

QUARTERLY ACTIVITIES REPORT TO 31 MARCH 2017

Dacian Gold begins countdown to production and cash flow after securing Mt Morgans project funding and starting construction

Highlights

- A\$110M equity capital raising completed, adding to the A\$150M senior debt facility signed in late 2016 means Dacian Gold is now fully-funded to gold production in March 2018
- Execution of A\$107.1M Mt Morgans EPC Contract with GR Engineering Services Ltd for construction of a new 2.5Mtpa CIL treatment facility and related infrastructure; The EPC is being undertaken on a Guaranteed Maximum Price basis
- Total capital cost for the Mt Morgans Gold Project reduced by A\$23M to A\$197M following capital savings from project infrastructure costs
- Dacian Gold issued a Conditional Letter of Intent to RUC Mining for the underground mining contract at Beresford and Allanson (together, the Westralia Mine Area). Term of the underground contract is for three years plus an option to extend
- Cameron Well confirmed as a large and highly prospective exploration target after drilling results and an ultra-detailed ground magnetic survey identified a 1.1km diameter syenite complex, the core of which is outcropping syenite with mineralised veins up to 12g/t gold
- Large, +1km long zone of shallow gold anomalism/mineralisation discovered lying immediately adjacent to, and in places contiguous with the planned 643,000oz Jupiter open pit. Better results include:
 - 16m @ 1.6g/t Au from 12m (including 4m @ 5.6g/t Au from 20m)
 - 4m @ 4.5g/t Au from 16m
 - 4m @ 3.2g/t Au from 4m
 - 4m @ 3.6g/t Au from 20m
- Site-based construction activity levels stepping up with projected expenditure in the June quarter of A\$42 million.

Dacian Executive Chairman Rohan Williams said the March quarter marked a key turning point for the Company, with the start of the 12-month countdown to production and cash flow.

“The successful completion of our \$110 million equity raising means we are now well on the way to unlocking the value we have created through our exploration success at Mt Morgans,” he said.

“With the project now fully-funded and the key plant construction and underground mining contracts in place, we are getting closer by the day to being Australia’s next mid-tier gold producer.

“At the same time, we have aggressive exploration programs in place, particularly at Cameron Well and next to Jupiter, with the potential to create substantial new value for shareholders. This two-pronged approach of project construction and exploration means the next three to six months stands to be another highly productive period at Mt Morgans.”

INTRODUCTION

Dacian Gold’s 100% owned Mt Morgans Gold Project (**MMGP**) is located 25km south-west of Laverton in Western Australia (see Figure 1). The MMGP has been the Company’s sole focus since its IPO on the ASX in November 2012, and in less than three years since the IPO, Dacian Gold has discovered two +1 million ounce gold deposits at Westralia and Jupiter.

CY2016 was a pivotal year for Dacian Gold with the following milestones achieved:

- 90,000m Mineral Resource in-fill drilling programs completed at both the Jupiter and Westralia discoveries;
- Major Mineral Resource upgrades completed at both Jupiter and Westralia culminating in a total of 3.3Moz for the MMGP, including 2.2Moz of Measured and Indicated Mineral Resource.
- Completion of the MMGP Feasibility Study and initial Ore Reserve delivering (see ASX release 21 November 2016):
 - An initial Ore Reserve of 18.6Mt @ 2.0 g/t Au for 1.2Moz at an AISC of A\$1,039/oz which includes:
 - The Westralia Mine Area (Beresford and Allanson underground mines) Ore Reserve of 492Koz at an estimated AISC of A\$837/oz over an initial 4-year period; and
 - The Jupiter Mine Area Ore Reserve of 643Koz from a 1.8km long open pit at an estimated AISC of A\$1,193/oz mined over an 8-year period;
 - Infrastructure capital costs of A\$172M including:
 - New 2.5Mtpa CIL treatment facility and tailings storage facility; 400-person accommodation village, construction of mine service facilities at the Westralia and Jupiter Mine Areas; administration complex, power reticulation, establishment of raw water supply; re-establishment of haul and service roads; and phone, data and radio communications;
 - Mine-establishment capital costs of A\$48M at the Beresford and Allanson underground mines; and the Jupiter open pit;
 - Gold production to commence in Q1 CY2018; and
 - Project payback period of 21 months using A\$1,600/oz gold price;
- Dacian Gold signed a A\$150 million senior project debt facility with ANZ, Westpac and BNP Paribas; and
- The Company completed a A\$26 million placement at \$2.50 per share.

