

**ASX RELEASE**  
**18<sup>th</sup> June 2018**

## **DAMPIER ACQUIRES RUBY PLAINS GOLD PROJECT, EAST KIMBERLY, WESTERN AUSTRALIA**

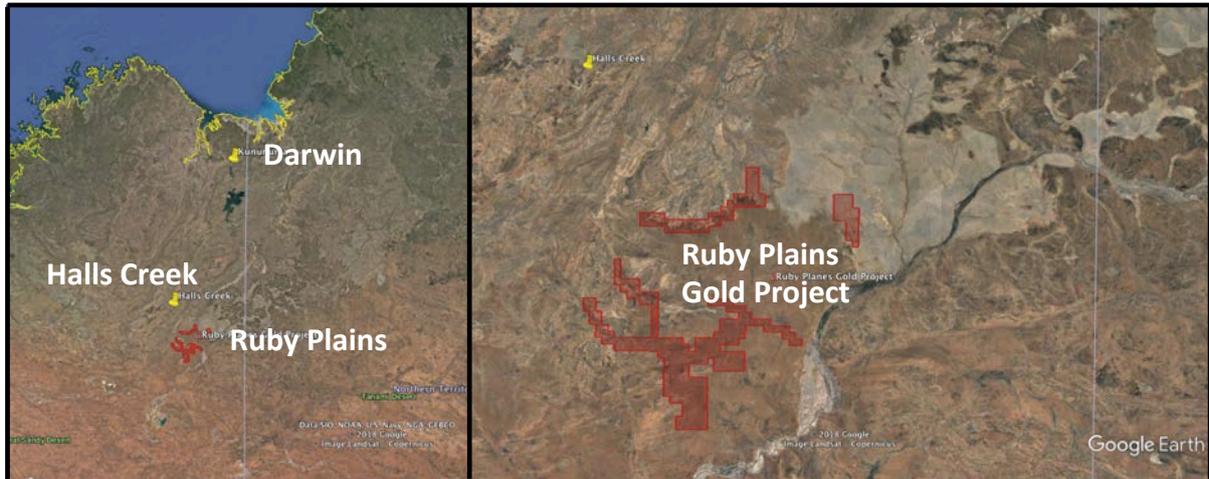
- Acquisition of 100% of ~800sqkm of tenements covering known Tertiary - Quaternary palaeo-river drainage systems which have the potential to host placer gold.
- Tertiary – Quaternary Palaeo-placer systems in Australia and elsewhere throughout the world in similar geological environments are common sources of heavy mineral, metal and precious metal concentrations.
- The ~50km long placer palaeo-river system at Ruby Plains drains off the mineralised Halls Creek mobile zone that contains numerous gold sources.
- Historical drilling in old bore fields has identified the presence of gold mineralisation within one of the palaeo-river systems.
- An extensive data base has been compiled which includes:
  - Geophysical modelling over prospective palaeo-river drainages.
  - Detailed geophysics over targets which have not been drill tested.
- Whilst there are a number of major gold projects which have exploited palaeo placer gold mineralisation in Western Australia goldfields, such gold models remain generally under-tested.
- **\$238,500 share placement to fund initial exploration.**

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The Directors of Dampier Gold Limited are pleased to advise that the Company has acquired the Ruby Plains Placer Gold Project in the East Kimberley region of Western Australia. The acquisition comprises, two granted exploration Licences and two exploration licence applications, covering an area of 821sqkm. The tenements cover substantial untested drainage and alluvial gravel deposits, with the potential to host accumulations of placer gold which are considered similar to those exploited in the California Dredging Fields, USA and in the Victorian goldfields.

The Ruby Plains Gold Project is located approximately 340km SSW of the regional town of Kununurra and 70km SSE of the historic gold mining town of Halls Creek, in the East Kimberley region of Western Australia.

## Location of Ruby Plains Tenements



This strategic ground position covers what the Board believes are prospective palaeo-river channels which potentially contain placer gold that has originated from the physical and chemical weathering of the auriferous Halls Creek Group during the late Cretaceous-early Tertiary period. Halls Creek is where the first discovery of gold in WA occurred in 1885, spawning a gold rush and commencement of numerous gold operations in the area. Following discoveries in Kalgoorlie in 1892, the goldfield was largely abandoned and has since only been subject to intermittent exploration and mine development.

