



dampiergold

ASX Announcement

12th December 2012

Dampier Gold is positioning itself to be among the next generation of Australian gold producers. The Company is evaluating and exploring ~700km² of the Plutonic - Marymia Greenstone Belt in central Western Australia with a view to near-term gold production. The project currently hosts defined Mineral Resources of 683,000 ounces of gold.

ASX CODE

DAU

CURRENT

Share Price

\$0.09

Undiluted Market Capitalisation

\$5.7M

ISSUED CAPITAL

Ordinary shares

63.7M

DIRECTORS

Dr Russell Skirrow

Chairman

Mr Philip Retter

Non-Executive Director

Mr Rod Hanson

Non-Executive Director

MANAGEMENT

Mr Richard Hay

Chief Executive Officer

Mr Brendan Cocks

Chief Financial Officer

Mr Greg Rawlinson

General Manager – Geology

CONTACT

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RAB Drilling Commenced at Plutonic Dome Project

- 3,000m RAB drilling program has commenced, testing five prospective gold targets
- Regional soil geochemistry:
 - Sampling completed on the very prospective Budgie trend
 - Sampling program scheduled for Yowereena in January 2013

Dampier Gold (“Dampier” or the “Company”) is pleased to announce that RAB drilling has commenced at its 100% owned Plutonic Dome project in central WA (Figure 1).

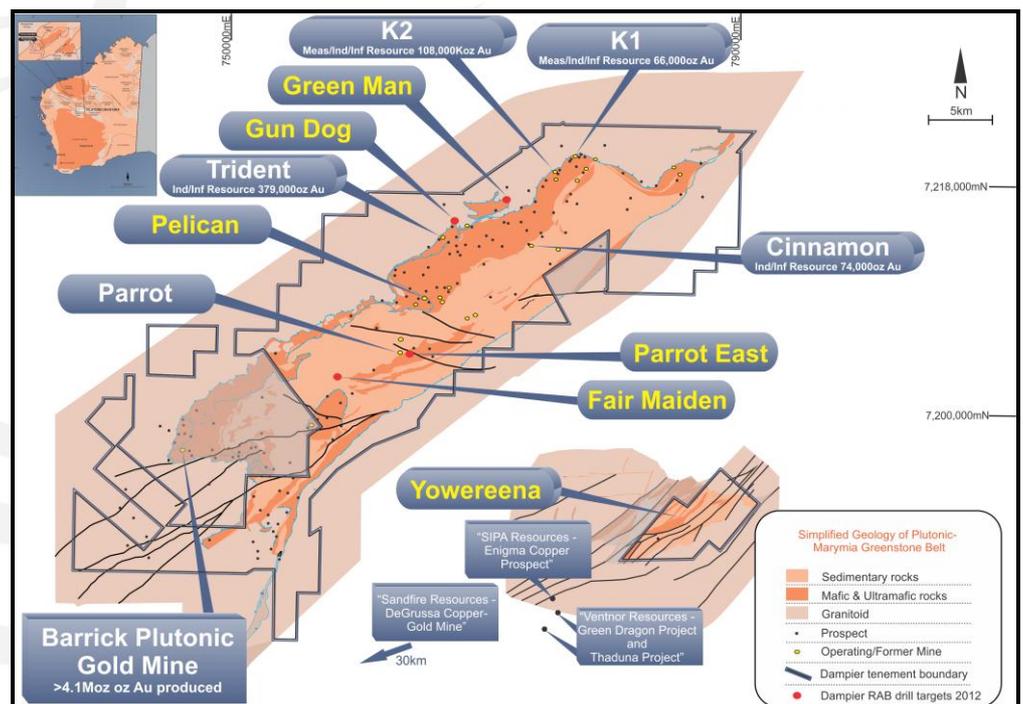


Figure 1. Plutonic Dome Project simplified geology and deposit / prospect locations



RAB Program

Five targets will be drill tested including follow up at the Fair Maiden and Parrot East prospects (Figure 1), with drill holes designed to test for additional mineralisation along strike from previous intersections (refer to ASX announcement dated 31st July 2012). A new interpretation of mineralisation at Pelican will be tested below the shallow (<10m) oxide pit. Drill holes at the remaining two prospects, Green Man and Gun Dog, will test Mobile Metal Ion (MMI) soil anomalies outlined by the regional geochemistry work completed earlier in 2012 (refer to ASX announcement 17th October 2012). Green Man and Gun Dog are located along the highly prospective granite overthrust margin.

Regional Geochemistry

The Company has continued its integrated approach to exploration which includes regional multi-element geochemistry targeting gold mineralisation. Collection of some 1,100 soil samples for Mobile Metal Ion (MMI) assay has been completed over the well mineralised Budgie trend which includes the Cinnamon deposit (Figure 1). Assay results are expected in the New Year.