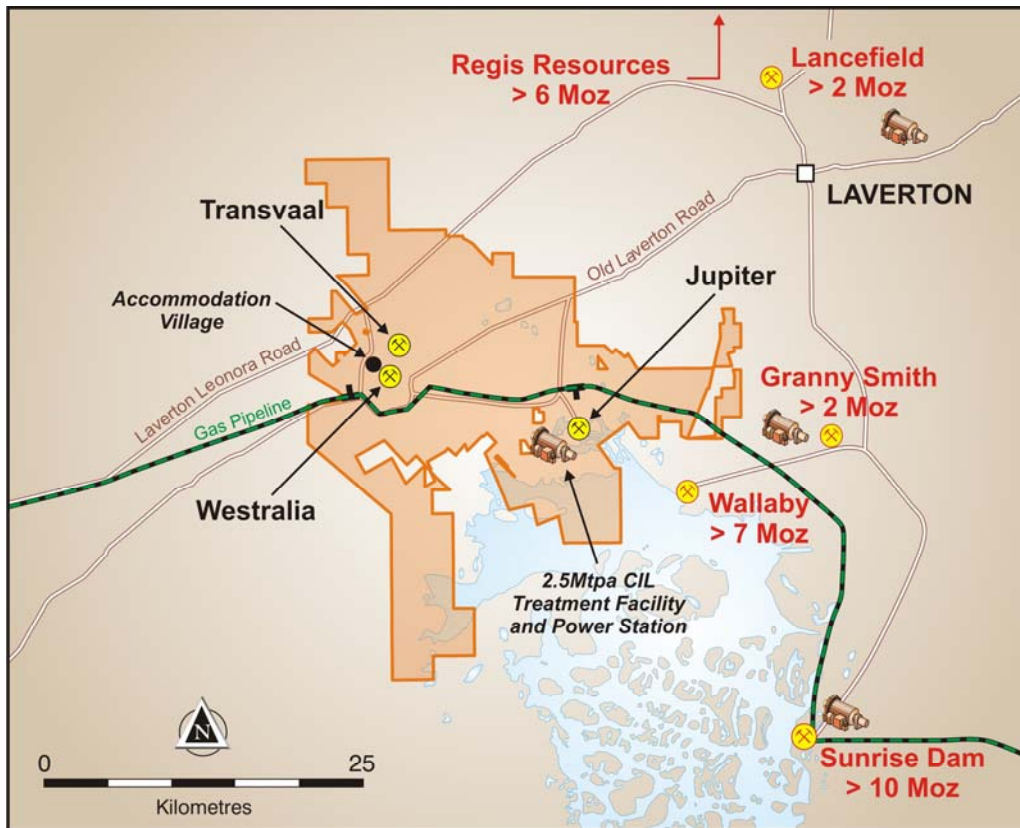


Figure 1: Location map showing Dacian Gold's 100% owned MMGP tenure (orange), including the Westralia and Jupiter Deposits. Also shown is the location of existing and proposed infrastructure as well as proximal multi-million ounce gold deposits.

During the March 2017 quarter, key Company advancements were:

- Completion of a wholly underwritten A\$110M equity capital raising at \$2.00 per share;
- Execution of a A\$107.1 million guaranteed maximum price EPC contract with GR Engineering Services Ltd for the construction of the new 2.5Mtpa CIL treatment facility at Mt Morgans and certain other infrastructure;
- Confirmation of a A\$23 million saving on project infrastructure capital from the original A\$172 million site-based infrastructure capital cost estimate in the MMGP Feasibility Study;
- The signing of a conditional Letter of Intent to award a 3 year underground mining contract to RUC Mining plus an option to extend;
- Recognition that the Cameron Well target is a large highly gold-anomalous area underlain by a 1.1km diameter circular syenite intrusive complex, the core of which is an outcropping syenite that contains mineralised quartz veins grading up to 12g/t Au; and
- The discovery of large zones of near-surface gold anomalism and mineralisation from reconnaissance RAB/aircore drilling lying adjacent to, and contiguous with, the planned Jupiter open pit.

