21 MARCH 2016

RECORD INTERSECTION OF 3.6m @ 48 g/t Au FROM MORGANS UNDERGROUND AS HIGH GRADE INFILL DRILLING RESULTS CONTINUE

Drill results support Dacian's view that Morgans Underground may develop into a significant high grade gold mine

KEY POINTS

- Infill drilling at Morgans Underground, part of the Westralia Prospect at Dacian's 100% owned Mt Morgans Gold Project in WA, has returned more outstanding results, including:
  - **3.6m @ 48.0 g/t Au** from 527.4m
  - **3.0m @ 24.6 g/t Au** from 269.6m
  - **5.6m @ 23.2 g/t Au** from 469.3m
  - **1.9m @ 15.9 g/t Au** from 196.8m
  - **2.7m @ 7.2 g/t Au** from 421.0m
  - **4.0m @ 7.0 g/t Au** from 358.0m
  - **3.0m @ 6.5 g/t Au** from 511.0m
  - **3.8m @ 6.1 g/t Au** from 465.0m
  - **4.4m @ 5.0 g/t Au** from 365.0m
- The new drilling results augment the previously released high grade infill drill results at Morgans Underground which included 6.2m @ 20.1 g/t Au, 4.5m @ 13.4 g/t Au and 2.9m @ 16.1 g/t Au (see ASX release of 11 February 2016)
- High grade mineralisation has been defined at Morgans Underground over a strike distance of at least 700m and a vertical (dip) distance of 400m
- Drilling to date suggests a high grade mineralised domain is present over the entire 700m strike along with smaller, localised lower grade domains
- Drilling is nearing completion at Morgans Underground (6 holes remaining; assays awaited for 24 holes) with the focus of drilling set to shift to the adjacent Westralia Underground (62 diamond drill holes) over the coming weeks

Dacian Gold Ltd ("Dacian Gold" or "the Company") (ASX: DCN) is pleased to report further outstanding high grade drilling results from the conceptual Morgans Underground position, part of the Westralia Prospect, at its 100% owned Mount Morgans Gold Project (MMGP) in Western Australia.

Together with the adjacent conceptual Westralia Underground position, the Morgans Underground forms part of the large mineralised system at the Westralia Prospect where Dacian is targeting the development of two large, high grade underground mines below the historical open pit.

The latest results – which come from the ongoing 50,000m, 129-hole resource infill diamond drilling program at the Westralia Prospect – will further underpin the Westralia Resource upgrade planned for release later this year.

The 129-hole program is split into 67 diamond drill holes infill-testing the Morgans Underground Mineral Resource and 62 diamond drill holes infill-testing the Westralia Underground Mineral Resource.

Drilling is focussed initially on infilling the Morgans Underground position and is expected to be completed in the next week and once complete, the drilling focus will shift to Westralia Underground.

Including the results of the 20 recently completed diamond drill holes described in this announcement, as well as the 17 released to the ASX on 11 February 2016, a total of 37 diamond drill holes into the Morgans Underground position have now been released to the market. Assays are awaited for an additional 24 diamond drill holes that have been completed at Morgans Underground, and 6 drill holes remain to be drilled to complete the program.

Dacian Gold Executive Chairman Rohan Williams said "the Company's 90,000m resource in-fill and extensional drilling program at Mount Morgans is well advanced with both Jupiter and now Morgans Underground almost complete."

"These new high grade drill results support our view that the conceptual Morgans Underground position may well develop into a significant new underground gold mine in its own right, playing a key role in the future production profile at Mt Morgans," Mr Williams said.

"The combination of these latest results and those we are generating at the Jupiter Prospect auger well for the Feasibility Study we expect to complete by the end of this year, which in turn may pave the way for Dacian to become a significant new mid-tier Australian gold producer in 2018 at a targeted production rate of +220,000oz per annum."

BACKGROUND

Dacian Gold is completing a major resource in-fill and extensional drill program totalling 90,000m of RC and diamond drilling at its wholly owned MMGP located near Laverton in Western Australia. Drilling is focussed on the Westralia and Jupiter Prospects' Mineral Resources that were used in the MMGP Scoping Study, completed last year (see ASX announcement 30 September 2015).

Key outcomes from the MMGP Scoping Study showed the MMGP has the potential to deliver an initial 7 year life-of-mine producing 1.2 million ounces of gold at an AISC of A$929/oz. Proposed mining at the Jupiter Prospect is estimated to produce 483,000 ounces and 745,000 ounces is estimated to be produced from the Westralia Prospect.

