



NEWS RELEASE

Damara Announces Exercise of Option to Acquire a 75% Interest in the Placer Mountain Property

April 30, 2021

TSX-V: DMR

DAMARA GOLD CORP. (TSX-V:DMR) ("**Damara**" or the "**Company**") is pleased to announce having completed the minimum work commitment of \$300,000 at the Placer Mountain Property ("**Placer Mountain**" or the "**Property**") the Company has exercised the option to acquire a 75% interest in the Property.

As previously announced, Placer Mountain is under option ("the "**Option**") from Universal Copper Ltd. ("**Universal**") and Sydney Wilson ("**Wilson**") via an assignment agreement (the "**Assignment**") between Damara and Canagold Resources Ltd. ("**Canagold**") (see *news releases – December 7, 2020 and October 19, 2020*).

Pursuant to the exercise of the Option, Damara and Universal shall form a 75% - 25% joint venture (the "**JV**") and within 75 days enter into a definitive joint venture agreement (the "**JV Agreement**"). Execution of the JV Agreement is subject to a cash payment of \$25,000 to Universal.

Larry Nagy, President and CEO of Damara stated "*We are pleased to have completed the initial earn-in expenditures and look forward to recommencing exploration activities at the property in 2021. Damara and Universal will now form a JV Management Committee with Damara as the Operator of the JV. The Committee will meet to review and approve the next phase of exploration to further test the Alpha Vein and other unexplored targets on the property.*"

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.

Exploration highlights from the Phase 1 Earn-In Program as previously announced (see *news release April 1, 2021*) included:

- Maiden drill program on Placer Mountain returned 1.00m of 48.60g/t Au and 30.8g/t Ag in drillhole PG-20-001, and 4.0m of 7.07g/t Au and 101g/t Ag in drillhole PG-20-005.
- A 3DIP survey conducted in December, 2020 shows a distinct chargeability and resistivity response associated with the mineralization which extends off the survey area to the northeast along strike and under post-mineral cover. As a result, a larger airborne VTEM electromagnetic survey is being planned to expand on the ground-based survey and target extensions of mineralization underneath the post-mineral cover rocks.
- Significant gold and silver anomalies from historic rock and soil surveys surround the post-mineral cover rocks on the Property and have never been followed up on. A large grid-based soil survey is planned in conjunction with the airborne VTEM survey, to expand on



the historic soil grid and cover areas of strongly anomalous gold and silver values along logging roads.

- Further drilling is planned along strike of the Alpha Vein, with a specific focus on the strongly anomalous and untested chargeability and conductivity anomalies, as well as other untested targets on the Placer Property.

The Property shall be subject to a 1% NSR granted to Universal which can be purchased for \$1,000,000 and a 2% NSR to Wilson which can be reduced by 1% for a cash purchase of \$1,000,000.

Terms of the Assignment

Pursuant to the terms of the Assignment, Canagold was issued an initial 3,989,950 (9.9%) common shares of Damara (the “**Damara Shares**”). Subject to the exercise of the Option, Damara shall, on or before December 31, 2021, issue such further number of Damara Shares that increases Canarc’s aggregate ownership in the capital of Damara to 19.9%.

Resampling of Quartered Drill Core

The Company is also pleased to announce that it has quartered and re-sampled select intervals from its previously released Phase I core drilling program on Placer Mountain (See news release dated April 5th, 2021). The re-sampling was completed to indicate the effect that any coarse, nuggety gold may be having on the analytical results.

13 mineralized quartz vein intervals were selected from 7 drillholes for check assay. The check assays were performed by cutting the select half core samples into quarters. A certified reference material standard, blank, and duplicate was inserted at a ratio of one in every 6 quarter core samples. The analytical laboratory prepared a 50-gram aliquot for analysis by fire assay, which is 67% larger than the previously employed 30-gram aliquot results which were reported on April 5th. The results of the check assays demonstrated a high degree of variability, ranging from a 17% drop to a 1080% increase from grades previously reported on April 5th. The most significant percent change being a 1m interval from drill hole PG-20-006 (74.1m - 75.1m) which was originally reported as 4.70g/t Au, returning 55.50 g/t Au in the check assay.

The variability of the results indicate the presence of a significant coarse gold component within the Alpha Vein system and the Company plans to incorporate this information in the design and execution of its Phase II drill program, with the aim of drilling larger diameter core and utilizing larger 50 gram aliquots in the analysis. A comparison of the original, and check-assay results is shown in Table 1 below.