## Planned Exploration Initiatives

Dampier Gold intends to immediately embark on reprocessing and interpretation of historical geophysical data together with in-field mapping and drilling as per the following steps:

- Reinterpretation of historical geophysical data sets;
- Analysis of ASTER imagery to confirm definition of palaeo-river channels, identify possible traps;
- Mapping, “Passive-Seismic” ground survey lines over selected palaeo-channel locations;
- Modelling of geophysical data to select drill targets;

The Board is enthusiastic about this exploration initiative over such a large ground holding where the Company has taken a primary position to embark on systematic and targeted exploration initiatives in 2018/2019.

## Acquisition Agreement Terms

The consideration paid to the unrelated vendors for the acquisition is 13.46 million fully paid ordinary shares and a cash payment of \$50,000. A further \$60,000 will be paid following completion of the \$238,500 capital raising (see below).

The tenements acquired are set out in the following table:

Tenement Number	Area km <sup>2</sup>	Status
E80/5143	537	Granted
E80/5144	66	Granted
E80/5161	155	Application
E80/5162	63	Application
	<b>821</b>	

## Capital Raising

The Company further advises that a placement of 9.54 million shares, at an issue price of 2.5 cents per share to raise \$238,500, is to be completed in accordance with ASX Listing Rule 7.1A. The funds raised from the placement will cover the majority of the Stage 1 exploration program on the Ruby Plains project.

*Dampier Chairman Malcolm Carson said today:*

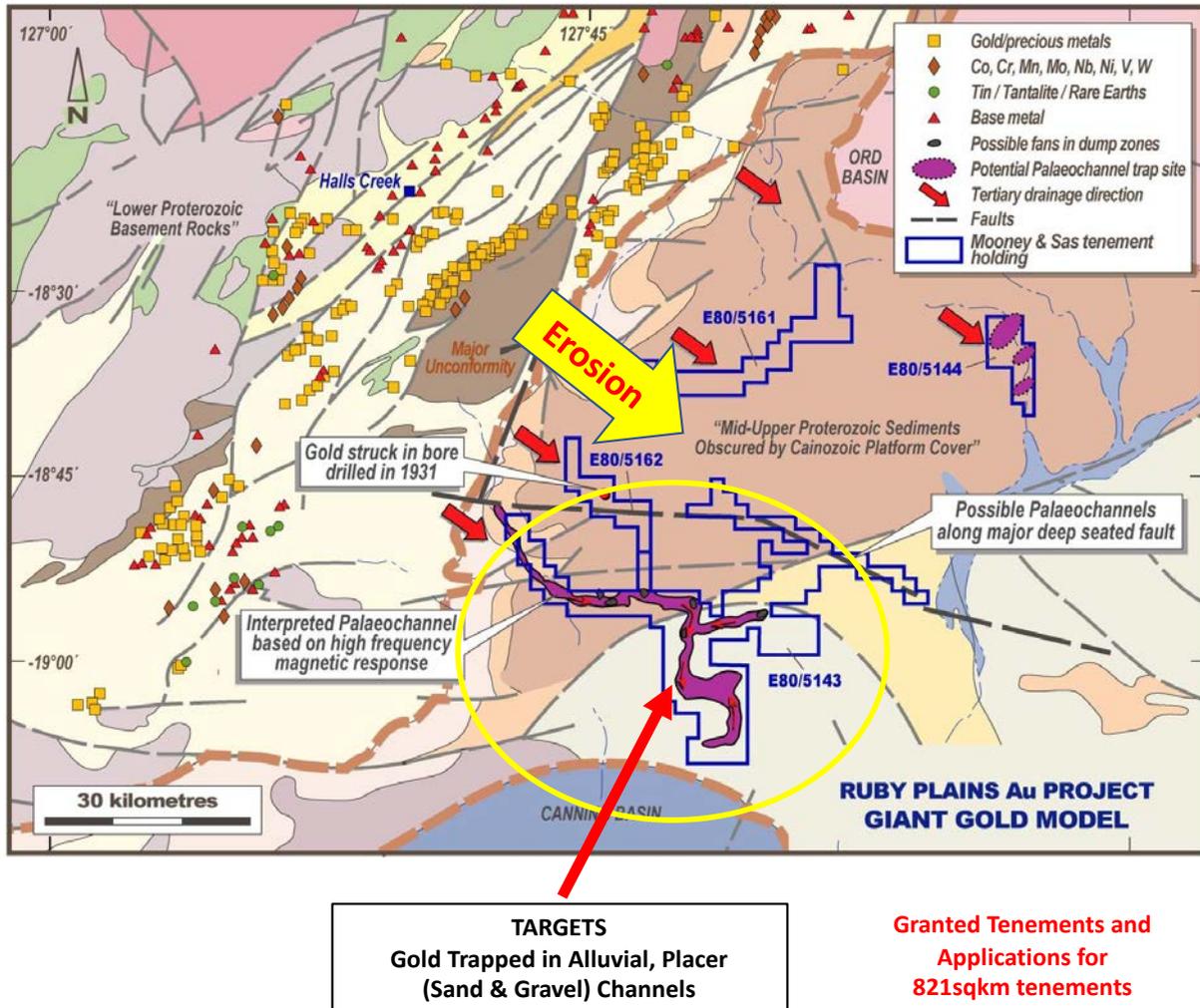
*“We are pleased to acquire a gold project with the potential to deliver a large upside for shareholders. This project presents the Company with an opportunity to leverage off the excellent work of previous explorers and the potential to make a discovery with the scope for large upside given the substantial ground holding. Immediate test-work can be initiated with low-cost exploration work.”*

