



dampiergold

ASX Announcement

19 February 2014

Dampier Gold is positioning itself to be among the next generation of Australian gold producers. The Company is involved in evaluating and exploring the Plutonic - Marymia greenstone belt in central Western Australia with a view to near-term gold production.

ASX CODE

DAU

CURRENT

Share Price

\$0.025

ISSUED SHARE CAPITAL

Ordinary shares

66.7M

DIRECTORS

Mr Rod Hanson

Chairman

Mr Richard Hay

Managing Director

Mr Peiqi Zhang

Non-Executive Director

Ms Hui Guo

Alternate Non-Executive Director

CONTACT

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Letter to Shareholders

Dampier Gold Limited (ASX: DAU) has been made aware that a copy of the attached letter has been mailed to Shareholders.

A General Meeting of the Shareholders will take place at 9.00am (Perth time) on Friday, 7 March 2014 at the Celtic Club, 48 Ord Street, West Perth, Western Australia. A Notice of General Meeting of Dampier Gold Limited Shareholders and personalised Proxy Form were mailed to all Shareholders with a copy released to ASX on 28 January 2014.

- END -

19 February 2014

Letter to Shareholders from Non-Executive Chairman – Dampier Gold Limited

Dear Shareholder

Over recent weeks you will have received information from Dampier Gold and one of its shareholders, Columbus Minerals Limited, seeking to guide your vote at the **General Meeting scheduled for 9:00am (WST) on Friday 7th March 2014** at The Celtic Club, 48 Ord Street, West Perth, WA.

In brief, Columbus has called this meeting to seek the **appointment of a second Columbus representative to the Dampier Board of Directors and to remove the Managing Director from the Board**. If Columbus is successful, two of the three directors will be Columbus nominees with me as the third director and independent Chairman. This outcome is unacceptable as it will give Columbus, an 18.9% shareholder, control of Dampier and its assets. Columbus has no clear strategy for Dampier. I strongly recommend that you **vote AGAINST both resolutions**.

Columbus claims that the recently completed Farm In and Joint Venture (FIJV) with Ord River Resources (Ord) is not in the best interests of Dampier. However, in order to keep these tenements in good standing, an annual expenditure of \$3.5 million is required. In addition, the rehabilitation liability is \$2.4 million. Your Board determined that for a company of our size, raising \$3.5 million annually to support the project would be highly dilutive. An added benefit is that as Ord earns equity, Dampier's rehabilitation liability decreases proportionally.

Having secured funding for the Plutonic Dome project, **Dampier is now well positioned to advance its strategy to acquire new project/s** that are better suited to its financial capacity.

Columbus is seeking to opportunistically take control of your Company and in so doing will cause a **serious loss of corporate knowledge** with the removal of the Managing Director, Richard Hay, our only full-time employee. Richard has great faith in the Plutonic Dome project, whilst recognising the funding reality. He has the ability and experience to assess new opportunities for your Company. His role in running the Company, seeking opportunities and monitoring the FIJV is a full time undertaking.

As the Chairman, and the only independent director, I firmly believe that both resolutions are not in the best interests of your Company nor you as an individual shareholder and strongly recommend that you vote AGAINST both Resolutions.

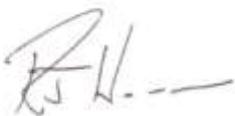
If you are unable to attend the meeting, you are encouraged to complete and return the Proxy Form previously sent to you to Computershare in the reply paid envelope, or vote online as instructed on the Proxy Form, by 9.00am (WST) on Wednesday 5th March 2014. Please note you are entitled to change your voting directions on your Proxy Form at any time up until this deadline.

If you require a new Proxy Form or assistance with voting on-line, please feel free to contact the Company by phone on: +61 8 6424 9700, fax: +61 8 6424 9799, or email: admin@dampiergold.com .

You can rest assured that **my sole objective as the only independent director is to act in the best interests of all shareholders**. I seek your support to **reject both resolutions**.

If you would like any further information or to discuss this matter directly, please feel free to contact me by phone on: +61 8 6424 9700 or email at: admin@dampiergold.com .

Yours sincerely,



Rod Hanson
Non-executive Chairman

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