

4 JUNE 2015

## HIGH IMPACT DRILLING PROGRAM COMMENCES AT WESTRALIA

Dacian Gold Ltd (“Dacian” or “the Company”) (ASX:DCN) is pleased to announce that it has commenced its high impact drilling program infilling several high grade intersections located up to 1,200m north of the 850,000 ounce Mineral Resource at Westralia.

As previously announced to the market (see ASX releases dated 24 February 2015 and 15 October 2014), Dacian drill-tested an area north of Westralia that had not previously been explored. The Company was testing a geological concept that the Westralia mineralised gold system was significantly larger than previously considered. Five wide spaced intersections, listed below in Table 1 and shown diagrammatically in Figure 1, confirmed excellent grade and widths of mineralised Banded Iron Formation (BIF) was present immediately along strike of the 850,000 ounce Westralia deposit.

| Hole id     | Intersection   | Distance from 850Koz resource boundary |
|-------------|----------------|--|
| 14MMRD024   | 2.0m @ 18 g/t  | 600m                                   |
| 14MMRD024   | 3.3m @ 2.9 g/t | 600m                                   |
| 14MMRD025   | 2.0m @ 8.6 g/t | 600m                                   |
| 14MMRD026W1 | 4.2m @ 6.8 g/t | 900m                                   |
| 14MMRD027   | 3.9m @ 3.0 g/t | 1,200m                                 |

**Table 1:** Results from wide-spaced diamond drilling completed in October 2014 that lie outside the 850,000oz Westralia Mineral Resource boundary.

Dacian’s high impact drilling program comprises 8 diamond drill holes for a total of 4,000m. The drilling is being conducted with two diamond drilling rigs working double shift. It is anticipated the drilling will be completed by the end of June.