The 90,000m drill program comprises 129 diamond drill holes (for approximately 50,000m) at the Westralia Prospect; 313 RC drill holes (for approximately 34,000m) and 25 diamond drill holes (for approximately 5,000m) at the Jupiter Prospect.

This ASX announcement reports the results of 20 recently completed diamond drill holes at Morgans Underground for 11,254m.

OBJECTIVES FOR THE 50,000 METRE WESTRALIA PROSPECT DRILL-OUT

The principal objectives of the 50,000m drill-out on the Westralia Prospect are to:

1. Complete a 50m x 50m infill diamond drill pattern over the Morgans Underground and the Westralia Underground Mineral Resources that comprised the potential underground mine production of 745,000 ounces as outlined in the MMGP Scoping Study. It is expected the 50m x 50m drill pattern at both the Morgans and Westralia Undergrounds will be sufficient to classify all Mineral Resources contemplated in the Scoping Study as Indicated Resource.
2. Representative drill core sections of intersected mineralisation will be used in the detailed metallurgical test work programs being undertaken as part of the MMGP Feasibility Study.
3. Twenty of the 129 diamond drill holes will be used for detailed geotechnical logging to assist with mine planning and design studies.

Figure 1 shows the location of the 129 diamond drill holes that form the 50,000m drill out in relation to the existing 1.5 million ounce Westralia Prospect Mineral Resource.