*“The extensive drainage system outlined by the geophysical work provides the Company with a platform to unlock upside for shareholders by undertaking a targeted exploration program based on this earlier work and focussing on un-tested prospective targets in a flat lying area with good access and in relatively close proximity to the historical gold mining centre of Halls Creek.”*

**Malcolm Carson**  
**Executive Chairman**

## THE RUBY PLAINS PROJECT - OVERVIEW

The project area illustrated in the figure below, covers extensive palaeo-river channels containing younger alluvial (sand) / gravels which have the potential for physical concentrations of gold together with older secondary bio-geochemical concentrations in supergene deposits.



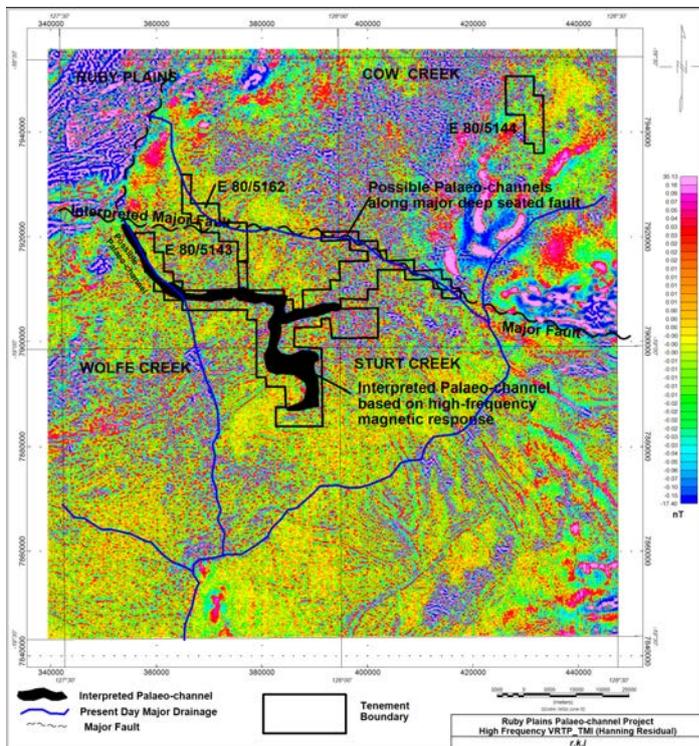
Ruby Plains is considered a potentially large auriferous channel and gravel plain placer. The main palaeo-river channels lie immediately to the south east of the mineralised Halls Creek mobile zone. Ruby Plains has generic similarities to the Californian dredging fields, Hammonton and Folsom, which produced in excess of 8Mozs of gold. Total placer gold recovered in California between 1848 – 1965 was 68Moz mainly from Tertiary (circa 65Moz) & Quaternary (circa 3Moz) gravels.

In the Californian gold rush, the Tertiary gravel deposits were very rich and mined extensively followed by the younger, reworked, usually more diluted Quaternary gravels.