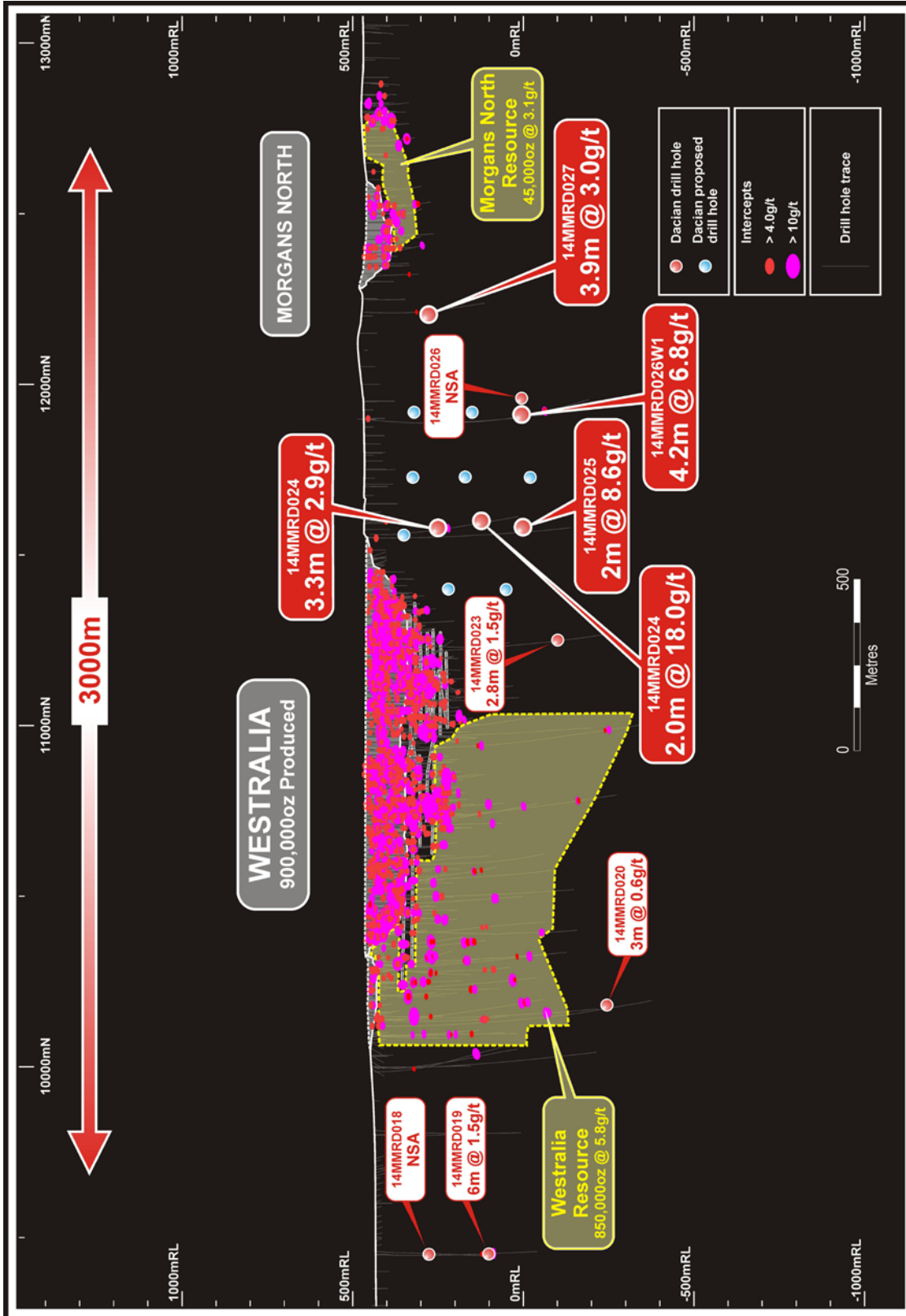


Figure 1: Location of 8 diamond drill holes currently being drilled (blue circles) infilling previous high grade drilling results (red circles) that confirm existence of strong mineralisation up to 1,200m north of the 850,000 ounce Westralia Mineral Resource.

**For and on behalf of the Board**



**Rohan Williams**  
**Executive Chairman**

## **About Dacian Gold Limited**

The Mt Morgans Project hosts high grade Mineral Resources of 2.1 million ounces at an average grade of 2.6 g/t gold, including Ore Reserves of 136,000 ounces at an average grade of 6.2 g/t gold (see Appendix I). In addition, the Company has identified multiple exploration targets and resource extension opportunities. If proven, they will enable growth of the Mt Morgans' existing Mineral Resource and Ore Reserve base.

Dacian Gold has a strong Board and Management team which includes Rohan Williams as Executive Chairman; Robert Reynolds (formerly non-executive Chairman of Avoca Resources Ltd) and Barry Patterson (co-founder and non-executive Director of GR Engineering Ltd) as non-executive directors.

Dacian's strategy at Mt Morgans is evolving toward mine feasibility and potential mine development. It has identified two large mineralised systems at Westralia and Jupiter where it believes mine development at each site is a possibility, and will be the subject of ongoing drilling and feasibility studies. Dacian considers a high grade Ore Reserve of at least 600,000 ounces of gold is reasonably likely to provide sufficient returns to justify the investment capital required to construct an ore processing facility at the project.

For further information visit: [www.daciangold.com.au](http://www.daciangold.com.au) or please contact:

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## Appendix I

### Mineral Resources and Ore Reserves

Mount Morgans Gold Project Mineral Resources as at 11 May 2015

| Deposit        | Cut-off Grade<br>Au g/t | Measured         |            |                | Indicated         |            |                | Inferred          |            |                  | Total Mineral Resource |            |                  |
|----------------|-------------------------|------------------|------------|----------------|-------------------|------------|----------------|-------------------|------------|------------------|------------------------|------------|------------------|
|                |                         | Tonnes           | Au g/t     | Au Oz          | Tonnes            | Au g/t     | Au Oz          | Tonnes            | Au g/t     | Au Oz            | Tonnes                 | Au g/t     | Au Oz            |
| King Street    | 0.5                     | -                | 0          | -              | -                 | 0          | -              | 532,000           | 2.0        | 33,000           | 532,000                | 2.0        | 33,000           |
| Jupiter        | 1.5                     | -                | 0          | -              | -                 | 0          | -              | 811,000           | 2.8        | 73,000           | 811,000                | 2.8        | 73,000           |
| Heffernans*    | 0.5                     | -                | 0          | -              | 9,065,000         | 1.6        | 456,000        | 4,638,000         | 1.1        | 169,000          | 13,704,000             | 1.4        | 625,000          |
| Westralia*     | 3                       | 117,000          | 5.9        | 22,000         | 1,123,000         | 6.0        | 215,000        | 3,374,000         | 5.7        | 616,000          | 4,614,000              | 5.8        | 853,000          |
| Craic          | 0.5                     | -                | 0          | -              | 69,000            | 8.2        | 18,000         | 120,000           | 7.1        | 27,000           | 189,000                | 7.5        | 46,000           |
| Transvaal      | 0.5                     | 1,549,000        | 3.2        | 159,000        | 1,176,000         | 2.7        | 102,000        | 926,000           | 2.2        | 66,000           | 3,650,000              | 2.8        | 327,000          |
| Ramornie*      | 2                       | -                | 0          | -              | 156,000           | 4.1        | 21,000         | 285,000           | 3.9        | 36,000           | 442,000                | 4.0        | 57,000           |
| Morgans North* | 0.5                     | -                | 0          | -              | 290,000           | 2.6        | 25,000         | 169,000           | 3.8        | 20,000           | 459,000                | 3.1        | 45,000           |
| <b>Total</b>   |                         | <b>1,665,000</b> | <b>3.4</b> | <b>181,000</b> | <b>11,878,000</b> | <b>2.2</b> | <b>835,000</b> | <b>10,856,000</b> | <b>3.0</b> | <b>1,041,000</b> | <b>24,400,000</b>      | <b>2.6</b> | <b>2,058,000</b> |

