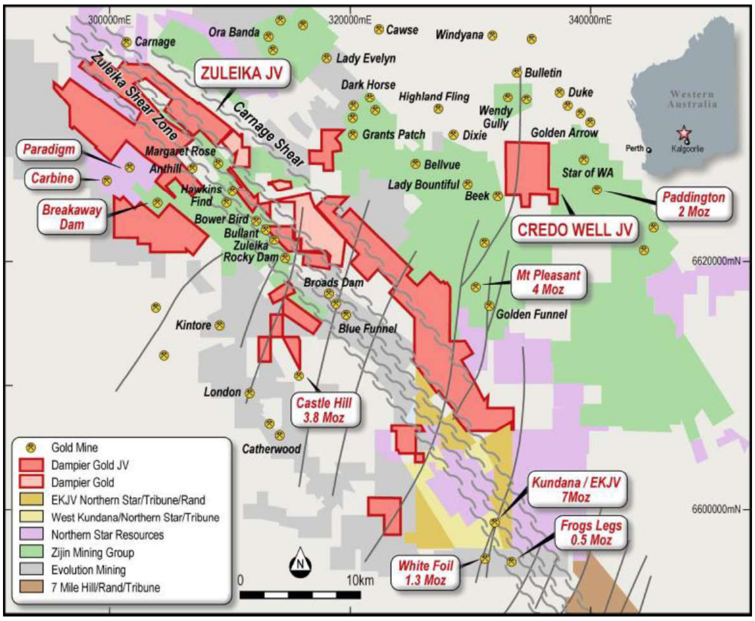
Dampier's tenement portfolio is illustrated in the following figure.





In the Kalgoorlie-Menzies regions, Dampier has access to ~650sqkm of highly prospective gold tenements in these world class gold-rich provinces.

The Zuleika and Credo Well areas shown in the figure below, were secured under Joint Venture during the reporting period.



DIRECTORS' REPORT

Review of Operations

Exploration and Evaluation (cont)

Zuleika and Credo Joint Ventures

On 4 October 2019, Dampier entered into the Zuleika and Credo Well Farm-in joint ventures pursuant to which Dampier has the right to earn up to a 75% interest in the Zuleika Project by spending a total of $4.0 million over 4 years and earn up to a 50% interest in the Credo Well Project by spending a total of $2.0 million over 4 years. Dampier has completed its due diligence for the Credo Well Joint Venture and is yet to complete its due diligence for the Zuleika Joint Venture.

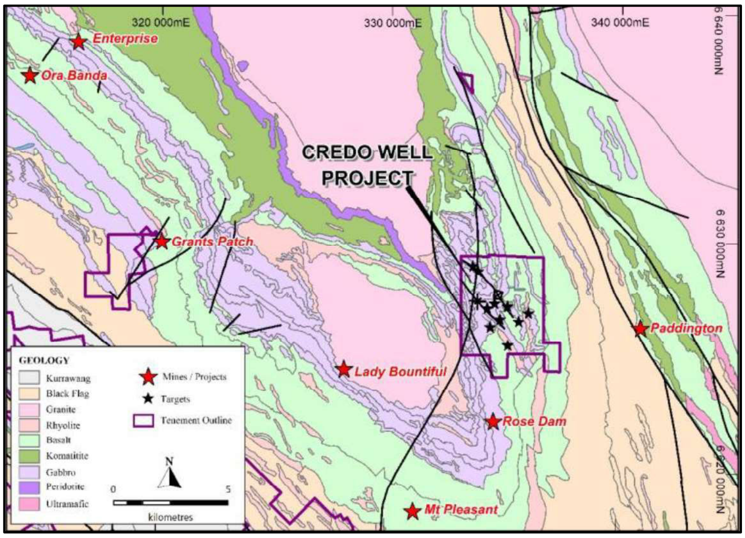
As a consequence of the combination of the farm-in joint ventures, recent tenement applications along the Zuleika Shear and the acquisition of the Menzies and Goongarrie projects, Dampier now has a substantial presence in the Kalgoorlie-Menzies region with tenements covering ~650sqkm of world class prospective ground.

