



31 October 2019

SEPTEMBER 2019 QUARTERLY ACTIVITIES REPORT

ASX : DAU

ISSUED CAPITAL

Ordinary shares:

190,485,995

Undiluted Market

Capitalisation: \$3.4M

Cash: \$1.5M

DIRECTORS

Mr Malcolm Carson

Executive Chairman

Ms Hui Guo

Executive Director

Mr Peiqi Zhang

Non-Executive Director

CONTACT

Dampier Gold Limited

ACN 141 703 399

29 Brookside Place

Lota QLD 4179

P: (07) 3901 0751

F: (07) 3901 0751

E: info@dampiergold.com

www.dampiergold.com

eedsacxca

- On 4 October 2019, Dampier Gold Limited (ASX: DAU) (Dampier) executed terms sheets with Torian Resources Limited (ASX:TNR) (Torian) for Dampier, subject to due diligence and shareholder approval, to earn up to 75% of the Zuleika Gold Project (Zuleika Project) and 50% of the Credo Well Gold Project (Credo Well Project) in the Mt Pleasant district of Western Australia.¹
- Dampier, from its detailed analysis of the vast data base, has developed a “transformational” exploration strategy for testing of more than 36 targets which have been identified as being underexplored and requiring follow-up drill testing.
- The Kundana - Mt Pleasant districts has a number of operating mines and has produced to date circa 20 million ounces of gold and remains highly prospective for further discoveries.
- The Zuleika Project and Credo Well Project lie within the same world class gold mining district of several major gold mines, including Northern Star’s Kundana Mine and the East Kundana Joint Venture (EKJV) owned by Northern Star, Tribune Resources’ and Rand Mining (~7Moz) and Evolution’s Frog Legs and White Foil mines (~3Moz) and Norton Goldfields, Paddington Mine.
- The Carnage Shear, parallel to Zuleika, is an untested structure which Dampier has access to 20km of strike and 8 targets identified to date. The Carnage Shear has the potential to be a mirror image of the Zuleika Shear.
- Dampier applied for additional prospecting licenses along the Zuleika Shear during the quarter.
- At Goongarrie, Dampier completed early stage reconnaissance and confirmed the presence of anomalous gold and nickel in auger drill holes and confirmed the presence of greenstone lithologies within the Menzies and Goongarrie Project areas.²
- Dampier continues to pursue its rights to earn up to 50% of the K2 Gold Mine pursuant to the Binding Terms Sheet with Vango Mining Limited (ASX:VAN) (Vango).

¹ Refer: Zuleika and Credo Well Farm-in Joint Venture released on 4 October 2019

² Refer: Goongarrie Reconnaissance Exploration Results released on 21 October 2019

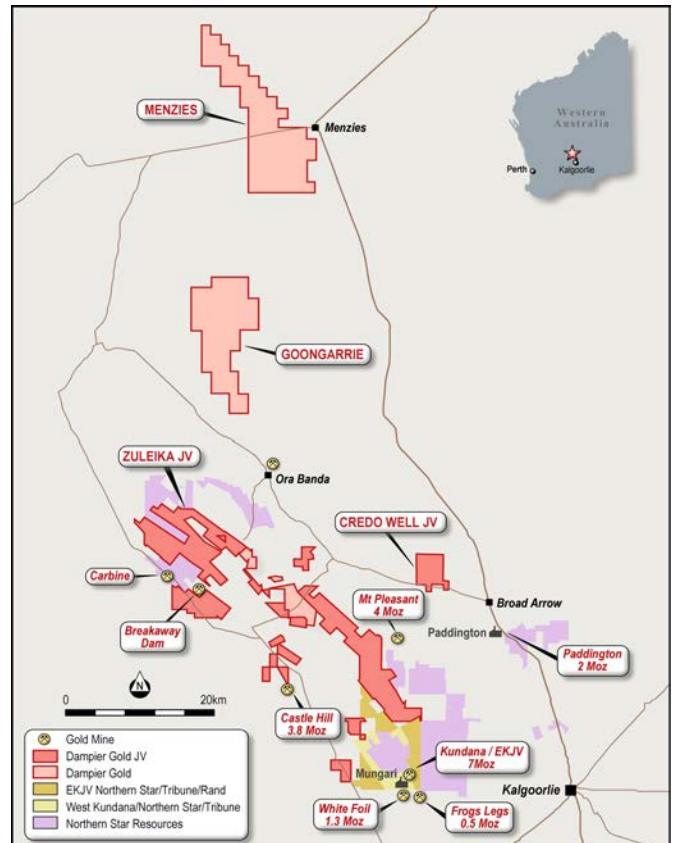
Zuleika and Credo Joint Ventures

Pursuant to the Farm-in joint ventures dated 4 October 2019, 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 is currently undertaking its due diligence, which is 60 days for the Credo Well Joint Venture and 90 days 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 Menzies and Goongarrie projects, Dampier now has a substantial presence in the Kalgoorlie-Menzies region with tenements covering ~650sqkm of prospective ground. (shown in the adjacent figure)

Around 20 million ounces has been produced from the Zuleika – 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 Zuleika Shear is recognised as a major conduit for gold mineralisation and Dampier is of the view that its mirror image, the Carnage Shear, represents a largely untested target. Dampier has 20km of strike along the Carnage Shear and number of anomalous drilled and bedrock targets which require follow up drilling.