Table 1 – Phase I Drilling Check Assay Results

Hole ID	From (m)	To (m)	Interval (m)	Original Au (g/t) Weighted Average	Re-Sample Au (g/t)	Change (%)
PG-20-002	22.0	24.0	2	0.08	0.36	+356
PG-20-002	24.0	26.0	2	0.09	0.07	-18
PG-20-003	54.5	56.5	2	0.21	1.30	+522
PG-20-003	56.5	59.5	3	0.76	0.37	-51



PG-20-003	59.5	61.5	2	4.73	3.94	-17
PG-20-004	16.0	16.5	0.5	0.24	1.35	+470
PG-20-005	29.0	31.3	2.3	3.20	6.92	+116
PG-20-005	34.5	37.1	2.6	0.45	1.07	+137
PG-20-006	74.1	75.1	1	4.70	55.50	+1080
PG-20-007	17.5	18.6	1.1	2.29	1.07	-53
PG-20-009	52.4	55.0	2.6	1.62	2.40	+48
PG-20-009	55.0	58.1	3.1	1.04	1.26	+22
PG-20-009	76.3	76.7	0.4	1.74	4.85	+179

Average: +215%

QA/QC

Select half drill core intervals were cut into quarters, photographed, re-sampled by Ridgeline Exploration Services Inc. personnel. Prior to shipment to ALS Geochemical Laboratory in Kamloops, BC, a certified reference material standard, blank, and duplicate was inserted at a ratio of approximately one in every 6 drill core samples. Samples were prepared by crushing the entire sample to 70% passing -2mm, riffle splitting off 1 kilogram and pulverizing the split to better than 85% passing 75 microns. Using a 50 gram sub-sample, the gold values are determined by the fire assay method, with atomic absorption finish, which reports in parts per million (ppm) (equivalent to grams per tonne (g/t)). All analytical results are verified with the application of industry standard Quality Control and Quality Assurance (QA-QC) procedures.

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.

About Universal Copper

Universal Copper Ltd. is a Canadian-based copper exploration company focused on the acquisition and exploration of copper properties. The Company's management team has many years of experience in exploration, finance and efficient public company management. Universal's current focus is on advancing the Poplar Copper Project, one of the most advanced pre-production copper projects in British Columbia with a historic 43-101 resource.

ON BEHALF OF THE BOARD OF DIRECTORS OF DAMARA

"Larry Nagy"

Larry Nagy, Chief Executive Officer

For additional information visit Damara's website at www.damaragoldcorp.com or contact:

335 – 1632 Dickson Avenue • Kelowna, BC V1Y 7T2
Phone: (250) 717-1840 • www.damaragoldcorp.com



Damara Gold Corp.
Larry Nagy
Chief Executive Officer or
Terese Gieselman
Chief Financial Officer
Ph: (250-717-1840)

Disclaimer for Forward-Looking Information

This news release contains statements that constitute "forward-looking Information", as such term is used in applicable Canadian securities laws. Such forward-looking information involves known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements, or developments in the industry to differ materially from the anticipated results, performance or achievements expressed or implied by such forward-looking information. Forward-looking information includes statements that are not historical facts and are generally, but not always, identified by the words "expects," "plans," "anticipates," "believes," "intends," "estimates," "projects," "potential" and similar expressions, or that events or conditions "will," "would," "may," "could" or "should" occur.

Although the Company believes the forward-looking information contained in this news release is reasonable based on information available on the date hereof, by its nature forward-looking information involves assumptions and known and unknown risks, uncertainties and other factors which may cause our actual results, level of activity, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information.

Examples of such assumptions, risks and uncertainties include, without limitation, assumptions, risks and uncertainties associated with general economic conditions; the Covid-19 pandemic; adverse industry events; the receipt of required regulatory approvals and the timing of such approvals; that the Company maintains good relationships with the communities in which it operates or proposes to operate, future legislative and regulatory developments in the mining sector; the Company's ability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favorable terms; mining industry and markets in Canada and generally; the ability of the Company to implement its business strategies; competition; the risk that any of the assumptions prove not to be valid or reliable, which could result in delays, or cessation in planned work, risks associated with the interpretation of data, the geology, grade and continuity of mineral deposits, the possibility that results will not be consistent with the Company's expectations, as well as other assumptions risks and uncertainties applicable to mineral exploration and development activities and to the Company, including as set forth in the Company's public disclosure documents filed on the SEDAR website at www.sedar.com.

THE FORWARD-LOOKING INFORMATION CONTAINED IN THIS PRESS RELEASE REPRESENTS THE EXPECTATIONS OF DAMARA AS OF THE DATE OF THIS PRESS RELEASE AND, ACCORDINGLY, IS SUBJECT TO CHANGE AFTER SUCH DATE. READERS SHOULD NOT PLACE UNDUE IMPORTANCE ON FORWARD-LOOKING INFORMATION AND SHOULD NOT RELY UPON THIS INFORMATION AS OF ANY OTHER DATE. WHILE DAMARA MAY ELECT TO, IT DOES NOT UNDERTAKE TO UPDATE THIS INFORMATION



AT ANY PARTICULAR TIME EXCEPT AS REQUIRED IN ACCORDANCE WITH APPLICABLE LAWS.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this press release