The key advancements during the March quarter are described in more detail below.

COMPLETION OF A\$110M EQUITY RAISING – COMPANY FULLY FUNDED TO GOLD PRODUCTION

As a result of the combined funds available from the A\$150 million senior project facility signed in December 2016, and the proceeds from Dacian Gold’s fully underwritten A\$110 million equity capital raising completed during the March quarter, the Company is now fully funded to complete construction of the MMGP, putting it on track to commence gold production in March 2018.

The A\$110 million equity capital raising comprised an institutional placement (**Placement**) of approximately A\$15.4 million and a 1 for 3.1 accelerated non-renounceable right entitlement offer (**ANREO**) to raise \$94.4 million. The issue price for both the Placement and the ANREO was A\$2.00 per share. The A\$2.00 issue price represented an 8.9% discount to TERP and an 11.9% discount to the last closing price prior to the offer proceeding.

Approximately 55 million new shares were issued increasing the total issued capital for Dacian Gold to 201.2 million shares.

Macquarie Capital (Australia) Limited acted as Sole Lead Manager, Bookrunner and Underwriter; Argonaut Securities Pty Ltd acted as Co-Lead Manager and Treadstone Resource Partners acted as financial advisor to the Company.

EXECUTION OF A\$107.1M EPC CONTRACT FOR TREATMENT FACILITY AT MMGP

During the quarter the Company executed the principal engineering, procurement and construction contract (**EPC Contract**) with GR Engineering Services Ltd (**GRES**) for the MMGP 2.5Mtpa CIL treatment facility and related infrastructure associated with the Jupiter mine area which includes:

- The tailings storage facility;
- The raw water supply infrastructure;
- Workshops, offices and other infrastructure to support the Jupiter open pit;
- A site main administration complex; and
- Construction of a new section of haul road between the new treatment facility and the existing Jupiter haul road.

The EPC Contract is being undertaken on a Guaranteed Maximum Price (**GMP**) of A\$107.1 million with any under-run of the GMP to be shared between the Company and GRES.

The Company will provide all accommodation, fuel and certain other owners’ costs in respect of the EPC Contract for a cost of A\$5.2 million. The total cost for the construction of the MMGP treatment facility and associated infrastructure, as described above, is A\$112.3 million.

A\$23M CAPITAL SAVING FROM ORIGINAL PROJECT INFRASTRUCTURE CAPITAL ESTIMATE

The estimated project infrastructure capital costs determined from the MMGP Feasibility Study (see ASX release 21 November 2016) was A\$172 million. During the course of various tenders and pricing negotiations prior to placing orders for certain infrastructure following the completion of the Feasibility Study, including the execution of the EPC Contract with GRES outlined above, a total of A\$23 million of

capital savings have been secured. The total MMGP project infrastructure capital cost is now A\$149 million.

The estimated A\$48 million of mine-establishment capital costs identified in the 2016 Feasibility Study remains. The total capital cost for the MMGP is now **A\$197 million**.

CONDITIONAL LETTER OF INTENT TO AWARD UNDERGROUND MINING CONTRACT TO RUC MINING

Following a detailed and extensive competitive tender process, the Company issued a Conditional Letter of Intent to Award the Underground Mining Services Contract to RUC Mining during the quarter.

The Mining Services Contract will have an initial term of 3 years with two discretionary 1-year extensions. Works under the contract will include:

- Establishment of a new portal for Beresford;
- Rehabilitation of the existing portal and decline for Allanson;
- All decline and level development;
- All ore driving; and
- All stope production.

Mobilisation of RUC Mining personnel and gear to site will commence in late April with mining scheduled to commence at Beresford in May.

HIGHLY ANOMALOUS CAMERON WELL TARGET UNDERLAIN BY LARGE SYENITE COMPLEX

The Cameron Well target area lies 6km to the east of the Westralia Mine Area and approximately 9km to the north-west of the site where the new 2.5Mtpa CIL treatment facility is to be built.

The Cameron Well target was established in the early 1990s with several shallow high grade intersections returned from an area proximal to historic workings. Such intersections included 7m @ 15g/t from 15m, 4m @ 14g/t Au from 20m and 8m @ 13g/t from 20m (see Dacian Gold Prospectus: ASX announcement dated 22 October 2012).

