



## NEWS RELEASE

### Damara Announces Execution of JV Agreement on Placer Mountain Project; Provides Exploration Update

August 9, 2021

TSX-V: DMR

DAMARA GOLD CORP. (TSX-V:DMR) ("Damara" or the "Company") is pleased to announce the Company has entered into a joint venture agreement with Universal Copper Ltd ("Universal") in respect of the Placer Mountain project ("Placer Mountain" or the "Property") located in British Columbia. As noted in the Damara press release dated April 30, 2021, Damara has completed its earn-in expenditures and exercised the option to acquire a 75% interest in Placer Mountain. Universal retains the remaining 25% interest.

**Larry Nagy, President and CEO of Damara stated** "We are pleased to have finalized the Placer Mountain joint venture agreement with Universal and are extremely excited to commence exploration on the Placer Mountain Project. Despite last minute timing issues and limited drill site access when the Company first acquired the Project last December, the maiden 2020 drill program successfully demonstrated the presence of a significant gold-bearing vein system on the Project. The well-exposed Main Vein trends directly under post-mineral cover, which combined with the presence of widespread quartz-limonite float, indicate good potential for the discovery of buried and preserved mineralization elsewhere on the Project. We are also very excited to test the copper-gold porphyry target revealed by our teams' data compilation effort. The Company looks forward to updating the market with the Phase II results from our upcoming drill program planned for this late Summer/Early Fall".

The Phase II exploration program includes a plan to collect approximately 2,500 B-horizon soil samples as well as complete a Soil Gas Hydrocarbon (SGH) orientation survey over and along strike of the Main Vein, where it trends underneath Eocene age post-mineral Princeton Group cover rocks.

Phase II will also consist of detail geological mapping, prospecting, and stream sediment sampling. With excellent weather conditions forecasted in Princeton, crews are expected to be able to continue exploration work without interruption. Numerous forest service roads provide excellent access throughout the Project. A recent forest fire and extensive logging in the area has exposed several new highly prospective areas showing widespread quartz-limonite vein float that were previously covered by heavy vegetation during historic exploration programs.

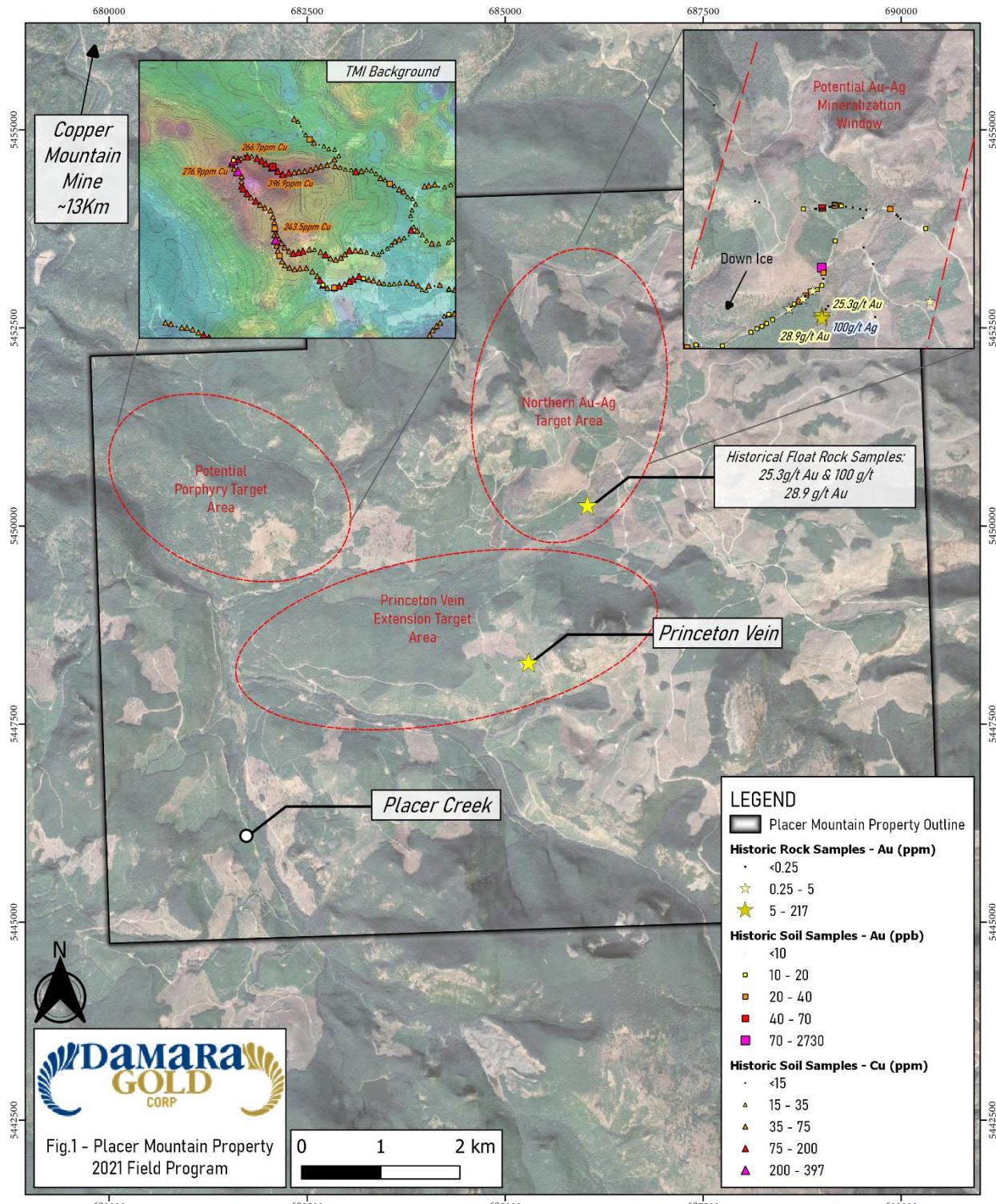
The quartz-limonite vein float occurs along a well-defined corridor identified by previous operators (Henneberry, 2018)<sup>1</sup>, which trends north from the main vein with a particularly strong concentration recently identified at the base of a Princeton Group exposure over 3.5 kilometers to the north of the Main Vein.