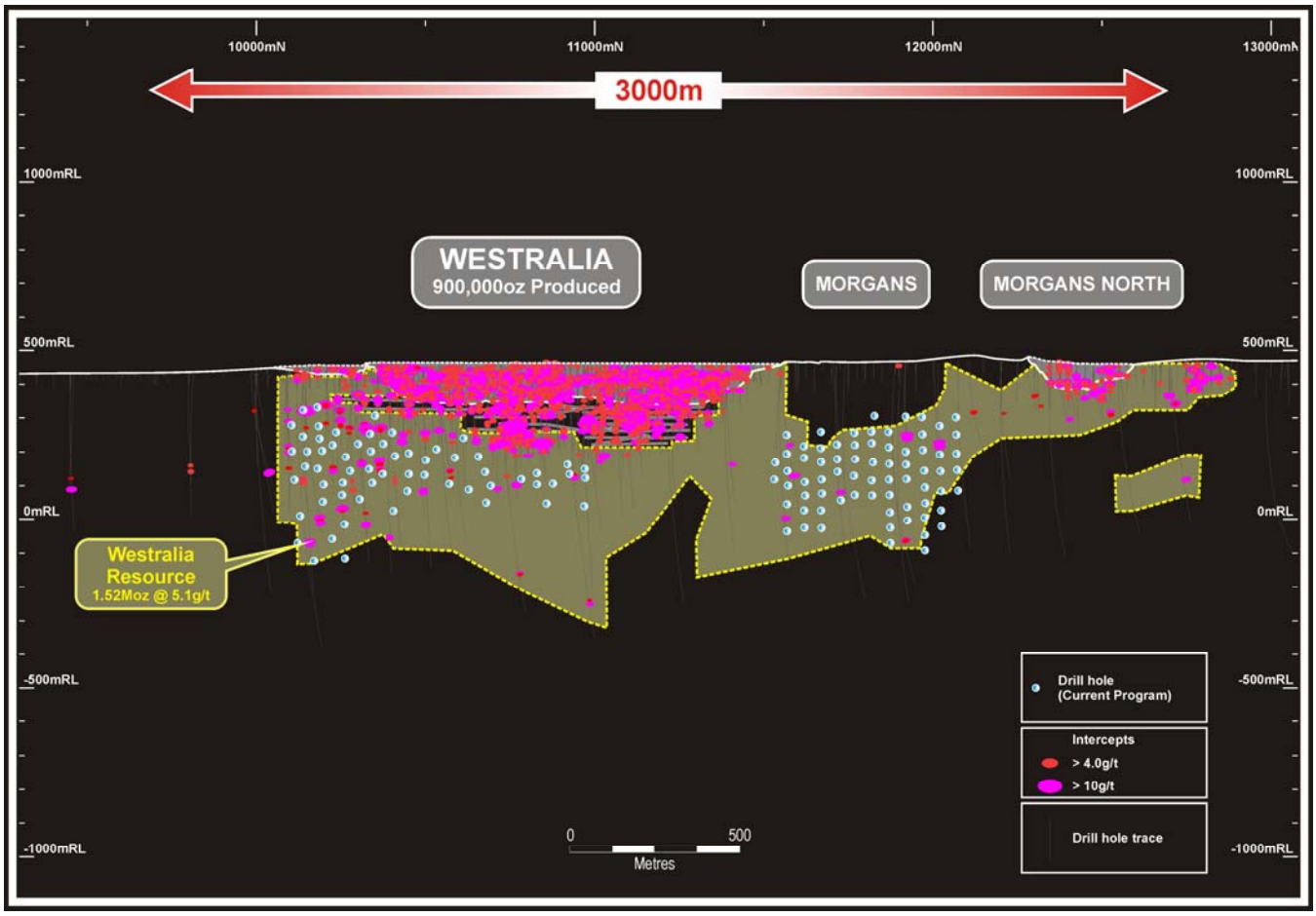

Figure 1: Planned drilling program over the Westralia Prospect with the location of the 67 diamond drill holes infill drilling the Morgans Underground Mineral Resource (blue dots on right hand side of image) and 62 diamond drill holes planned to infill the Westralia Underground Mineral Resource (blue dots on left hand side of image).

RESULTS FROM THE MORGANS UNDERGROUND DRILL-OUT

A total of 67 diamond drill holes were designed to infill drill test the Morgans Underground Mineral Resource used in the MMGP Scoping Study to 50m x 50m centres. Sixty of the planned 67 holes have been drilled, and the drill results from 20 of those holes are reported in this announcement. See ASX release dated 11 February 2016 for the results of the initial 17 diamond drill holes. An additional 24 drill holes have been completed and assays are awaited.

Figure 2 below shows the assay results for each of the 20 holes reported in this announcement as well as results of those previously reported to the ASX (see ASX announcements: 30 July 2015, 10 September 2015 and 11 February 2016).