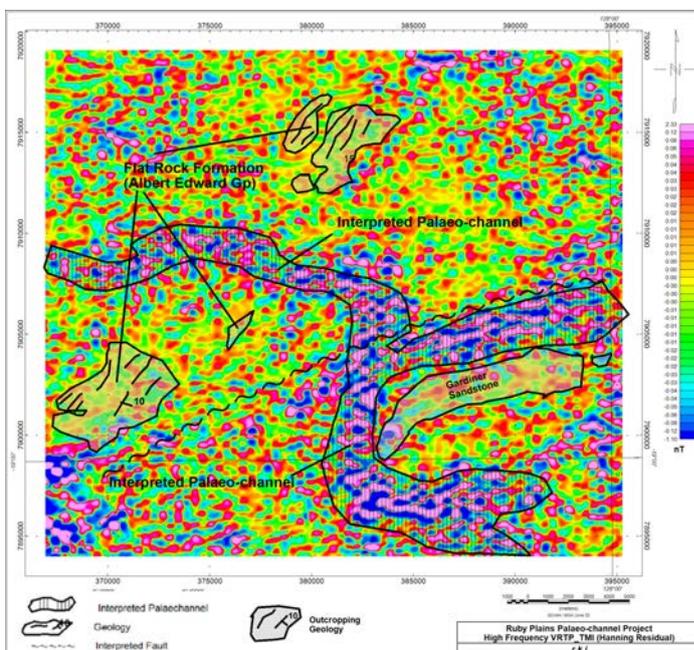
Similarly, the Tertiary alluvials in the Victorian Goldfields were exceptionally rich in the early days of mining with Victoria producing ~2,500t of gold by 1900 which represents ~20% of all the gold produced in Australia since the late 1800's. Ballarat was recognised as probably the richest alluvial goldfield in the world at its peak between 1852 and 1853 with the deep lead field producing more than 88 tonnes of gold (~3M ounces) and with some deep lead deposits grading up to 40gm/m<sup>3</sup> (~3oz/t) gold.



Preliminary interpretation and modelling of the Ruby Plains Project area has been completed using palaeo-geomorphological modelling and geophysical testing and interpretation. The initial work indicates there could be at least 50km of unexplored palaeo-river channels. Further low cost geophysical work is required to better define the channels and targets for drilling.



Geophysical image showing outline of the large palaeo-river channel in E80/5143.



Detailed interpretation (2012) of the channel in E80/5143.

*This initial geophysical modelling is to be refined using low-cost, passive seismic geophysical techniques, followed by ground-truthing auger drilling.*



## Regional Geology, Physical (Quaternary) and Bio-geochemical (Tertiary) Gold

The tenements cover the channels and unconsolidated sections of a 'gravel plain' giant placer generated by the ancient palaeo-drainages following deep chemical weathering and Tertiary lateritisation of the auriferous Halls Creek Group.

Deep chemical weathering in the Kimberley region of gold-bearing rocks within the Halls Creek Mobile Zone during the humid Late Cretaceous-Early Tertiary, liberated substantial tonnages of gold and heavy minerals for 50 million years.

Palaeo-river systems transported the gold in a south-east direction to the Canning Plains area until the late Tertiary where they were deposited as a 'gravel plain' giant placer (in blanket form) and within palaeo-channel trap sites. It is interpreted that, within a part of the Ruby Plains project area, with the potential for placer gold are concealed under a veneer of 'black soil', laterite, sand dunes and aeolian soils.

Very little modern-day exploration has been completed to test the targets. However, traces of gold from soil and drainage samples taken within the region by a previous diamond explorer highlight the targets' potential. In 1931, a water bore drilled over one of the palaeo-channel gravel targets at Ruby Plains struck gold confirming the potential.

Preliminary field examination of the Ruby Plains area also suggests that the area hosts large expansive areas of gravels similar to that seen in the Pilbara where conglomerate gold mineralisation is now the target of extensive exploration efforts. The occurrences of blue quartz within these gravel blankets and identified by a previous explorer inspecting dam excavations in the Ruby Plains area provides Dampier Gold with a further geological model to pursue for shallow hosted mobilised gold mineralisation.

In 2007, a previous exploration company pegged several exploration licenses over a large area at Ruby Plains based on the Placer Gold model. The company completed a gravity geophysical survey in the N-E area of Ruby Plains and generated several targets ready for drilling. The 2008 stock market crash prevented the company to raise further exploration funds and the tenements were eventually dropped without any drilling being completed. In 2012, a previous explorer tested a small portion of the palaeo-channel system at Ruby Plains by scout drilling without success. Detailed geophysics was not used to position drill targets and accessibility was confined to station tracks and as a result the results were inconclusive.

### **Competent Persons Statement**

*Mr Malcolm Carson has compiled information in this report from information and exploration results supplied to Dampier Gold Limited. Malcolm Carson has sufficient experience that is relevant to the style of mineralisation, the types of deposits under consideration and to the activity that he is undertaking and qualifies as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results ("JORC Code"). Mr Carson is a Member of the Australian Institute of Mining and Metallurgy (AusIMM) and Australian Institute of Geoscientists (AIG) and is a Director of Dampier Gold Limited and Allegiance Coal Limited. Mr Carson consents to the inclusion in the report the matters based on the information in which it appears.*