More than 20 million ounces has been produced from the Zuleika (Kundana/Ora Banda) – Credo (Mt Pleasant) region and there are a number of deepening underground mines continuing to exploit the extensions to significant gold ore bodies at depth.

The tenements under the Zuleika Joint Venture cover 20km strike of the Zuleika Shear which is recognised as a major conduit for gold mineralisation. Dampier is of the view that the parallel Carnage Shear, 5km to the east (also referred to as the East Zuleika Shear), represents regional untested targets that are geologically similar to the Zuleika shear.

Dampier has 20km of strike along the Carnage Shear and has identified more than 8 drill bedrock anomalous drill targets and surface anomalies which require follow up drilling.

Credo sits within a major gold producing region of the Kalgoorlie region, approximately 35km north of Kalgoorlie Super Pit and is surrounded by a number of historical and currently operating mines, as shown in the following figure.



Prior to the commencement of the Credo joint venture on 7th January 2020, Dampier reviewed, consolidated and verified the historical data base compiled by Torian Resources Limited ("Torian") and integrated with open file data. From Dampier's technical analysis, to date 11 targets have been defined on the Credo tenements.

Dampier is in the process of refining its first stage exploration program, reviewing newly interpreted geophysical imagery by Southern Geoscience Consultants and seeking approval to commence exploration in the June quarter of 2020 from the West Australian Department of Mines Industry Regulation and Safety.

Prior to the commencement of the Zuleika joint venture, Dampier is completing its verification and review of the historical data base now integrated with historical open file data. From Dampier's technical analysis to date 30 targets have been defined on the Zuleika tenements.

It is Dampier's intention to commence exploration at Zuleika in the June quarter of 2020.

Goongarrie and Menzies

On 21 October 2019, Dampier released the results from a 140-hole Auger drill program on a 1,000m by 200m grid over the soil covered magnetic anomaly which suggested untested structures and an interpreted greenstone sequence at Goongarrie.

The assay results from the program confirmed the presence of anomalous gold and nickel.

Dampier is confident that its exploration has confirmed that the soil covered magnetic and structural anomaly suggests a hidden greenstone, which requires closer spaced follow up drilling and confirmation analysis.

The area is covered by sand dunes and appears to have not been subject to modern exploration. Dampier is designing a comprehensive close spaced aerial geophysical survey to accurately define the rock units and the structural complexity of the area. This information will be used to identify drilling targets.

The Menzies tenement was granted during the reporting period. Dampier has completed its desk-top studies and will implement a shallow sampling program to identify potential drill targets in the June quarter.

DIRECTORS' REPORT

Review of Operations

Exploration and Evaluation (cont)

K2 Project

On 19 November 2019, Dampier advised shareholders that it had received a letter from Vango Mining Limited (ASX: VAN) (Vango) dated 14 November 2019 by which Vango makes certain assertions with respect to Dampier's interest in the K2 Joint Venture tenement (M52/183) (K2 Project) and rights to earn further equity in the tenement pursuant to the Binding Terms Sheet dated 12 May 2017 (BTS).

Under the BTS, Dampier has the right to earn up to a 50% beneficial and legal interest in the K2 Project. We refer shareholders to the announcement of 19 November 2019, in which Dampier advised of various matters in relation to this dispute.

On 12 February 2020, the Company announced that it has issued to Vango a letter of demand for the payment by Vango of $21,573,813, being the estimated losses incurred to date by Dampier.

It is Dampier's firm intention to continue to vigorously pursue all of its rights and entitlements in respect of the K2 Project, including, without limitation, its right to seek damages, specific performance, costs and interest.

Ruby Plains Gold Project

Dampier previous reports noted that initial exploration confirmed the presence of ancient paleo-channels at Ruby Plains and the presence of ferruginised pisolitic-conglomerates in those channels. No work was undertaken on the tenements during the half year.

Financial Result

The loss after tax for the half-year ended 31 December 2019 was $932,356 (2018:$ 1,186,202).