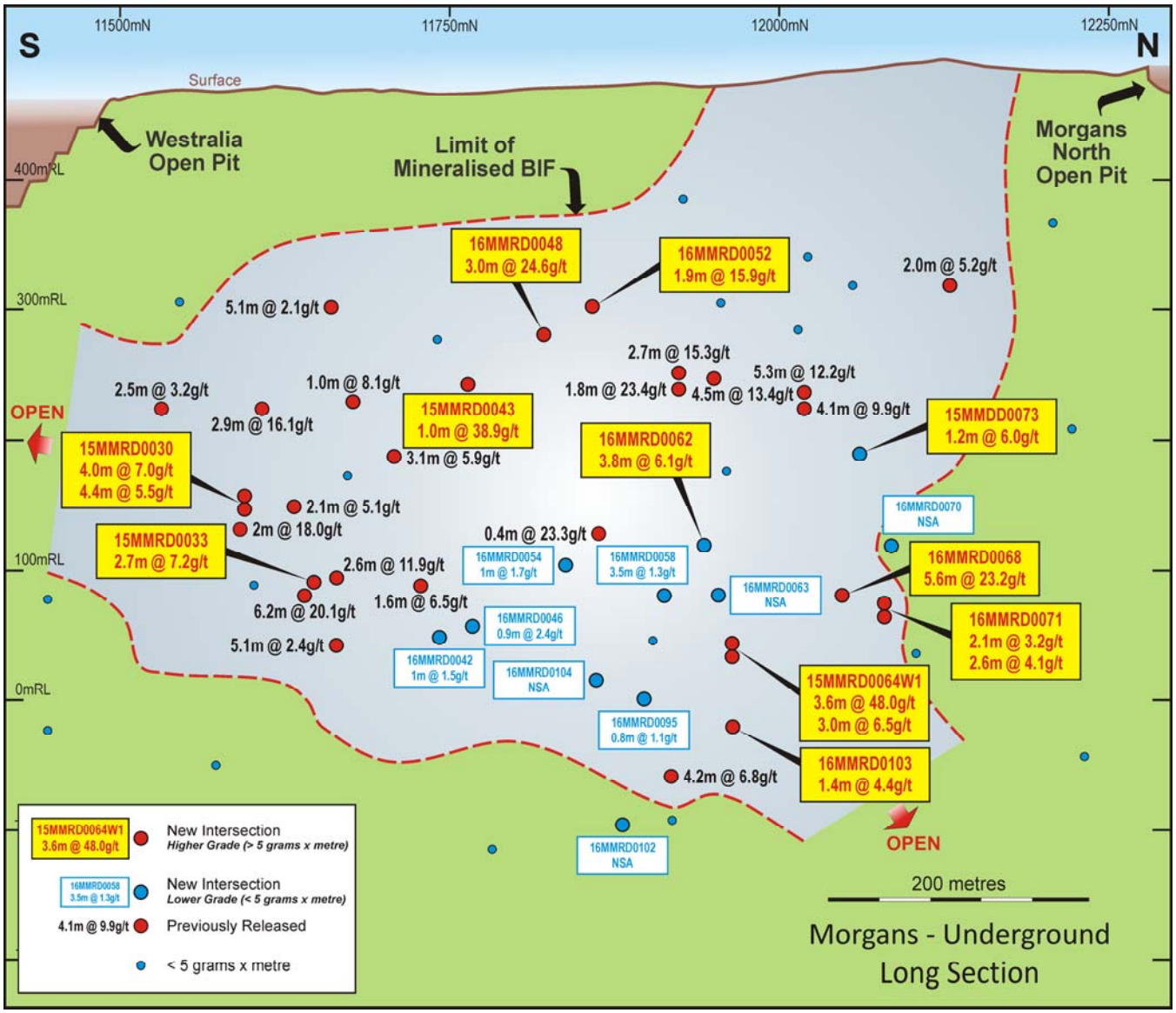

Figure 2: Long section of the Morgans Underground mineralisation measuring 700m long and up to 400m in dip (or vertical) extent. New high grade intersections are shown as red/yellow boxes.

As can be seen from Figure 2 there are now over 50 diamond drill hole intersections within the Morgans Underground mineralisation. The intersections confirm high grade mineralisation extends for over 700m of strike and up to 400m in dip extent. The mineralisation remains open to the south and at depth to the north.

It is apparent from Figure 2 that there appears to be both higher grade and lower grade domains developed within the 700m x 400m zone of mineralisation. For example, much of the mineralisation intersected between 300mRL and 100mRL (surface is 440mRL) over the entire 700m strike is higher grade (red dots on Figure 2). In contrast there appears to be clearly developed lower grade regions as identified by the blue dots on the long section (e.g. lower

central region in Figure 2). This demarcation of higher grade and lower grade domains within the broad zone of mineralisation is a commonly observed feature in gold mines throughout WA.

Interpretation of the drilling intersections has further confirmed there are several different mineralised surfaces in the Morgans Underground area. The initial discovery of lode gold mineralisation in the footwall Banded Iron Formation (BIF) (see ASX announcement 30 July 2015) has been followed up with the identification of additional lode development in surfaces additional to the footwall BIF.

Table 1 below is a summary of the significant intersections returned from the recently returned results. Note five of the holes were observed to contain visible gold.

Drill hole	Intersection	From	Comments
15MMRD0030	**4.0m @ 7.0 g/t Au**	**358.0m**	**BIF – porphyry intersection**
15MMRD0030	**4.4m @ 5.0 g/t Au**	**365.0m**	**BIF – porphyry intersection**
15MMRD0033	**2.7m @ 7.2 g/t Au**	**421.0m**	**BIF Intersection – Visible gold noted**
16MMRD0043	**1.0m @ 38.9 g/t Au**	**284.0m**	**Footwall ultramafic**
16MMRD0048	2.0m @ 3.3 g/t Au	152.0m	BIF Intersection
16MMRD0048	**3.0m @ 24.6 g/t Au**	**269.6m**	**BIF – porphyry intersection – Visible gold noted**
16MMRD0052	**1.9m @ 15.9 g/t Au**	**196.8m**	**BIF Intersection**
16MMRD0052	0.8m @ 6.1 g/t Au	337.7m	BIF Intersection
16MMRD0062	2.2m @ 4.6 g/t Au	347.6m	BIF Intersection
16MMRD0062	1.4m @ 8.8 g/t Au	423.6m	BIF Intersection
16MMRD0062	2.2m @ 3.1 g/t Au	455.8m	BIF Intersection
16MMRD0062	3.8m @ 6.1 g/t Au	465.0m	BIF – porphyry intersection
15MMRD0064W1	**3.0m @ 6.5 g/t Au**	**511.0m**	**BIF Intersection – Visible gold noted**
15MMRD0064W1	**3.6m @ 48.0 g/t Au**	**527.4m**	**BIF Intersection – Visible gold noted**
16MMRD0068	**5.6m @ 23.2 g/t Au**	**469.3m**	**BIF Intersection – Visible gold noted**
16MMRD0071	2.1m @ 3.2 g/t Au	440.9m	BIF Intersection
16MMRD0071	2.6m @ 4.1 g/t Au	456.0m	BIF Intersection
15MMDD0073	1.2m @ 6.0 g/t Au	329.6m	BIF Intersection
16MMRD0103	1.4m @ 4.4 g/t Au	610.7m	BIF – porphyry intersection