Damara will be focusing its exploration along an unconformity in the north of the Project, which separates Eocene Princeton Group and Triassic Nicola Group rocks (Figure 1), Northern Au-Ag

<sup>1</sup> Henneberry, 2018. 2018 Trenching Assessment Report. Princeton Property. BC Ministry of Energy Mines and Petroleum Resources.

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Target). Select historic grab samples running up to 28.9 g/t Au and 100 g/t Ag have been collected





in the area<sup>2,3</sup>. The Princeton volcanics may have provided a protective cap, preventing erosion of underlying mineralization throughout the Project. Mineralization may be better preserved under Princeton Group cover than where exposed at surface at the Main Vein showing.

A comprehensive stream sediment sampling program (Figure 2) to test for the presence of elevated gold, arsenic and antimony may help locate additional zones of buried mineralization elsewhere on the Project.

An interesting copper-molybdenum-gold-silver-arsenic-antimony anomaly in the western portion of the property was detected in road side soil samples collected by historic operators, along trend and only ~13km from the producing Copper Mountain Cu-Au Mine. The soil anomaly occurs along a prominent north-south gravity lineament defined by a regional airborne survey flown by Geoscience BC (Figure 3). The lineament is coincident with the Summers Creek Fault Zone, a north-south belt of alkalic copper-gold porphyry showings which trend from Copper Mountain in the south through to Kodiak Copper's recent MPD discovery. The Summers Creek Fault Zone represents a deep-seated regional structure, that controlled the emplacement of copper-gold porphyry mineralization along the belt. The gravity lineament, and the inferred Summers Creek Fault Zone, pass directly through the western half of the Placer Mountain Property, representing a potential copper-gold porphyry target. The soil anomaly is coincident with a magnetic high anomaly, which is a key characteristic of alkalic porphyry systems which often have a high magnetite content. A 1,000 soil sample grid is planned over this porphyry target area.

Following receipt and interpretation of the Phase II exploration results, the Company aims to follow up with excavator trenching across selected new targets as well as a minimum 2,000-meter core drilling program as early as September of this year. The permits for this proposed work program are currently in place.

#### About Placer Mountain

The Placer Mountain Property is comprised of 22 mineral claims covering approximately 8,955 hectares located approximately 35km south of Princeton, British Columbia and is subject to the Universal and Wilson NSR.

#### Qualified Person

Dr. Gerald G. Carlson, PhD, PEng, technical advisor to the Company, is the Qualified Person as defined by National Instrument 43-101 who has reviewed and approved the technical data in this release.