Events Subsequent to Reporting Date

On 7 January 2020 the Company announced the commencement of the Credo Well Farm-in Joint Venture, with the following commitments:

- $0.5m expenditure to earn an initial 25% interest in the next 15 months;
- an additional $0.5m expenditure to earn a further 10% interest over the period 16 - 28 months;
- an additional $0.5m expenditure to earn a further 10% interest over the period 29 - 41 months; and
- an additional $0.5m expenditure to earn a further 5% interest over the period 42 - 54 months.

Subsequent commitments are based on outcomes achieved in the previous phase.

Subsequent to year end, the Company issued 6,000,000 fully paid ordinary shares and 8,000,000 performance rights to directors, following the receipt of shareholder approval at a General Meeting held on 19 December 2019. In addition, the Company also issued 1,500,000 fully paid ordinary shares and 2,000,000 options with an exercise price of $0.02 expiring on 31 January 2022 to consultants and 5,357,147 free attaching options with an exercise price of $0.06 expiring on 30 November 2020 to shareholder who successfully subscribed for shares in August 2019.

On 10 March 2020, the Company announced the completion of a capital raising through a share placement of 40,000,000 shares at an issue price of $0.025 per share and the issue of 13,333,333 free-attaching options each exercisable at $0.05 and expiring 31 March 2020.

Auditor's independence declaration

The auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 4.

This Report is signed in accordance with a resolution of the Board of Directors.

On behalf of the Directors.

Malcolm Carson
Executive Chairman

Dated this 11th day of March 2020

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11 March 2020

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 Dampier Gold Limited.

As Audit Director for the review of the financial statements of Dampier Gold Limited for the half-year ended 31 December 2019, 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 review; and

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

Yours faithfully

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

Samir Tirodkar
Director

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the half year ended 31 December 2019

	Note	31 Dec 2019 $	31 Dec 2018 $
Continuing operations			
Revenue	2(a)	8,586	19,374
Administration expenses		(601,912)	(652,834)
Exploration and evaluation expenses		(247,057)	(330,732)
Share-based payments expense		(91,973)	(222,000)
Loss from continuing operations before income tax	2(b)	**(932,356)**	**(1,186,192)**
Income tax expense / (benefit)		-	-
Loss from continuing operations		**(932,356)**	**(1,186,192)**
Other comprehensive income			
Items that will not be reclassified to profit or loss		-	-
Items that may be subsequently reclassified to profit or loss		-	-
Total comprehensive loss for the period		**(932,356)**	**(1,186,192)**
Loss attributable to owners of the Company		**(932,356)**	**(1,186,192)**
Total comprehensive loss attributable to owners of the Company		**(932,356)**	**(1,186,192)**
Loss per share:	3		
From continuing operations			
Basic (cents per share)		(0.5)	(0.85)
Diluted (cents per share)		(0.5)	(0.85)

The accompanying condensed notes form part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 December 2019

	Note	31 Dec 2019 $	30 June 2019 $
Current assets			
Cash and cash equivalents		1,043,316	1,530,152
Other receivables		42,305	23,690
Other assets		13,420	1,785
Total current assets		**1,099,041**	1,555,627
Non-current assets			
Property, plant and equipment	4	71,021	3,130
Exploration and evaluation expenditure		836,500	836,600
Total non-current assets		**907,521**	839,630
TOTAL ASSETS		**2,006,562**	2,395,257
Current liabilities			
Trade and other payables		147,840	146,756
Lease liability	5	49,306	-
Total current liabilities		**197,146**	**146,756**
Non-current liabilities			
Lease liability	5	17,115	-
Total non-current liabilities		**17,115**	**-**
TOTAL LIABILITIES		**214,261**	**146,756**
NET ASSETS		**1,792,301**	2,248,501
Equity			
Issued capital	6	26,468,305	25,994,122
Reserves	7	238,173	236,200
Accumulated losses		(24,914,177)	(23,981,821)
TOTAL EQUITY		**1,792,301**	2,248,501

The accompanying condensed notes form part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the half year ended 31 December 2019

