

ASX RELEASE

7 December 2020

\$6 MILLION CAPITAL RAISING TO ACCELERATE DAMPIER'S GOLD EXPLORATION PROGRAMS

Transformational raising to be utilised to advance Dampier's Kalgoorlie gold exploration strategy

Key Points:

- Firm commitments received for Placement to raise \$6 million
 - Strong demand from institutional and strategic investors
 - Proceeds from the Placement to underpin the Company's ongoing high-impact drilling programs across multiple exploration targets at its Kalgoorlie gold projects
 - Key exploration activities to include:
 - Stage 1 Aircore and Reverse Circulation (RC) drilling programs focusing on advancing Tier-1 targets at Paradigm East, Browns Dam, Castle Hill East and Credo; and
 - Stage 2 drill target generation on Zuleika, Goongarrie and Menzies gold projects involving mapping, soil sampling, geophysical interpretation, Aircore and RC drilling
 - Continuous regional exploration and interpretation over the Zuleika tenements to generate new targets to progress Dampier's overall drilling and development strategy
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Dampier Gold Limited ("DAU", "Dampier" or the "Company") is pleased to announce that it has received firm commitments to raise \$6.0 million (before costs) via a two-tranche share placement to institutional, sophisticated and professional investors. Approximately 109.1 million new fully paid ordinary shares are to be issued at \$0.055 per share ("New Shares") together with a one (1) for three (3) free attaching unlisted option ("Placement") exercisable at \$0.10 and expiring 31 January 2023 ("Options").

The Placement was strongly supported by Australian and offshore institutional and strategic investors, with the book build value significantly exceeding the Placement amount.

Canaccord Genuity (Australia) Limited acted as Lead Manager for the Placement.

Tranche one will comprise the issue of approximately 44.5 million New Shares and 14.8 million free attaching Options to raise A\$2.4 million utilising the Company's available placement capacity under ASX Listing Rule 7.1 and 7.1A ("Tranche 1"). Tranche two will comprise the issue of approximately 64.6 million New Shares and 21.5 million free attaching Options to raise A\$3.6 million, subject to shareholder approval at a general meeting ("GM") to be held in approximately mid-January 2021 ("Tranche 2").

Placement proceeds will be used to fund drilling and other exploration activities at the Company's Zuleika Shear, Credo, Goongarrie, Menzies and Ruby Plains Gold Projects, as well as for general project related working capital.

Dampier's Managing Director Ms Annie Guo said:

"The strong demand from institutions and strategic investors reflects the quality of Dampier's projects, its Tier-1 location and immense potential for further growth."

“Over the past 6 months, Dampier’s exploration team has propelled Dampier from an early stage explorer to a company with the potential to enhance existing resources and with multiple drill targets. This early exploration success confirms the significant potential of Dampier’s asset portfolio and the ability of its skilled and committed exploration team.”

“Having generated very strong financial support, the Company remains sharply focussed on strategic exploration. The Directors are confident that by unlocking the full value of our existing targets, whilst simultaneously adding new priority targets through intelligently planned and managed exploration by our highly experienced team, will generate substantial future growth for the Company.”

Exploration Programs

Dampier plans to undertake approximately 8,000 metres of drilling in early 2021 on the Zuleika Gold Project located on the perspective Zuleika Shear. The Zuleika Shear is located 25km West North West of Kalgoorlie in Western Australia and represents one of the most sought-after gold regions in Australia, being home to more than 20 million ounces of historical gold production. The Zuleika Shear hosts operating mines including Evolution Mining’s Mungarie Gold Mines and Northern Star’s Kundana Gold Mine, the East Kundana Joint Venture Gold Mines, gold mines operated by Zijin Mining and a number of historical mines which together have to date produced more than 20 million ounces. Dampier is currently earning a 75% JV interest in the Zuleika Shear Gold Project from Torian Resources Limited.

The Credo Gold Project is a joint venture with Torian Resources Limited, located in the Mt Pleasant District of Western Australia and in the same mining district as the Zuleika Project. Dampier plans to undergo both Diamond and RC drilling to pursue expected high-grade results. Approximately 2,000 metres (Diamond and RC) of drilling is scheduled to commence at the Credo Gold Project in the first quarter of 2021.

Placement Details

The Company has received binding commitments from new and existing institutional and sophisticated investors to raise \$6.0 million (before costs), through the issue of 109,090,910 New Shares at an issue price of \$0.055 per New Share together with a one (1) for three (3) free attaching Option. It is intended that pursuant to Tranche 1, 16,161,047 New Shares and 14,835,034 free attaching Options will be issued under the Company’s existing 15% placement capacity in accordance with Listing Rule 7.1 and 28,344,054 New Shares will be issued under Listing Rule 7.1A. The Tranche 2 placement of 64,585,809 New Shares and 21,528,604 free attaching Options will be issued following the receipt of shareholder approval at the GM. The New Shares issued under the Placement will rank equally with Dampier’s existing issued fully paid ordinary shares.

Subject to the receipt of shareholder approval, the Company has agreed to grant Canaccord Genuity 10,000,000 Options in part consideration for Canaccord acting as Lead Manager for the Placement.

The indicative Placement timetable is set out below.

Event	Date
Placement announced	Monday, 7 December 2020
Settlement of Tranche 1 Placement securities	Friday, 11 December 2020
Expected quotation of Tranche 1 New Shares	Monday, 14 December 2020
Settlement of Tranche 2 Placement securities (subject to shareholder approval at GM)	Mid to late January 2021

Note: These dates are indicative only and are subject to change. Dampier reserves the right to vary these dates at its discretion and without notice subject to the Corporations Act and ASX Listing Rules.



dampiergold

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Authorised for release by

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Forward Looking Statements

Any forward-looking information contained in this announcement is based on numerous assumptions and is subject to all of the risks and uncertainties inherent in the Company's business, including risks inherent in mineral exploration and development. As a result, actual results may vary materially from those described in the forward-looking information. Readers are cautioned not to place undue reliance on forward-looking information due to the inherent uncertainty thereof.