Table 1: Significant results from the latest results from the infill drilling program at Morgans Underground. Note the high proportion of drill holes with visible gold identified.

NEXT STEPS

Dacian Gold has three diamond drill rigs working on a continuous 24 hour, double shift cycle to complete the 50m x 50m drill out at Morgans Underground. Six holes remain to be drilled and it is anticipated this drilling will be completed in the next week.

Following the completion of the infill drilling at Morgans Underground, all drilling activities will focus on the 62 hole diamond drilling program at the Westralia Underground (see Figure 1). An updated Mineral Resource estimate for the Morgans Underground will be completed during the June 2016 quarter.

In addition to the Morgans Underground drilling, Dacian Gold is also actively diamond drilling the Jupiter Prospect, where two drilling rigs are working on a continuous 24 hour, double shift cycle. It is expected the Jupiter Prospect diamond drilling will be completed by the end of the March.

At Jupiter, all of the outstanding 66 RC drill holes that comprise the balance of the 313 hole Jupiter drill-out have been drilled and assays are awaited by the Company. Once all drill results have been received and reported, Dacian Gold will undertake a new Mineral Resource estimate for the Jupiter Prospect ahead of commencing an optimised open pit mine design.

It is envisaged the new Jupiter resource estimate and mine design will be incorporated into the MMGP Feasibility Study resulting in a maiden Ore Reserve for Jupiter due for completion by the end of CY2016.

Dacian Gold has also commenced a 600 hole reconnaissance RAB/aircore drilling program over new targets in the Jupiter Prospect which comprise:

- Drill-testing the newly identified potential "syenite corridors"
- Drill-testing several untested bulls-eye magnetic anomalies identified from an ultra-detailed ground magnetic geophysical survey (see ASX announcement 4 November 2015).

Drilling results will be released to the market as they become available.

For and on behalf of the Board

Rohan Williams
Executive Chairman

Table 2: Mt Morgans Exploration Drilling Results - Westralia

Collar Location and Orientation								Intersection > 1 ppm * m Au			
Hole	Type	X	Y	Z	Total Depth	Dip	Azimuth	From (m)	To (m)	Length (m)	Au (ppm)
15MMRD0030	RCD	408,941	6,817,834	449	514	-61	247	255.4	256.35	0.95	1.3
								358.05	**362.0**	**3.95**	**7.0**
								365.0	**369.4**	**4.4**	**5.0**
15MMRD0033	RCD	408,945	6,817,890	447	555	-60	244	**420.95**	**423.65**	**2.7**	**7.2**
16MMRD0042	RCD	408,860	6,817,960	457	592	-64	239	464.0	465.0	1.0	1.5
16MMRD0043	RCD	408,802	6,817,992	466	330	-52	239	151.0	152.1	1.1	0.9
								284.0	285.0	1.0	38.9
16MMRD0046	RCD	408,933	6,818,042	458	549	-60	240	478.5	479.4	0.9	2.4
16MMRD0048	RCD	408,782	6,818,037	474	327	-51	240	152.0	154.05	2.05	3.3
								269.6	**272.55**	**2.95**	**24.6**
16MMRD0052	RCD	408,762	6,818,083	476	395	-60	237	**196.85**	**198.7**	**1.85**	**15.9**
								337.75	338.5	0.75	6.1
16MMRD0054	RCD	408,907	6,818,141	485	576	-56	233	473.1	473.8	0.7	0.9
								493.0	494.0	1.0	1.7
16MMRD0058	RCD	408,953	6,818,211	484	660	-55	238	508.5	512.0	3.5	1.3
								557.0	557.5	0.5	1.7
								596.8	597.2	0.4	1.8
16MMRD0062	RCD	408,816	6,818,216	485	537	-56	234	**347.65**	**349.9**	**2.25**	**4.6**
								423.6	**425.0**	**1.4**	**8.8**
								455.85	458.05	2.2	3.1
								465.0	**468.8**	**3.8**	**6.1**
15MMRD0063	RCD	408,815	6,818,216	485	586	-60	235	No significant assays			
15MMRD0064W1	RCD	408,816	6,818,216	485	675	-66	236	**511.0**	**513.95**	**2.95**	**6.5**
								527.4	**531.0**	**3.6**	**48.0**
16MMRD0068	RCD	408,740	6,818,237	474	556	-66	240	**469.35**	**475.0**	**5.6**	**23.2**
16MMRD0070	RCD	408,719	6,818,282	474	511	-60	240	279.0	283.8	4.8	0.9
16MMRD0071	RCD	408,719	6,818,282	474	555	-66	239	440.9	443.0	2.1	3.2
								456.0	458.55	2.55	4.1
15MMDD0073	DD	408,628	6,818,243	467	360	-60	240	101.0	102.0	1.0	1.6
								271.0	271.8	0.8	1.2
								329.6	330.85	1.25	6.0
16MMRD0095	RCD	408,953	6,818,211	484	679	-60	236	174.0	176.0	2.0	1.5
								627.65	628.50	0.85	1.1
16MMRD0102	RCD	408,998	6,818,175	475	844	-54	265	No significant assays			
16MMRD0103	RCD	408,954	6,818,265	476	690	-61	237	545.1	545.55	0.45	1.4
								550.4	551.4	1.0	1.5
								610.7	612.05	1.35	4.4
16MMRD0104	RCD	408,998	6,818,175	475	762	-60	236	546.85	547.6	0.75	0.9