Consolidated		Attributable to equity holders			
For the six months ended 31 December 2018	Ordinary Shares $	Option Reserve $	Other Reserve $	Accumulated Losses $	Total Equity $
Balance at 1 July 2018	24,373,993	236,200	-	(22,245,833)	2,364,360
Total comprehensive income					
Loss for the half year	-	-	-	(1,186,192)	(1,186,192)
Other comprehensive income for the half year	-	-	-	-	-
Total comprehensive loss for the half year	-	-	-	(1,186,192)	(1,186,192)
Transactions with owners recorded direct to equity					
Issue of shares	1,222,000	-	-	-	1,222,000
Total transactions with owners	1,222,000	-	-	-	1,222,000
Balance as at 31 December 2018	25,595,993	236,200	-	(23,432,025)	2,400,168

Company		Attributable to equity holders			
For the six months ended 31 December 2019	Ordinary Shares $	Option Reserve $	Other Reserve $	Accumulated Losses $	Total Equity $
Balance at 1 July 2019	25,994,122	236,200	-	(23,981,821)	2,248,501
Total comprehensive income					
Loss for the half year	-	-	-	(932,356)	(932,356)
Other comprehensive income for the half year	-	-	-	-	-
Total comprehensive loss for the half year	-	-	-	(932,356)	(932,356)
Transactions with owners recorded direct to equity					
Issue of shares net of costs	384,183	-	-	-	384,183
Performance Rights	-	-	1,973	-	1,973
Share to be issued	90,000	-	-	-	90,000
Total transactions with owners	474,183	-	1,973	-	476,156
Balance as at 31 December 2019	26,468,305	236,200	1,973	(24,914,177)	1,792,301

The accompanying condensed notes form part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the half year ended 31 December 2019

	Note	31 Dec 2019 $	31 Dec 2018 $
Cash flows from operating activities			
Interest received		14,961	19,835
Payments for exploration and evaluation		(248,399)	(330,732)
Payments to suppliers and employees		(544,091)	(498,410)
Interest paid		-	(875)
Net cash (used in) operating activities		**(777,529)**	**(810,182)**
Cash flows from investing activities			
Payments for property, plant and equipment		(4,206)	-
Net cash (used in) investing activities		**(4,206)**	**-**
Cash flows from financing activities			
Proceeds from issues of ordinary shares		324,400	1,000,000
Proceeds from borrowings		-	22,548
Payment of share issue costs		(3,501)	-
Interest paid		(2,452)	-
Repayment of lease liability		(23,548)	-
Repayment of borrowings		-	(13,413)
Net cash provided by financing activities		**294,899**	**1,009,135**
Net increase/(decrease) in cash and cash equivalents		(486,836)	198,953
Cash and cash equivalents at the beginning of the half year		1,530,152	1,949,879
Cash and cash equivalents at the end of the half year		**1,043,316**	**2,148,832**

The accompanying condensed notes form part of the consolidated financial statements.

1. Summary of Significant Accounting Policies

(a) Basis of Preparation

This interim financial report is intended to provide users with an update on the latest annual financial statements of Dampier Gold Limited. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Company. It is therefore recommended that this financial report be read in conjunction with the annual financial statements for the year ended 30 June 2019, together with any public announcements made during the following half-year. It should be noted that the comparative financial information is for the consolidated group comprising the parent (Dampier Gold Limited) and its subsidiaries. The information for the current period is for Dampier Gold Limited only, as it no longer has any subsidiaries.

These general purpose interim financial statements for the half-year reporting period ended 31 December 2019 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The half year report has been prepared on an accruals basis and is based on historical costs.

Going Concern

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

The Directors believe there are sufficient grounds to believe that the Company 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, the potential to raise additional equity capital and the ability to significantly reduce activity to preserve cash if necessary.

The half year report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Company does not continue as a going concern.

(b) Accounting Policies and Adoption of New or Revised Accounting Standards and Interpretations

The accounting policies and methods of computation adopted in the preparation of the half year financial report are consistent with those adopted and disclosed in the Company's 2019 annual financial report for the financial year ended 30 June 2019 except for the item outlined in note (e) below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half-year.

(c) Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Dampier Gold Limited) and all of the 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. As at 31 December 2019, the Company had no subsidiaries.

