



NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

NEWS RELEASE

Damara Announces Non-Brokered Financing for \$1,500,000

January 26, 2015

TSX-V: DMR

DAMARA GOLD CORP. (TSX-V:DMR) ("Damara" or the "Company"), is pleased to announce the Company will conduct a non-brokered private placement of up to 10,000,000 units in the capital of the Company (each a "Unit") at a price of \$0.15 per Unit for gross proceeds of up to \$1,500,000 (the "Financing").

Each Unit will consist of one common share and one-half of one share purchase warrant (the "Warrant"). Each whole Warrant shall entitle the holder to acquire one additional common share at a price of \$0.25 per share for a period of 24 months from the closing date.

Proceeds from the Financing will be used primarily to advance exploration activities on the Company's DGP Gold Project located in the central Namibian Gold belt, and general working capital purposes.

The closing of the Financing is subject to TSX Venture Exchange (the "Exchange") approval. Finders' fees may be payable in cash or warrants in accordance with the policies of the Exchange. All securities issued in connection with the Financing will be subject to a four month hold from the date of closing of the Financing.

About Damara

Damara Gold Corp. is a TSX Venture listed Canadian public company with a Board of Directors seasoned in the mineral exploration industry with extensive and successful international experience with a focus on identifying and acquiring prospective and under-explored gold properties worldwide. Damara is currently focused on identifying and defining Cu-Au-W potential at the DGP project in Namibia.

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:

Damara Gold Corp.

Larry Nagy

Chief Executive Officer or

Terese Gieselman

Chief Financial Officer

Ph: (250-768-1168)

NR: 15-01

110-2300 Carrington Road, West Kelowna, BC V4T 2N6
Telephone (250) 768-1168 Fax (250) 768-0020 Web Site: www.damaragoldcorp.com



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 release.

Statements Regarding Forward-Looking Information

Certain statements contained in this news release may contain forward-looking information within the meaning of Canadian securities laws. Such forward-looking information is identified by words such as "estimates", "intends", "expects", "believes", "may", "will" and include, without limitation, statements regarding the company's plan of business operations (including plans for progressing assets), estimates regarding mineral resources, projections regarding mineralization and projected expenditures. There can be no assurance that such statements will prove to be accurate; actual results and future events could