Since the mid 1990s, there has been negligible exploration at Cameron Well until Dacian Gold completed a 133-hole reconnaissance drilling program (see ASX release 1 September 2016).

During the quarter, the Company completed the following field activities at Cameron Well:

- Drilled 73 broadly-spaced aircore drill holes for a total of 2,520m;
- Completed an ultra-detailed ground magnetic survey; and
- Completed a field mapping and rock chipping data-collection exercised where high grade mineralised quartz veins were observed in outcropping syenite.

Each of these three activities is described in more detail below and in the ASX announcement of 7 February 2017.

1. 73-hole Reconnaissance Drilling Program

Dacian Gold's 73-hole reconnaissance drilling program was focussed in an area of no previous effective drilling and was conducted on a very broad 200m x 100m drilling grid. The drilling program was designed to test for an extension of gold-in-regolith anomalism previously defined by Dacian Gold. The results from the March quarter drilling program has confirmed that the Cameron Well gold anomaly is over 6km² in size and is defined by 385 broadly-spaced, dominantly shallow RAB/aircore drill holes (see Figure 2). In addition, only 18 RC drill holes and no diamond drilling lies within the 6km² gold anomaly.

Cameron Well is a significant and highly prospective near-surface gold target defined by over 400 mostly reconnaissance drill holes, many of which are drilled on 100m spaced centres.

Better results from the widespread drilling completed during the quarter are tabled below in Table 1.

Drill hole	Intersection	From
16CWAC0155	8m @ 1.33 g/t Au	20m
16CWAC0185	4m @ 2.04 g/t Au	0m
16CWAC0140	18m @ 0.19 g/t Au	44m
16CWAC0156	3m @ 0.97 g/t Au	24m
16CWAC0198	4m @ 0.42 g/t Au	4m
16CWAC0146	5m @ 0.21 g/t Au	64m
16CWAC0180	4m @ 0.25 g/t Au	20m

Table 1: Significant shallow intersections from the recently completed 73-hole 200m x 100m wide-spaced reconnaissance aircore drilling program at Cameron Well.

2. Ultra-detailed Ground Magnetic Survey

The Company also completed an ultra-detailed ground magnetic survey over the entire 6km² shallow gold-in-regolith anomaly during the quarter. A total of 366 line kilometres was collected along 50m spaced east-west oriented lines with a minor amount of 25m spaced in-fill lines.

An important outcome from the ground magnetic survey was the identification of a clear magnetic circular feature measuring 1.1km in diameter. All of the historic workings at Cameron Well as well as the previously drilled high grade intersections from the 1990s sit within the circular magnetic feature.

The Company has interpreted the circular magnetic feature as a possible pipe-like syenite intrusive complex, and accordingly, has labelled it as the "Cameron Well Syenite Complex" in Figure 2 and Figure 4.