The assets, liabilities and results of all subsidiaries 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 subsidiaries 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 profit or loss and other comprehensive income.

(d) Exploration and evaluation costs

Exploration and evaluation costs are written off in the year they are incurred, apart from acquisition costs, which are 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 reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Where 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 are written off to the extent that they will not be recoverable in the future.

1. Summary of Significant Accounting Policies (cont)

(e) Leases

The Company has adopted the new accounting pronouncements which came into effect from 1 July 2019 this year. AASB 16 Leases replaces the previous lease standard, AASB 17 along with three Interpretations, IFRIC 4, SIC 15 and SIC 27.

The Company has reviewed the position and has identified a lease that gives rise to a right to use asset as at the transition date.

The Company has used the modified retrospective method which does not result in the opening retained earnings being adjusted or any adjustments to the comparative period as the Company has elected to measure the right to use assets at an amount equal to the lease liability.

On transition, for leases previously accounted for as operating leases with a remaining lease term of less than 12 months and for low value assets the Company has applied the optional exemptions to not recognise the right to use asset but to account for the lease expense on a straight line basis over the remaining lease term.

On transition to AASB 16 the weighted average incremental borrowing rate applied to lease liabilities recognised under AASB 16 was 4.3%.

For any new contracts entered into on or after 1 July 2019, the Company must consider whether a contract is, or contains a lease. A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. To apply this definition, the Company must assess whether the contract meets three key evaluation which are whether:

- The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company.
- The Company has the right to obtain substantially all of the economic benefits from the use of the identified asset through the period of use, considering its rights within the defined scope of the contract;
- The Company has the right to direct the use of the identified asset throughout the period of use. The Company assesses whether it has the right to direct "how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of lease as a lease

At the commencement of the lease, the Company recognises a right to use asset and a lease liability on the balance sheet. The right to use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial costs incurred by the Group, an estimate of any cost to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement dates.

The Company depreciates the right-of-use-assets on a straight line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use-asset or the end of the lease term. The Group also assesses the right-of-use assets for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of the fixed payments, variable payments based on an index and amounts expected to be payable under a residual value guarantee. Payments which are subject to an option will only be included if there is strong objective evidence to suggest that option will be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset has been reduced to zero.

The Group has elected to account for short term leases and leases of low value asset using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in the profit and loss on a straight line basis over the lease term.

On the statement of financial position, the right -of-use asset has been included in property, plant and equipment and the lease liability has been classified separately.

2. Loss from continuing operations

	31 Dec 2019 $	31 Dec 2018 $
Loss from continuing operations before income tax has been determined after:		
(a) Revenue		
Interest revenue	**8,586**	19,374
	8,586	19,374
(b) Expenses		
Depreciation	**26,284**	2,793

3. Loss per share

	31 Dec 2019 Cents per share	31 Dec 2018 Cents per share
From continuing and discontinued operations		
Basic (cents per share)	**(0.50)**	(0.85)
Diluted (cents per share)	**(0.50)**	(0.85)
From continuing operations		
Basic (cents per share)	**(0.50)**	(0.85)
Diluted (cents per share)	**(0.50)**	(0.85)

The weighted average number of issued ordinary shares during the reporting period used in the calculation of basic and diluted loss per share is 187,701,774 (2018: 138,890,141).

The shares under option at the end of the period are not considered dilutive as the average market price of ordinary shares during the period did not exceed the exercise price of the options.

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

	31 Dec 2019 $	30 Jun 2019 $
Plant & equipment		
At cost		
Office equipment and furniture	**31,782**	27,576
Less: Accumulated depreciation	**(26,193)**	(24,446)
Right-of-use assets	**5,589**	3,130
Right-of-use assets	**89,969**	-
Less: Accumulated depreciation	**(24,537)**	-
Carrying amount at end of year	**65,432**	-
Total	**71,021**	3,130

4. Non-current assets: Property, plant & equipment (cont)

	31 Dec 2019 $	30 Jun 2019 $
Property, Plant & equipment		
Reconciliation/movement for the year		
Carrying amount at beginning of year	**3,130**	8,669
Additions	**94,175**	-
Disposals	**-**	-
Depreciation charge	**(26,284)**	(5,539)
Carrying amount at end of period / year	**71,021**	3,130

Total depreciation charge for the right to use asset for the period was $24,537.

