

11 November 2020

DAMPIER SECURES FUNDING FOR SUPREME COURT LITIGATION AGAINST VANGO MINING LIMITED

Key Points:

- **Dampier has secured special purpose funding for its legal proceedings against Vango Mining Limited commenced on 26 May 2020 in the Supreme Court.**
- **The Supreme Court proceedings include claims for Dampier's beneficial interest in the K2 Gold Project pursuant to the Binding Terms Sheets (BTS) executed on 12 May 2017.**
- **The K2 Gold Project includes any continuous tenements which cover adjacent, on-strike or down-dip extensions of the K2 ore-body or mineralised zones, which falls within the "Marymia project area" referred to by Vango as the "PHB Corridor".**
- **The Supreme Court proceedings also include claims for unpaid royalty payments and milestone payments arising from the Plutonic Dome Purchase and Sale Agreement.**

Further to Dampier Gold Limited's (ASX:DAU) (**Dampier or the Company**) announcements on **12 February 2020, 26 May 2020, 23 June 2020 and 3 August 2020** as to Dampier's legal proceedings in the Supreme Court of Western Australia against Vango Mining Limited (on its own behalf and on behalf of its wholly owned subsidiary Dampier (Plutonic) Pty Limited) (ASX:VAN) (**Vango**) (**Litigation**), Dampier is pleased to announce that it has entered into a conditional, secured funding agreement pursuant to which Auracle Group Pty Ltd (**Auracle Group**) has agreed to provide a loan of up to **\$1 million (Funds)** to the Company, subject to the receipt of the approval of Dampier shareholders. The Funds will be applied as required towards the ongoing costs associated with the Litigation, so as to minimise the impact on Dampier's exploration activities.

Dampier provides the following update to the market on the Litigation:

- On 26 May 2020, Dampier commenced the Litigation in the Supreme Court of Western Australia.
- On 26 June 2020, at the instigation of Dampier, the proceedings were referred to the Honourable Justice Smith to manage in her Commercial and Managed Cases list.
- On 27 July 2020, the pleadings stage of the proceedings closed with Dampier filing its reply to Vango and DPPL's defence, after Dampier had requested, and been provided with, further and better particulars of Vango's and DPPL's defence.
- On 29 September 2020, the parties gave discovery.

The next stage in the proceedings requires the parties to inspect discovered documents with a mediation conference to occur on 11 November 2020. If the dispute cannot be resolved at mediation, consistent with its desire to expedite the resolution of the court proceedings of this material matter, Dampier will seek to have the proceedings listed for trial as early as possible in 2021.

Funding agreement

On 11 November 2020, the Company and Auracle Group (a company owned and controlled by Annie Guo, an Executive Director of the Company) executed a Loan Agreement (**Agreement**) whereby Auracle Group has agreed to subscribe for an initial share placement of \$300,000 (**Placement**) and provide a loan of up to a further \$700,000 (**Loan**). The material terms of the Agreement together with all required shareholder approvals to proceed with the Loan are set out in the Notice of Meeting for the Company's upcoming Annual General Meeting, which has been released to ASX on or about the same date as this announcement. The Notice of Meeting also includes a report of an Independent Expert in respect of the issues of securities to Auracle Group under the Loan Agreement. The funds raised from the Placement and the Loan will be applied towards the costs of the Litigation (collectively the **Loan**).

Mr Malcolm Carson, Executive Chairman Dampier Gold stated:

"With the funding in place, Dampier is in a strong position to pursue Supreme Court litigation to judgement if the matter is not resolved at the upcoming mediation.

On behalf of the Dampier board and Dampier shareholders, I wish to thank Auracle for providing these funds. The provision of these funds enables the Company to proceed with its commitment to utilise shareholders' funds on its exploration focus. The board is confident of the Company's future and its ability to continue to add value to the Company's strategic exploration portfolio, in the best interests of all shareholders."

This announcement has been authorised for release by the Chairman

Malcolm Carson

EXECUTIVE CHAIRMAN

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