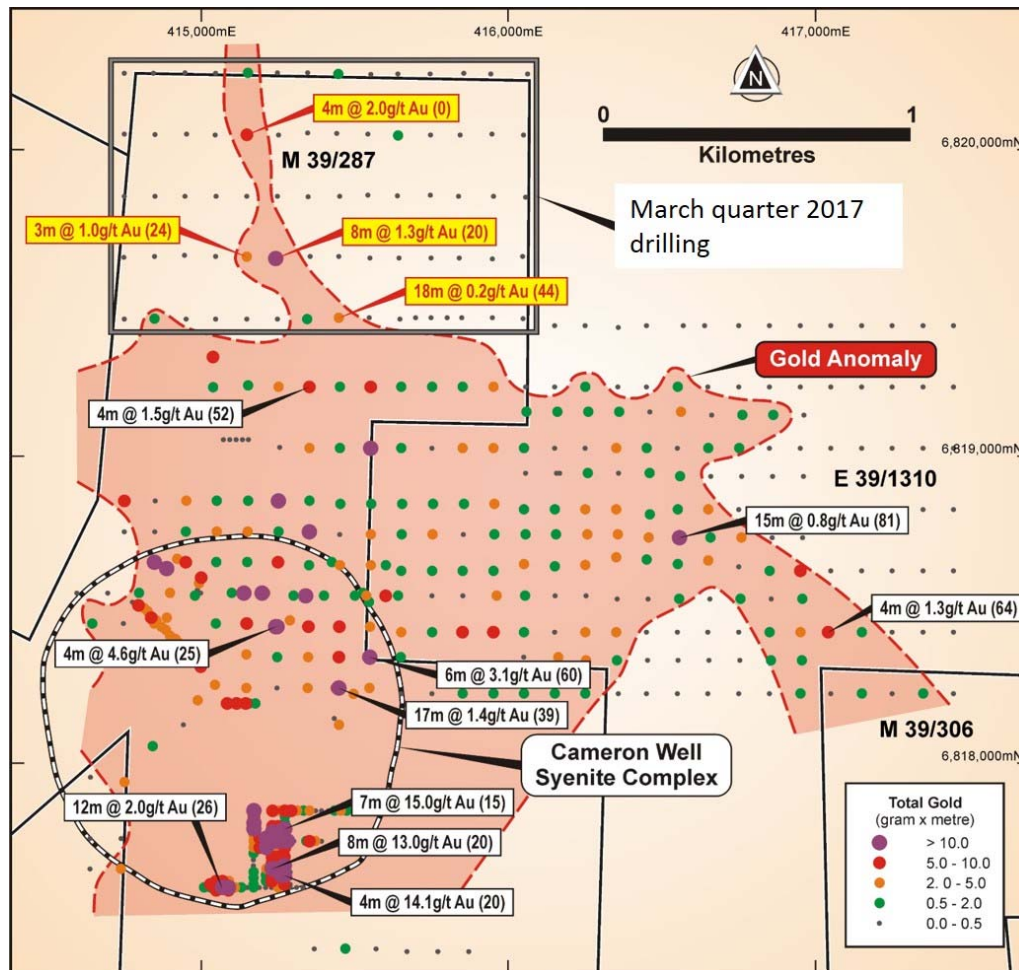


Figure 2: The Cameron Well gold-in-regolith anomaly is defined by 385 dominantly shallow aircore/RAB drill holes over an area measuring in excess of 6km². Intersections from the 73-hole aircore program described in this March Quarterly Report are shown with yellow/red labels at the north end of the anomaly, whereas selected historic intersections are shown in black/white labels. The circular “Cameron Well Syenite Complex” is a high intensity magnetic anomaly measuring 1.1km across and is shown in more detail in Figure 4.

3. High-grade Quartz Veins in Outcropping Syenite

Field mapping during the March quarter has located outcropping syenite in the centre of the circular magnetic feature. Figure 3 below is a photograph of the outcropping syenite which is very similar in physical appearance to the mineralised syenites seen at Jupiter, located 9km to the south-east.

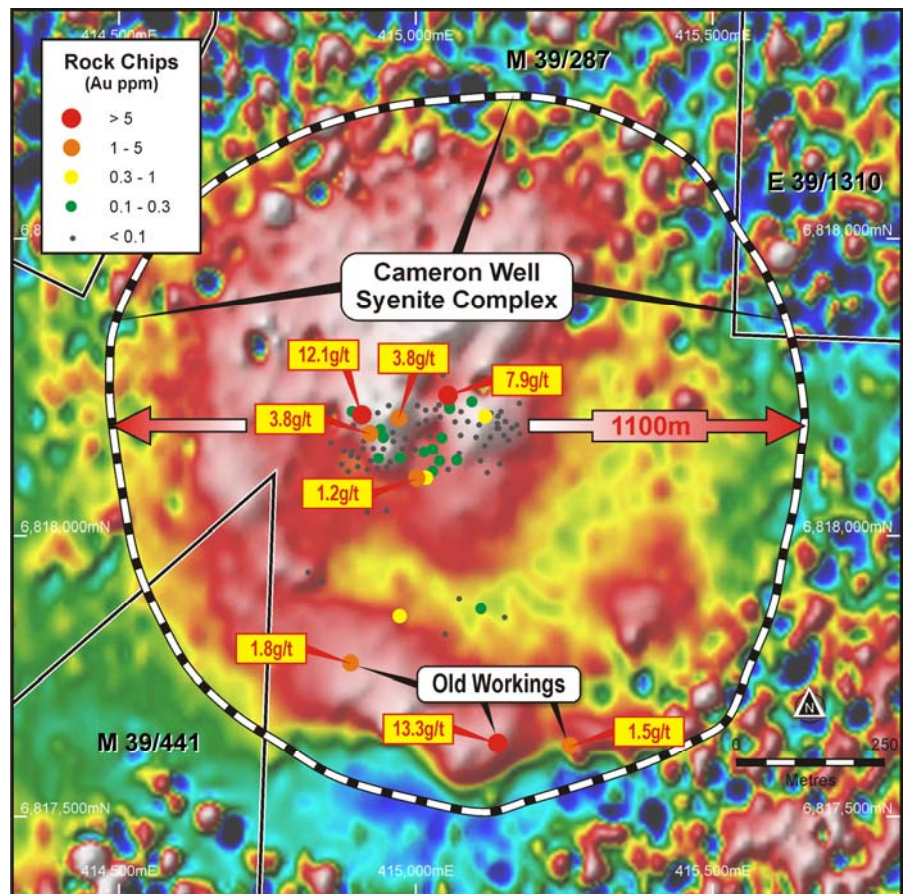
As part of the field mapping exercise, a systematic, mostly 20m x 20m grid rock-chip sampling program was conducted over the outcropping syenites targeting gold anomalism/mineralisation.