5. Lease liability

	31 Dec 2019 $	30 Jun 2019 $
Current		
Lease liability	**49,306**	-
Non-current		
Lease liability	**17,115**	-
	66,421	-
Reconciliation/movement for the year		
Carrying amount at beginning of year	**-**	-
Additions	**89,969**	-
Payments during the period	**(23,548)**	-
Other movements	**-**	-
Carrying amount at end of year	**66,421**	-

The Company has assessed the new leasing standard (AASB 16 – Leases) and has determined that it is applicable for the period. The key inputs to the calculation are as follows:

- Time Period: 22 months from 1 July 2019
- Rate: Incremental borrowing rate of 4.30%
- Fair Value at the transition date: $89,969

The interest expense on the lease liability was $2,452 for the period. Total lease payments for the period was $26,000 (2018: $26,000).

6. Issued capital

	31 Dec 2019 $	30 June 2019 $
190,485,995 fully paid ordinary shares (30 June 2019: 176,640,141)	**26,468,305**	25,994,122

The following transactions occurred in the period 1 July 2019 to 31 December 2019:

(1) On 7 August 2019 the Company issued 2,260,143 at an issue price of $0.028 per share to pay creditors.

(2) On 7 August 2019 the Company issued 11,585,711 at an issue price of $0.028 per share to raise working capital.

(3) On 19 December 2019 the company received shareholder approval to issue 6,000,000 shares to directors for services rendered and as an incentive for their continued involvement in the management and growth of the Company. The share price at the date of the General Meeting was $0.015 and the shares have been issued on 13 January 2020. The total fair value was $90,000.

6. Issued capital (cont)

The following movements in issued capital occurred during the period:

	31 Dec 2019		30 Jun 2019	
	No.	$	No.	$
Fully paid ordinary shares				
Balance at beginning of period	**176,640,141**	**25,994,122**	119,640,141	24,373,993
Placement of shares to investors	**-**	**-**	40,000,000	1,000,000
Issue of shares to consultants	**-**	**-**	1,000,000	28,129
Consideration for acquisition of tenements	**-**	**-**	10,000,000	370,000
Issue of performance rights	**-**	**-**	6,000,000	222,222
Issue of shares to creditors (1)	**2,260,143**	**63,284**	-	-
Issue of shares to sophisticated investors (2)	**11,585,711**	**324,400**	-	-
Shares to be issued (3)	**-**	**90,000**		
Share issue costs		**(3,501)**		
Balance at end of period	**190,485,995**	**26,468,305**	**176,640,141**	**25,994,122**

7. Reserves

	31 Dec 2019	30 June 2019
	$	$
Option reserves (1)	**236,200**	236200
Other reserves (2)	**1,973**	-
	238,173	236,200

(1) There has been no movement in the option reserve for the period. Total number of options on issue at 31 December 2019 was 6,000,000.

(2) Other reserves
The other reserves are made up of the following items:

(a) Performance Rights

On 19 December 2019 the Company obtained shareholder approval to issue 8,000,000 Performance Rights to directors. The Rights have been issued post year end and are being expensed over the vesting period from the date of the agreement with the directors.

	31 Dec 2019		30 Jun 2019	
	No.	$	No.	$
Performance Rights				
Balance at beginning of period	-	-	-	-
	8,000,000	**1,973**	-	-
Balance at end of period	**8,000,000**	**1,973**	**-**	**-**

7. Reserves (cont)

The following table outlines the Performance Rights terms, fair value and the probability of meeting the hurdles:

Class of Rights	Hurdle	Number	Fair value	Probability
Class A	48 Months – Defined JORC Resource of 25,000 Ounces above 1 gmpt	2,000,000	$0.015 per Right	75%
Class B	48 Months – Defined JORC Resource of 55,000 Ounces above 1 gmpt	2,000,000	$0.015 per Right	50%
Class C	48 Months – Defined JORC Resource of 75,000 Ounces above 1 gmpt	2,000,000	$0.015 per Right	25%
Class D	48 Months – Defined JORC Resource of 100,000 Ounces above 1 gmpt	2,000,000	$0.015 per Right	10%

8. Segment reporting

The Company only has one reporting segment which is Australian exploration and evaluation activities. The revenue, expenses, assets and liabilities of the segment are equal to those presented in the Statement of Comprehensive Income and Statement of Financial Position on pages 5 and 6 above.