About Dacian Gold Limited

The Mt Morgans Gold Project hosts high grade Mineral Resources of 3.0 million ounces at an average grade of 2.2 g/t gold. 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, Barry Patterson and Ian Cochrane as non-executive directors.

Dacian Gold's strategy at Mt Morgans is evolving toward potential mine development. It has identified two large mineralised systems at Westralia and Jupiter where it believes simultaneous mine development at each site is a possibility, and will be the subject of ongoing drilling and feasibility studies.

Dacian Gold is fully funded to complete the MMGP Feasibility Study, complete a major 90,000m resource in-fill drill program currently underway and maintain an active exploration program aimed at identifying new, high value mineral resources with the Mt Morgans project.

For further information visit: www.daciangold.com.au or please contact:

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APPENDIX I

Mount Morgans Gold Project Mineral Resources as at 15 September 2015

Deposit	Cut-off	Measured			Indicated			Inferred			Total Mineral Resource		
	Au g/t	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	-	-	-	-	-	-	532,000	2.0	33,000	532,000	2.0	33,000
Jupiter	0.5	-	-	-	13,066,000	1.4	605,000	13,484,000	1.1	480,000	26,550,000	1.3	1,085,000
Jupiter LG Stockpile	0.5	3,494,000	0.5	58,000	-	-	-	-	-	-	3,494,000	0.5	58,000
Westralia	2.0	235,000	4.6	35,000	1,961,000	4.7	293,000	7,074,000	5.2	1,192,000	9,269,000	5.1	1,520,000
Craic*	0.5	-	-	-	69,000	8.2	18,000	120,000	7.1	27,000	189,000	7.5	46,000
Transvaal	2.0	367,000	5.8	68,000	404,000	5.3	69,000	482,000	4.7	73,000	1,253,000	5.2	210,000
Ramornie	2.0	-	-	-	156,000	4.1	21,000	285,000	3.9	36,000	442,000	4.0	57,000
Total		4,096,000	1.2	161,000	15,656,000	2.0	1,006,000	21,978,000	2.6	1,842,000	41,730,000	2.2	3,008,000

Mt Morgans Gold Project Ore Reserves as at 15 September 2015

Deposit	Cut-off Grade	Proved			Probable			Total		
	Au g/t	Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz
Craic	3.9	-	-	-	28,000	9.2	8,000	28,000	9.2	8,000
Total		-	-	-	28,000	9.2	8,000	28,000	9.2	8,000

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 Westralia, Jupiter and Transvaal Mineral Resource (see ASX announcement – 16th September, 2015) and the Ramornie Mineral Resource (see ASX announcement – 24th 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 the Jupiter Low Grade Stockpile (see ASX announcement – 16th September, 2015) and 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 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 Williams 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 Westralia, Jupiter, Jupiter Low Grade Stockpile, Transvaal, 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.