Figure 4 below shows the location of the rock-chip sampling programs completed over the outcropping syenite during the quarter. Several significant results of up to 12.1g/t gold and 13.3g/t gold were returned from the rock chips taken from the centre of the circular magnetic feature and its perimeter respectively. The Company remains highly encouraged by the excellent prospectivity of the Cameron Well target.



Figure 3: Syenite outcrop at Cameron Well is very similar in appearance to the mineralised syenites seen at Jupiter. This outcropping syenite returned 0.23g/t gold from a rock chip sample.

Figure 4: Cameron Well ultra-detailed ground magnetics (TMI). The circular, 1.1km diameter, ring-like magnetic anomaly of the interpreted syenite complex is clearly seen with its edge marked by a black and white border (same as that shown in Figure 2). Also shown is the location of a 20m x 20m gridded rock chip sampling program of the outcropping syenite exposed in the core of the magnetic anomaly as well as several rock chips taken from near old-workings at the southern margin of the anomaly. Rock chip results of up to 12.1 g/t Au and 13.3g/t Au in the centre and the southern margin of the magnetic anomaly respectively shows the potential for the development of significant mineralisation associated with the Cameron Well syenite.



DISCOVERY OF LARGE ZONES OF ANOMALISM/MINERALISATION ADJACENT TO JUPITER PIT

During the quarter, the Company drilled 366 reconnaissance RAB/aircore drill holes to test for potential mineralisation in previously undrilled areas lying adjacent to, and contiguous with, the planned 643,000 ounce Jupiter open pit (see ASX release 23 January 2017). The drill holes completed were the final holes of a 722-hole program that commenced in October 2016.

The results of all 722 holes confirm there are large areas of near-surface anomalism/mineralisation lying very close to the planned open pit. Figure 5 below shows the level of the newly discovered anomalism/mineralisation and the location of the planned Jupiter open pit. Key anomalies are named South Cornwall, East Heffernans and Devon.