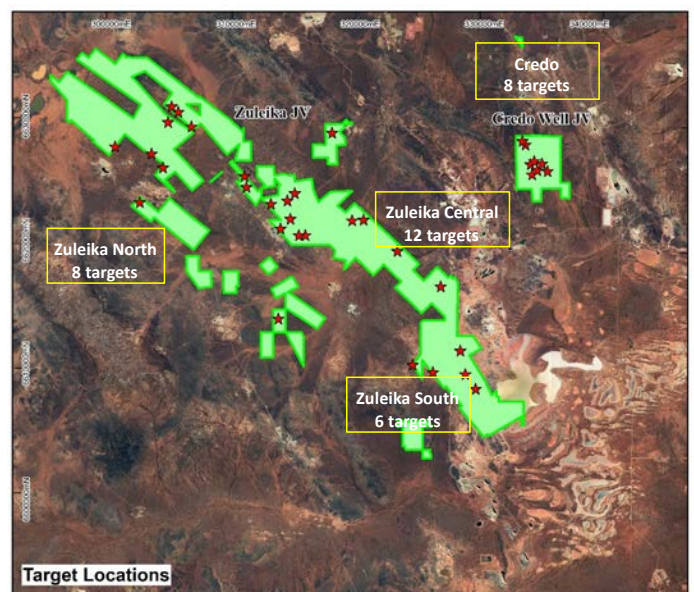


Zuleika, Carnage and Credo Drill Targets

Dampier, from its analysis of the data base to date, has identified 36 targets in Zuleika North, Zuleika Central, Zuleika South and Credo. (shown as red stars in the adjacent figure)

For Zuleika, these targets lie along the Zuleika Shear, the Carnage Shear and within the Kurrawang formation.

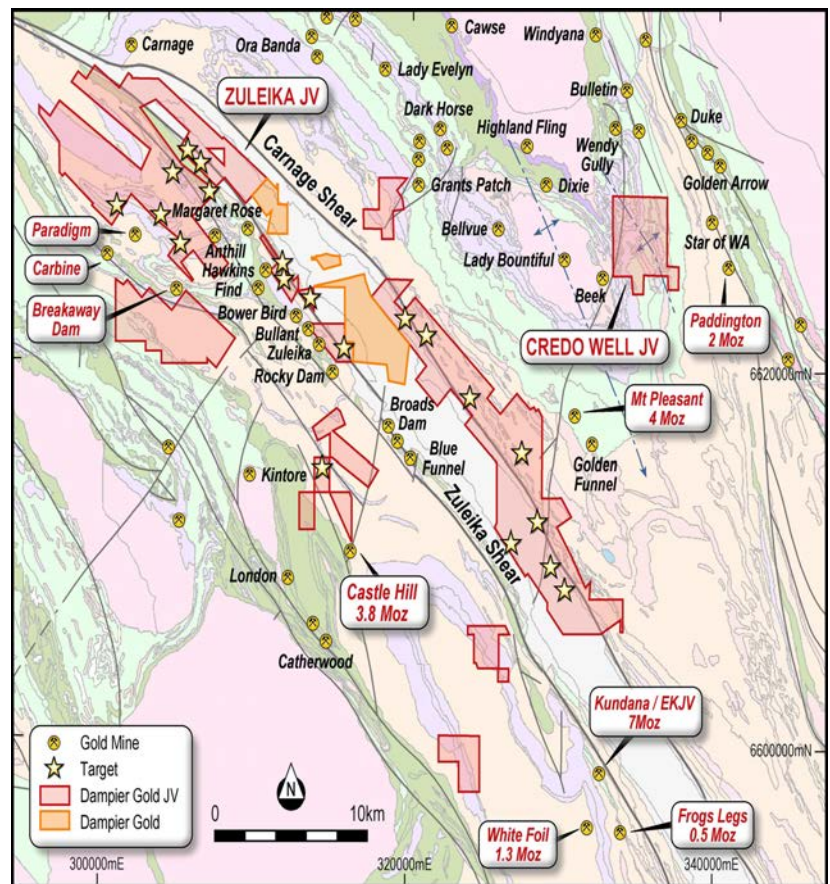
For Credo, the targets relate to open-ended drilling results near to old workings at Credo Well, Fortis and Fidelitas and elsewhere on the tenements.





The Carnegie Shear, which is parallel to the Zuleika Shear (shown in the adjacent figure), is underexplored relative to the Zuleika Shear and from Dampier's review has lacked (over recent years) a systematic approach applied to regional and targeted exploration. The Carnegie Shear sits along-side the Kurrawang epiclastic basin. Major gold mines throughout the world are often associated with these basins, which are interpreted to act as a cap on mineralised hydrothermal fluids.