Where the Company refers to the Mineral Resources in this report (referencing this release made to the ASX), it 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 King Street and Craic) were prepared and disclosed under the JORC Code 2012. The JORC Code 2004 Mineral Resource and Ore Reserve have 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.

APPENDIX II – JORC TABLE 1

The following Table and Sections are provided to ensure compliance with the JORC Code (2012) edition requirements for the reporting of exploration results on the Mt Morgans Project which includes both Westralia and Jupiter.

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Dacian utilised RC and diamond drilling. Holes were generally angled towards grid west to optimally intersect the targeted mineralised zones. • Dacian core was sampled as half core at 1m intervals or to geological contacts • To ensure representative sampling, half core samples were always taken from the same side of the core. • At Jupiter the full length of each hole was sampled and at Westralia the core was selectively sampled. • Dacian RC drilling was sampled at 1m intervals via an on-board cone splitter. • Minor 4m composite samples were taken via a scoop and submitted for analysis. • Historical RC samples were collected at 1m, 2m and 4m intervals using riffle splitters. • Dacian samples were submitted to a contract laboratory for crushing and pulverising to produce a 40g charge for fire assay.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Diamond drilling was carried out with NQ2 sized equipment with standard tube. • Drill core was orientated using a Reflex orientation tool. • For RC holes, a 5¼" face sampling bit was used • For deeper holes, RC pre-collars

		were followed with diamond tails.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Recoveries from historical drilling are unknown. • Recoveries from Dacian core drilling were measured and recorded in the database and recovery was generally 100% in fresh rock with minor core loss in oxide. • In Dacian drilling no relationship exists between sample recovery and grade.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All diamond drill holes were logged for recovery, RQD, geology and structure. RC drilling was logged for various geological attributes. • For Dacian drilling, diamond core was photographed both wet and dry. • All drill holes were logged in full.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Dacian core was cut in half using an automatic core saw at either 1m intervals or to geological contacts. • To ensure representivity, all core samples were collected from the same side of the core. • Historical RC samples were collected at the rig using riffle splitters. Samples were generally dry. • Dacian RC samples were collected via on-board cone splitters. Most samples were dry. • For RC drilling, sample quality was maintained by monitoring sample volume and by cleaning splitters on a regular basis. • Field duplicates were taken at 1 in 25 for RC drilling. • Sample preparation was conducted by a contract laboratory. After drying, the sample is subject to a primary crush, then pulverised to that 90% passing 75µm. • For historic drilling detailed

		information on the QAQC programs used was not available. • Sample sizes are considered appropriate to correctly represent the gold mineralisation based on: the style of mineralisation, the thickness and consistency of the intersections, the sampling methodology and assay value ranges for Au.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• For Dacian drilling, the analytical technique used was a 50g Lead collection fire assay. Analysed by Inductively Coupled Plasma Optical (Atomic) Emission • Spectrometry. This is a full digestion technique. Samples were analysed at Intertek Genalysis in Maddington, Western Australia. • For Dacian drilling, sieve analysis was carried out by the laboratory to ensure the grind size of 90% passing 75µm was being attained. • For Dacian drilling, QAQC procedures involved the use of certified reference materials (1 in 20) and blanks (1 in 50). Results were assessed as each laboratory batch was received and were acceptable in all cases • No QAQC data has been reviewed for historic drilling although mine production has largely validated drilling results. • Laboratory QAQC includes the use of internal standards using certified reference material, blanks, splits and replicates. • Certified reference materials demonstrate that sample assay values are accurate. • At both Jupiter and Westralia, umpire laboratory testwork was completed in January 2014 over mineralised intersections with good correlation of results. • The Intertek preparation lab in Kalgoorlie was audited by Dacian