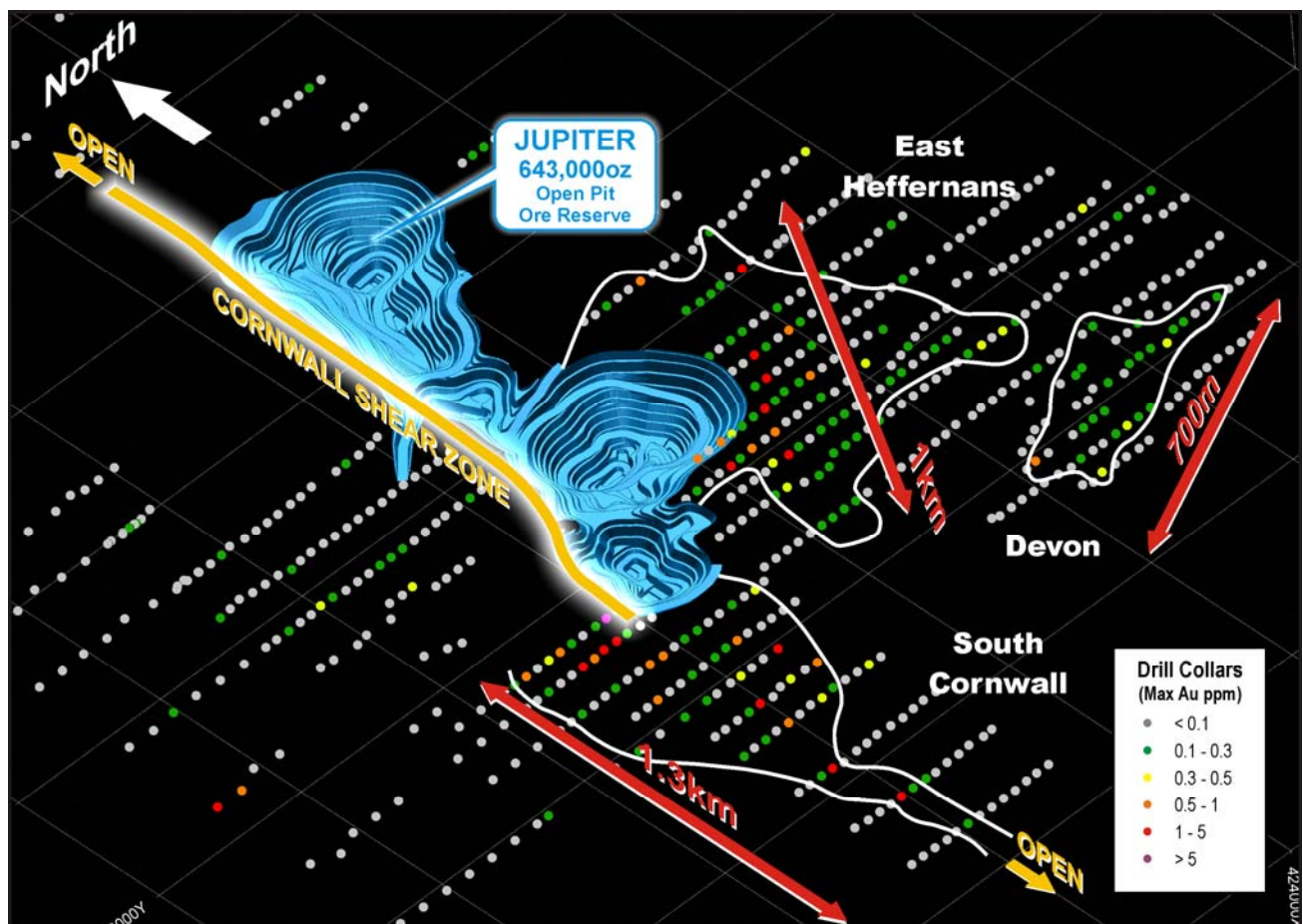


Figure 5: Isometric view of the results of the recently completed 722-hole reconnaissance RAB/aircore drilling program along with the location of the planned 643,000 ounce Jupiter open pit, shown in blue. All drilling is colour-coded to show the maximum gold in the drill hole (sampling over 4m intervals). Note the extensive anomalism developed south of the planned open pit (South Cornwall), east (East Heffernans) and south-east (Devon). The dominant ore-hosting structure at Jupiter, the Cornwall Shear Zone, is shown in yellow.

The South Cornwall anomaly measures 1.3km long and, as can be seen from Figure 5, is the direct southern continuation of the 1.8km long Cornwall Shear Zone, which is the main gold-mineralised structure at Jupiter. It is a well-defined near-surface anomaly with numerous intersections returned from the 80m x 40m (closest to the planned open pit, Figure 5) and 160m x 40m (further south) drilling pattern.

Many of the better intersections are shallow (less than 20m below surface), with several shown below in Table 2.