On the Carnegie Shear, Dampier has defined 8 targets from drilled gold intersections and bedrock geochemistry in RAB/aircore and shallow auger drilling programs, along the 20km of strike within the joint venture tenements.

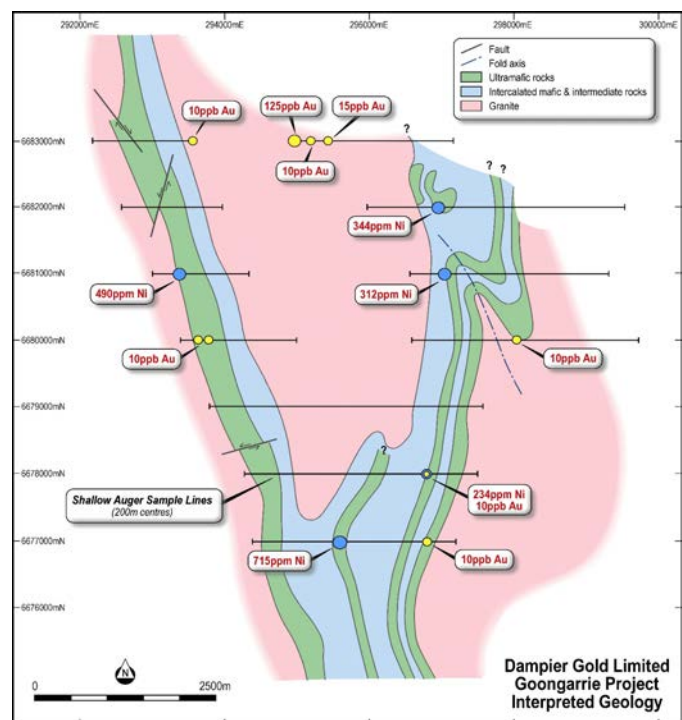


Goongarrie

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.



Menzies

During the quarter the Menzies tenement was granted. Dampier has completed its desk-top studies and will implement a shallow sampling program to identify potential drill targets.

K2 Gold Mine

Dampier continues to pursue its rights to earn up to 50% Joint Venture interest in the K2 Gold Mine through the expenditure of \$3 million pursuant to a Binding Terms Sheet with Vango. Dampier is trying to negotiate with Vango to resolve this dispute in a sensible manner.

Dampier notes in the *Chairman's* letter released by Vango to the ASX on 10 October 2019, the following statement which reaffirms Dampier's earn in right to earn 50% Joint Venture interest in the K2 Gold Mine by the expenditure of \$3 million (irrespective of any assessment of what the ultimate capital cost may be).

"K2 Update. Shareholders will be aware that we have a Binding Term Sheet agreement with Dampier Gold (ASX: DAU) in respect of our K2 Gold Deposit within the Marymia Project. Our agreement with Dampier sets out that Dampier can contribute the lesser of 50% of the capital expenditure or \$3 million to the development of a mine at the K2 Deposit, and the exploration for and mining of gold at K2 and its processing for the extraction of gold. By any reasonable commercial assessment, the capital expenditure required for development, exploration, mining and processing at the K2 underground mine will be in excess of \$20 million. Whilst moving forward to develop K2 in the mid to longer term will benefit all parties concerned, Vango remains focussed on the much larger projects being opened up at Trident, Triple P and other potentially larger high priority target areas."

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 pisolitic conglomerates in those channels.

From a review of magnetic and geomorphological data, Dampier has designed an exploratory drilling program.

Malcolm Carson Chairman

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.



TENEMENT HOLDING

TenementID	Column1	Status	Current Area	Approx Km2
P16/3238	Zuleika Shear	Pending	175HA	1.75
P16/3237	Zuleika Shear	Pending	172HA	1.72
P16/3236	Zuleika Shear	Pending	180HA	1.80
P16/3229	Zuleika Shear	Pending	199HA	1.99
P16/3228	Zuleika Shear	Pending	197HA	1.97
P16/3227	Zuleika Shear	Pending	197HA	1.97
P16/3226	Zuleika Shear	Pending	197HA	1.97
P16/3225	Zuleika Shear	Pending	192HA	1.92
P16/3224	Zuleika Shear	Pending	111HA	1.11
P16/3223	Zuleika Shear	Pending	170HA	1.70
E80/5295	Zuleika Shear	Pending	29 BL	93.83
E80/5294	Zuleika Shear	Pending	6 BL	19.43
E80/5293	Zuleika Shear	Pending	4 BL	12.96
E80/5292	Zuleika Shear	Pending	14 BL	45.35
E80/5291	Zuleika Shear	Pending	10 BL	32.39
E80/5162	Ruby Plain	Live	20 BL	64.81
E80/5161	Ruby Plain	Pending	49 BL	158.95
E80/5144	Ruby Plain	Live	21 BL	68.10
E80/5143	Ruby Plain	Live	170 BL	550.28
E29/1052	Menzies	Live	58 BL	171.92
E29/1051	Goongarrie	Live	53 BL	157.47