		in January 2016.
Verification of sampling & assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• At Jupiter and Westralia, significant intersections were visually field verified by company geologists. • At Westralia, significant intersections from seven Dacian holes were re-assayed by screen fire assay with good repeatability of results • No twin holes were drilled. • Primary data was collected into either an Excel spread sheet and then imported into a Data Shed database. • Assay values that were below detection limit were adjusted to equal half of the detection limit value.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Historic drill hole collar coordinates were tied to a local grid with subsequent conversion to MGA94 Zone 51. • Mine workings support the locations of historic drilling. • All Dacian hole collars were surveyed in MGA94 Zone 51grid using differential GPS. • Dacian holes at Jupiter were downhole surveyed either with multi-shot EMS or Reflex multi-shot tool. • Dacian holes at Westralia were downhole surveyed by Gyro Australia using a north seeking gyro tool. • Topographic surface prepared from detailed ground and mine surveys.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• At Jupiter, the nominal hole spacing of Dacian drilling is approximately 40 -80m. • At Westralia, the Dacian drilling has a nominal spacing of approximately 40-80m along strike and 40-200m down dip. • The drilling subject to this announcement has not been used to prepare Mineral Resource

		estimates for either deposit at this stage.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• At Westralia, drill holes are angled to 245º, which is approximately perpendicular to the orientation of the well-defined mineralisation. • At Jupiter, most holes are angled to the west so that intersections are orthogonal to the expected trend of mineralisation. • No orientation based sampling bias has been identified in the data.
Sample security	• *The measures taken to ensure sample security.*	• Chain of custody is managed by Dacian. Samples are stored on site until collected for transport to Intertek Laboratories in Kalgoorlie. Dacian personnel have no contact with the samples once they are picked up for transport. Tracking sheets have been set up to track the progress of samples.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• A RungePincockMinarco (RPM) consultant reviewed RC and diamond core sampling techniques in January 2016 and concluded that sampling techniques are satisfactory.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	• The Westralia deposit is located within Mining Lease 39/18, which is wholly owned by Dacian and subject to a 1% capped third party production royalty. • The Jupiter deposit is located within Mining Lease 39/236, which is wholly owned by Dacian and subject to a 1% capped production royalty and another tonnage based royalty. • The tenements are in good standing with no known impediment to future grant of a mining permit.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• At Westralia, open pit and underground mining has occurred since the 1890's. Other companies to have explored the deposit include Whim Creek Consolidated NL, Dominion Mining, Plutonic Resources, Homestake Gold and Barrick Gold Corporation. • At Jupiter, open pit mining occurred in the 1990's. Previous companies to have explored the deposit include Croesus Mining, Dominion Mining and Barrick Gold Corporation.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Westralia gold deposit is Archaean BIF hosted sulphide replacement mineralisation and is located within the Yilgarn Craton of Western Australia. • The Jupiter prospect is interpreted to comprise structurally controlled mesothermal gold mineralisation related to syenite intrusions within altered basalt.

Drill hole information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  • *easting and northing of the drill hole collar*
	  • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  • *dip and azimuth of the hole*
		• For drilling not previously reported, the locations and mineralised intersections for all holes completed are summarised in Tables 4 in the body of this ASX release.
		• Refer to previous Dacian ASX releases for information regarding previous Dacian drilling.
		• Reporting of intersection widths in Figures and summary tables is

	• *down hole length and interception depth* • *hole length* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	rounded to the nearest 0.1m.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Exploration results are reported as length weighted averages of the individual sample intervals. Zones of particularly high grade gold mineralisation have been separately reported in the tables in the body of this ASX release. • No high grade cuts have been applied to the reporting of exploration results. • At Westralia, intersections have been reported using a 0.5g/t lower cut-off, and can include up to 4m of internal dilution. • At Jupiter, intersections have been reported using a 0.2g/t lower cut-off, and can include up to 4m of internal dilution. • No metal equivalent values have been used.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g.'down hole length, true width not known').*	• At Westralia, drill holes are angled to 245º, which is approximately perpendicular to the orientation of the well-defined mineralised trend and true width is approximately 60-90% of down hole intersections. • At Jupiter, most holes are angled to the west so that intersections are orthogonal to the expected trend of mineralisation. It is interpreted that true width is approximately 60-100% of down hole intersections.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Relevant diagrams have been included within the main body of text.

Balanced Reporting	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All exploration results have been reported.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• All interpretations for both Westralia and Jupiter mineralisation are consistent with observations made and information gained during previous mining at the project.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large- scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• At Jupiter, further broad spaced drilling is planned to define the structural controls and mineralisation potential of the Jupiter Corridor. Infill resource definition drilling along the Cornwall Shear will continue. • At Westralia, infill resource definition drilling is planned to improve confidence of the known mineralisation over 3km of strike length and extensional drilling is planned around the boundaries of the resource. • Refer to diagrams in the body of this release.