\* JORC 2012

Mount Morgans Gold Project Heap Leach Mineral Resources as at 11 May 2015

| Deposit      | Cut-off Grade Range<br>Au g/t | Measured |          |          | Indicated        |            |               | Inferred         |            |               | Total Mineral Resource |            |               |
|--------------|-------------------------------|----------|----------|----------|------------------|------------|---------------|------------------|------------|---------------|------------------------|------------|---------------|
|              |                               | Tonnes   | Au g/t   | Au Oz    | Tonnes           | Au g/t     | Au Oz         | Tonnes           | Au g/t     | Au Oz         | Tonnes                 | Au g/t     | Au Oz         |
| Heffernans*  | 0.3 - 0.5                     | -        | 0        | -        | 3,020,000        | 0.4        | 38,000        | 3,660,000        | 0.4        | 47,000        | 6,680,000              | 0.4        | 84,000        |
| <b>Total</b> |                               | <b>-</b> | <b>0</b> | <b>-</b> | <b>3,020,000</b> | <b>0.4</b> | <b>38,000</b> | <b>3,660,000</b> | <b>0.4</b> | <b>47,000</b> | <b>6,680,000</b>       | <b>0.4</b> | <b>84,000</b> |

Mount Morgans Gold Project Mineral Resources as at 11 May 2015

| Deposit      |  | Measured         |            |                | Indicated         |            |                | Inferred          |            |                  | Total Mineral Resource |            |                  |
|--------------|--|------------------|------------|----------------|-------------------|------------|----------------|-------------------|------------|------------------|------------------------|------------|------------------|
|              |  | Tonnes           | Au g/t     | Au Oz          | Tonnes            | Au g/t     | Au Oz          | Tonnes            | Au g/t     | Au Oz            | Tonnes                 | Au g/t     | Au Oz            |
| <b>Total</b> |  | <b>1,665,000</b> | <b>3.4</b> | <b>181,000</b> | <b>14,895,000</b> | <b>1.8</b> | <b>873,000</b> | <b>14,517,000</b> | <b>2.3</b> | <b>1,087,000</b> | <b>31,080,000</b>      | <b>2.1</b> | <b>2,143,000</b> |

Mount Morgans Gold Project Ore Reserves

| Deposit      | Cut-off Grade<br>Au g/t | Proved       |            |                 | Probable     |            |                 | Total        |            |                 |
|--------------|-------------------------|--------------|------------|-----------------|--------------|------------|-----------------|--------------|------------|-----------------|
|              |                         | Tonnes<br>kt | Au<br>g/t  | Au<br>'000's Oz | Tonnes<br>kt | Au<br>g/t  | Au<br>'000's Oz | Tonnes<br>kt | Au<br>g/t  | Au<br>'000's Oz |
| Craic        | 3.9                     |              |            |                 | 28           | 9.2        | 8               | 28           | 9.2        | 8               |
| Transvaal    | 3.4                     | 380          | 6.2        | 76              | 271          | 6.0        | 52              | 651          | 6.1        | 128             |
| <b>Total</b> |                         | <b>380</b>   | <b>6.2</b> | <b>76</b>       | <b>299</b>   | <b>6.3</b> | <b>61</b>       | <b>679</b>   | <b>6.2</b> | <b>136</b>      |

In relation to Mineral Resources and Ore Reserves, the Company confirms that all material assumptions and technical parameters that underpin the relevant market announcement continue to apply and have not materially changed.

## Competent Person Statement

### Exploration

The information in this report that relates to Exploration Results is based on information compiled by Mr Rohan Williams who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Williams holds shares and options in, and is a director and full time employee of, Dacian Gold Ltd. Mr Williams has sufficient experience which is relevant to the style of mineralisation under

consideration to qualify as a Competent Person as defined in the 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.” Mr Williams consents to the inclusion in the report of the matters based on the information compiled by him, in the form and context in which it appears.

### Mineral Resources and Ore Reserves

The information in this report that relates the Heffernans Mineral Resource (see ASX announcement – 11<sup>th</sup> May 2015) and the Westralia and Ramornie Mineral Resources (see ASX announcement – 24<sup>th</sup> February, 2015) is based on information compiled by Mr Shaun Searle who is a Member of Australian Institute of Geoscientists and a full time employee of RPM. Mr Searle has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Searle consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources (other than Heffernans, Westralia, and Ramornie which are reported under JORC 2012) is based on information compiled by Mr Rohan Williams, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Williams holds shares and options in, and is a director and full time employee of, Dacian Gold Ltd.

The Company confirms that it is not aware of any new information or data that materially affects the information included in that announcement and all material assumptions and technical parameters underpinning the resource estimate with that announcement continue to apply and have not materially changed.

The information in this report that relates to Ore Reserves is based on information compiled by Mr Bill Frazer, a director and full time employee of Mining One Pty Ltd and a Member of The Australasian Institute of Mining and Metallurgy. Mr Williams and Mr Frazer have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Williams and Mr Frazer consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

All information relating to Mineral Resources and Ore Reserves (other than the Heffernans, see ASX announcement dated 11<sup>th</sup> May 2015; and Westralia and Ramornie Mineral Resource estimates, see ASX announcement 24<sup>th</sup> February, 2015) was prepared and disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last updated.