



dampiergold

ASX Announcement

26th April 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 628,000 ounces of gold.

ASX CODE

DAU

CURRENT

Share Price

\$0.205

Undiluted Market Capitalisation

\$11.3M

ISSUED CAPITAL

Ordinary shares

55.3M

DIRECTORS

Dr Russell Skirrow

Chairman

Mr Richard Burden

Non-Executive Director

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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Dampier Set To Commence RC Drilling At Apex Copper Prospect

- RC drill rig mobilised to site this week to test main Apex copper anomaly
- Regional Mobile Metal Ion (MMI) soil sampling program underway over NW granite thrust margin
- RAB drilling program scheduled for late May to evaluate new gold anomalies

Dampier's CEO Richard Hay described the forthcoming field season as "...an important phase in Dampier's short history where we will commence the implementation of our integrated approach to discovery in lightly tested and highly prospective areas of the Plutonic – Marymia greenstone belt."



Dampier Gold (“Dampier” or the “Company”) is pleased to provide the following update on field activities at its 100% owned Plutonic Dome project located in central WA (Figure 1).

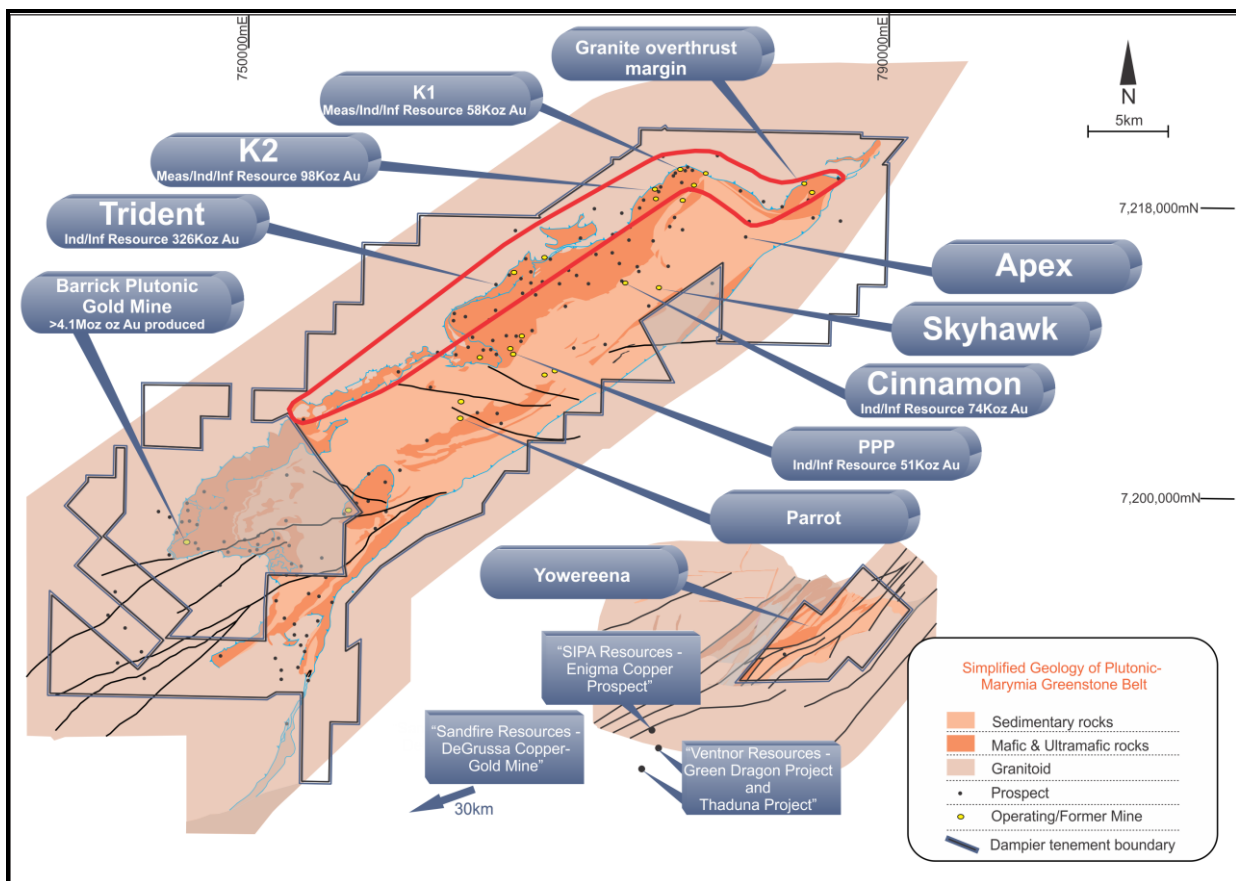


Figure 1. Plutonic Dome Project simplified geology and deposit/prospect locations highlighting the NW granite overthrust margin (red outline)

Apex Drilling

After a delay due to recent heavy rains in the region, an RC rig has been secured to drill 6 stratigraphic holes into the main copper anomaly at Apex (refer ASX announcement dated 14th March 2012). The key purpose of the drilling is to test for a potential primary source of the extensive supergene copper anomaly.