#### About Damara

Damara Gold Corp. is a TSX Venture listed mineral exploration company actively focused on the exploration of the Placer Mountain Gold Property, located in Princeton, BC, held by 75%/25% JV with Universal Copper Ltd. Damara's Board of Directors is seasoned in the mineral exploration industry with extensive and successful international experience.

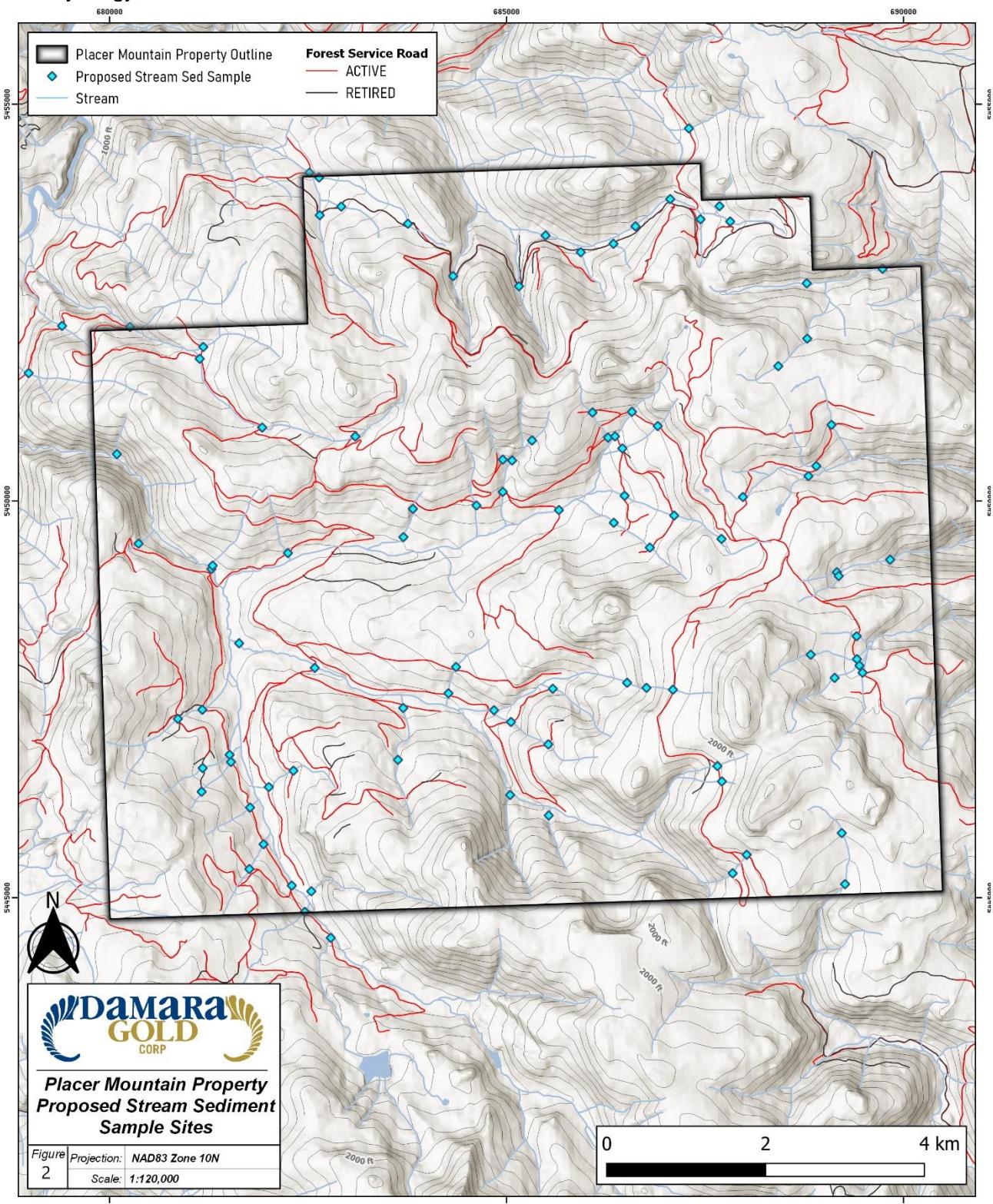
#### ON BEHALF OF THE BOARD OF DIRECTORS OF DAMARA

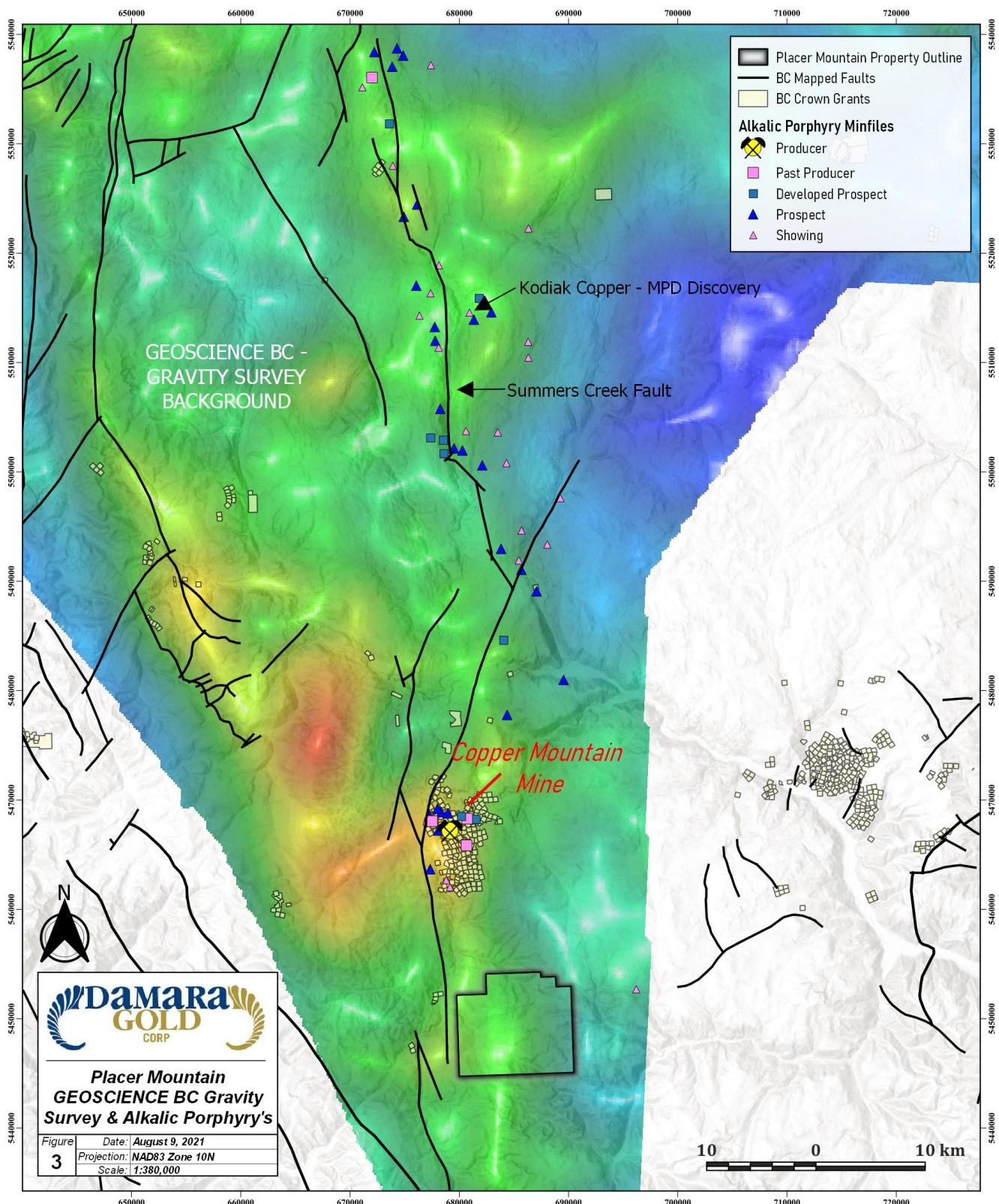
*"Larry Nagy"*

<sup>2</sup> Henneberry, 2015. 2015 Geological and Geochemical Report. Princeton Project. BC Ministry of Energy Mines and Petroleum Resources.

<sup>3</sup> The reader is cautioned that grab samples are selective in nature and are not necessarily representative of mineralization across the Project.

Larry Nagy, Chief Executive Officer







For additional information visit Damara's website at [www.damaragoldcorp.com](http://www.damaragoldcorp.com) or contact:

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