9. Subsequent events

On 7 January 2020 the Company announced the commencement of the Credo Well Farm-in Joint Venture, with the following commitments:

- $0.5m expenditure to earn an initial 25% interest in the next 15 months;
- an additional $0.5m expenditure to earn a further 10% interest over the period 16 - 28 months;
- an additional $0.5m expenditure to earn a further 10% interest over the period 29 - 41 months; and
- an additional $0.5m expenditure to earn a further 5% interest over the period 42 - 54 months.

Subsequent commitments are based on outcomes achieved in the previous phase.

Subsequent to year end, the Company issued 6,000,000 fully paid ordinary shares and 8,000,000 performance rights to directors, following the receipt of shareholder approval at a General Meeting held on 19 December 2019. In addition, the Company also issued 1,500,000 fully paid ordinary shares and 2,000,000 options with an exercise price of $0.02 expiring on 31 January 2022 to consultants and 5,357,147 free attaching options with an exercise price of $0.06 expiring on 30 November 2020 to shareholder whom subscribed to shares in August 2019.

On 10 March 2020, the Company announced the completion of a capital raising through a share placement of 40,000,000 shares at an issue price of $0.025 per share and the issue of 13,333,333 free-attaching options each exercisable at $0.05 and expiring 31 March 2020.

10. Commitments and contingencies

The Company is in the process of evaluating the Zuleika project and continues its due diligence on this asset prior to determining to commit to the farm-in programme announced on 4 October 2019, which includes an initial $1million work programme over 15 months and additional funding to Torian Resources Ltd through a $500,000 loan convertible into Torian shares and options.

As at 31 December 2019 there has been no other material changes to any commitments or contingencies disclosure in the 30 June 2019 annual report.

K2 Project:
As advised to shareholders through the ASX announcement dated 19 November 2019, Vango Mining Limited ("Vango") and the Company are in dispute over various matters related to this project. On 12 February 2020, the Company announced that it has issued to Vango a letter of demand for the payment by Vango of $21,573,813 being the estimated losses incurred to date by the Company. No asset has been recorded in the financial report for this value as the outcome is unknown. In the event that the dispute does not conclude satisfactorily for the Company, material additional costs may be incurred.

DIRECTORS' DECLARATION

The Directors declare that:

(a) The financial statements and notes, as set out on pages 5 to 14, are in accordance with the Corporations Act 2001, including:

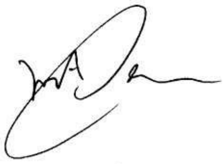
  i. complying with Accounting Standard AASB 134 – Interim Financial Reporting and the Corporations Regulations 2001; and

  ii. giving a true and fair view of the Group's financial position as at 31 December 2019 and of its performance, as represented by the results of its operations and its cash flows, for the half-year ended on that date.

(b) In the Directors' opinion there are reasonable grounds to believe that Dampier Gold Limited will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors made pursuant to s.303(5) of the Corporations Act 2001.

On behalf of the Directors



Malcolm Carson
Executive Chairman

Dated this 11th day of March 2020

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

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Dampier Gold Limited, which comprises the condensed statement of financial position as at 31 December 2019, the condensed statement of profit or loss and other comprehensive income, condensed statement of changes in equity, and condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for Dampier Gold Limited.

Directors' Responsibility for the Half-Year Financial Report

The directors of Dampier Gold Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2019 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Dampier Gold Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Whilst we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by the directors or management.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been provided to the directors of Dampier Gold Limited on 11 March 2020.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Dampier Gold Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the Company's financial position as at 31 December 2019 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

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

Stantons International

Samir Tirodkar
Director

West Perth, Western Australia
11 March 2020