Regional MMI Program

An extensive Mobile Metal Ion (MMI) soil sampling program commenced this week over the NW granite overthrust margin of the Plutonic – Marymia greenstone belt covering approximately 22km of the ~44km available in Dampier’s ground (Figure 1). The MMI



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Continued

technique was recently applied over the wider Apex area with encouraging results (refer ASX announcement dated 14th March 2012) providing confidence in a more widespread application of the technique.

The NW granite overthrust margin represents one of our high priority macro-concept targets. Six significant gold deposits, including the multi-million ounce Plutonic deposit, have been discovered along the NW granite overthrust margin attesting to its high prospectivity for hosting further discoveries. The MMI technique potentially detects “blind” mineralisation at depth, and combined with other geochemical, structural, geological and geophysical information is expected to assist in the generation of new resource targets.

Regional RAB Drilling Program

A circa 5,000m RAB / aircore program is scheduled to commence in late-May. Drilling will test several new priority anomalies from the +85 preliminary targets identified from Dampier’s integrated approach of reprocessing the existing geochemical data and combining it with geological, geophysical and structural information to prioritise targets. Additionally, follow-up holes are planned to further test the previously reported RAB intersections at the Opaline and Parrot East prospects (refer ASX announcement dated 10th October 2011).

Contacts

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About Dampier Gold

Dampier Gold has acquired 100% of the ~700km² Plutonic Dome Project from Barrick Gold, 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 628,000oz Au (comprising a Measured Resource of some 0.5Mt at 2.1g/t Au, an Indicated Resource of some 2.7Mt at 3.9g/t Au and an Inferred Resource of some 1.9Mt at 4.1g/t Au). The Company is actively evaluating its priority discovery targets with a view to build a critical mass of tonnes and grade for future 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 modest capital outlay.

Plutonic Dome Mineral Resource Inventory

Plutonic Dome Project Mineral Resource – January 2012

Deposit	OP/ UG	Measured		Indicated		Inferred		Total		
		Tonnes	Grade (g/t Au)	Tonnes	Grade (g/t Au)	Tonnes	Grade (g/t Au)	Tonnes	Grade (g/t Au)	Contained metal (oz)
***K2, K3	OP	19,000	3.2	197,000	4.7	272,000	2.1	489,000	3.2	50,200
	UG	-	-	158,000	6.5	87,000	5.2	245,000	6.1	47,600
Sub-total		19,000	3.2	355,000	5.5	359,000	2.8	734,000	4.1	97,800
*Trident	OP	-	-	-	-	-	-	-	-	-
	UG	-	-	787,000	6.2	1,072,000	4.9	1,859,000	5.5	326,100
Sub-total		-	-	787,000	6.2	1,072,000	4.9	1,859,000	5.5	326,100
**Albatross Flamingo	OP	-	-	194,000	1.8	103,000	2.8	297,000	2.2	20,800
	UG	-	-	-	-	-	-	-	-	-
Sub-total		-	-	194,000	1.8	103,000	2.8	297,000	2.2	20,800
***K1	OP	504,000	2.1	103,000	2.0	145,000	3.7	752,000	2.4	57,800
	UG	-	-	-	-	-	-	-	-	-
Sub-total		504,000	2.1	103,000	2.0	145,000	3.7	752,000	2.4	57,800
***PPP	OP	-	-	203,000	2.7	70,000	2.4	273,000	2.6	23,000
	UG	-	-	129,000	3.9	92,000	3.9	221,000	3.9	27,900
Sub-total		-	-	332,000	3.2	162,000	3.3	494,000	3.2	50,900
****Cinnamon	OP	-	-	961,000	2.3	54,000	2.3	1,015,000	2.3	74,100
	UG	-	-	-	-	-	-	-	-	-
Sub-total		-	-	961,000	2.3	54,000	2.3	1,015,000	2.3	74,100
Total	OP	523,000	2.1	1,658,000	2.0	644,000	1.9	2,826,000	2.5	225,900
Total	UG	-	-	1,074,000	6.0	1,251,000	4.8	2,325,000	5.4	401,600
Grand Total		523,000	2.1	2,732,000	3.9	1,895,000	4.1	5,151,000	3.8	627,500

OP = open pit, UG = underground

*Trident resource based on parameters detailed in an ASX announcement on 29th November 2010

**Open pit resources are reported within an optimised pit shell at A\$845/oz Au

*** Open pit resources are reported within an optimised pit shell at A\$1,600/oz Au

****Cinnamon resource is reported within an optimised pit shell at A\$1,700/oz Au

Due to rounding, tonnages and grades may not equate to exact contained ounces
100% equity basis



Competent Persons

The information in this report that relates to Exploration Results is based on information compiled and reviewed by Mr Greg Rawlinson, who is a Member of the Australian Institute of Mining and Metallurgy and General Manager Geology of Dampier Gold. Mr Rawlinson 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 Rawlinson consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

The information in this report that relates to the PPP, Trident, K1 and K2-K3 Mineral Resources is based on information compiled and reviewed by Mr Aaron Green who is a Member of the Australian Institute of Geoscientists and full-time employee of Runge Limited. Mr Green 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 Green consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

The information in this report that relates to the Cinnamon Mineral Resource is based on information compiled and reviewed by Mr Craig Allison who is a Member of the Australian Institute of Mining and Metallurgy (AusIMM), and full-time employee of Runge Limited. Mr Allison 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 Allison consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

The information in this report that relates to the Albatross-Flamingo resource is based on information 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.