The Company's Yowereena project is located to the southeast and along strike of Sipa Resources' Enigma copper prospect (Figure 1). The project includes the high grade Boundary Fence gold prospect, plus several isolated RAB intersections of anomalous gold, copper and zinc in the central zone (Figure 2). The recently discovered copper and gold projects / prospects on neighbouring tenements reaffirms the exploration potential of the district (Figure 2).

The Company has scheduled a multi-element soil geochemistry program over the Yowereena project for January 2013.



ASX Announcement

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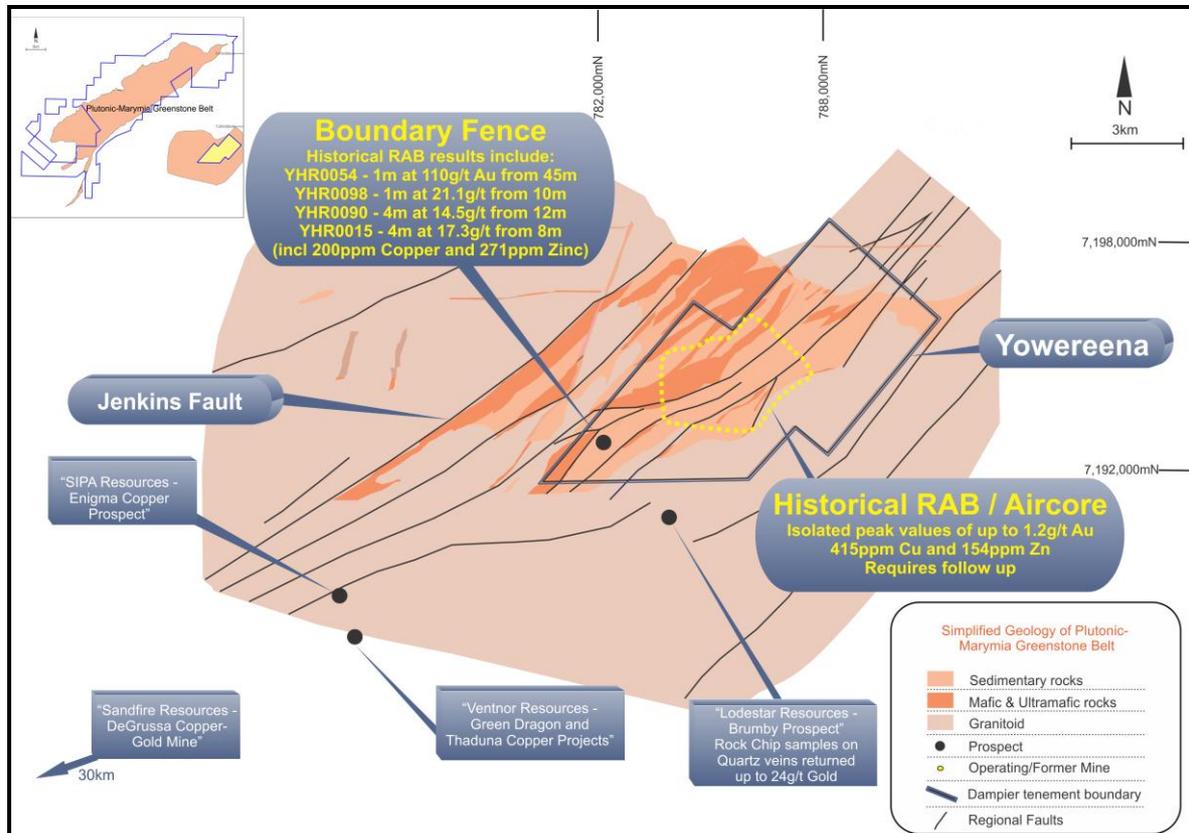


Figure 2. Simplified geology of the Yowereena project area showing prospects plus neighbouring projects / prospects



Contacts

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About Dampier Gold

Dampier Gold acquired 100% of the ~700km² Plutonic Dome Project from Barrick Gold in 2010, covering the majority of the Plutonic – Marymia Greenstone Belt, excluding Barrick’s underground mining and processing operation. Dampier’s project area produced some 580,000oz Au from 40 open pits in a generally low gold price environment between 1990 and 2005. The project currently contains a Mineral Resource of approximately 683,000oz Au (comprising a Measured Resource of some 0.6Mt at 2.1g/t Au, an Indicated Resource of some 2.7Mt at 4.0g/t Au and an Inferred Resource of some 2.2Mt at 4.1g/t Au). The Company is evaluating and exploring ~700km² of the Plutonic – Marymia Greenstone Belt in central Western Australia with a view to near-term gold production. Framework terms are in place for a proposed ore purchase agreement to access Barrick’s Plutonic processing facility. If agreed, this will help fast-track Dampier to producer status with a modest capital outlay.

Competent Persons

The information in this report that relates to Exploration Results is based on information compiled and reviewed by Mr Richard Hay, who is a Member of the Australian Institute of Geoscientists and the Chief Executive Officer of Dampier Gold. Mr Hay has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he has undertaken, to qualify as a Competent Person as defined in the 2004 JORC Code. Mr Hay consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.