Drill hole	Intersection	From
16JUAC0568	16m @ 1.63 g/t Au	12m
including	4m @ 5.63 g/t Au	20m
16JUAC0552	4m @ 4.50 g/t Au	16m
16JUAC0611	4m @ 3.15 g/t Au	4m
16JUAC0646	3m @ 2.25 g/t Au	56m
16JUAC0553	4m @ 1.97 g/t Au	4m
and	4m @ 0.43 g/t Au	44m
16JUAC0654	12m @ 0.74 g/t Au	4m
16JUAC0627	8m @ 0.75 g/t Au	56m
16JUAC0555	8m @ 0.67 g/t Au	4m

Table 2: Significant shallow intersections of reconnaissance aircore drilling from the South Cornwall target which is defined as a coherent 1.3km long gold anomaly.

The 1km long East Heffernans anomaly lies immediately adjacent to, and in places is contiguous with, the planned eastern wall of the Jupiter open pit (see Figure 5). All drilling defining the East Heffernans anomaly is completed on an 80m x 40m grid and requires no further infill prior to RC bedrock drill-testing. Better results from the East Heffernans are tabled below in Table 3.

Drill hole	Intersection	From
16JUAC0398	4m @ 3.57 g/t Au	20m
16JUAC0362	4m @ 0.94 g/t Au	20m
and	8m @ 0.21 g/t Au	32m
16JUAC0365	3m @ 1.20 g/t Au	36m
16JUAC0550	16m @ 0.20 g/t Au	0m
16JUAC0508	8m @ 0.35 g/t Au	48m
16JUAC0401	4m @ 0.53 g/t Au	0m
and	8m @ 0.16 g/t Au	28m
16JUAC0403	4m @ 0.47 g/t Au	32m
16JUAC0506	4m @ 0.46 g/t Au	48m

Table 3: Significant shallow intersections of reconnaissance aircore drilling from the East Heffernans target which is defined as a coherent 1km long gold anomaly.

CORPORATE

As at 31 March 2017, the Company had cash reserves of \$124.6 million.

As at 31 March 2017, the Company had an undrawn facility of \$150 million.

Shares on issue at the end of the March quarter were 201.4 million, an increase of 54.9 million from the previous quarter due to the issue of shares from the Placement and ANREO described above; as well as the exercise of 250,000 options into fully paid ordinary shares.

As a result of the Company completing the ANREO, the exercise price of a number of classes of options over unissued shares in Dacian Gold that were on issue prior to the ANREO being undertaken have been recalculated pursuant to the Company's Employee Share Option Plan and ASX Listing Rule 6.22.2.

The resulting reduction in exercise prices of the different classes of options are shown below in Table 4. All existing vesting conditions in relation to the options on issue remain unchanged.

Grant Date	Expiry Date	Number of Options	Original Exercise Price	Amended Exercise Price
9 October 2012	9 October 2017	5,100,000	83 cents	77 cents
28 February 2014	28 February 2019	250,000	56 cents	50 cents
25 September 2014	24 September 2019	1,000,000	64 cents	58 cents
18 November 2014	17 November 2019	2,000,000	45 cents	39 cents
5 October 2015	30 September 2020	1,500,000	121 cents	115 cents
5 February 2016	31 January 2021	1,650,000	122 cents	116 cents
26 February 2016	28 February 2021	300,000	205 cents	199 cents
28 June 2016	30 June 2021	500,000	372 cents	366 cents

Table 4: Option exercise re-pricing following completion of the ANREO.

The total number of unlisted options at quarter-end reduced to 12.3 million following the exercise of 250,000 options during the quarter.

PLANNED ACTIVITIES FOR THE JUNE QUARTER

The June quarter will see activities ramp up dramatically on site with the commencement of underground mining at Beresford and construction of the new 2.5Mtpa CIL treatment facility. Projected expenditure levels for the June quarter will increase correspondingly and are anticipated to be in excess of A\$42 million, up from \$6.6 million in the March quarter.

MMGP Development

Planned activities for the June quarter include:

- Complete Phase 1 of the permanent village with 112 rooms and all messing facilities installed and operational;
- Initiate Phase 2 of the permanent village with installation of an additional 150 rooms;
- Commence on-site works for construction of the 2.5Mtpa CIL treatment facility;
- Execute underground mining contract with RUC Mining and mobilise contractor to site and commence underground mining at Beresford; and
- Continue construction of the mine service facilities associated with the Westralia Mine Area.

Exploration and Drilling

Planned activities for the June quarter include:

- Continue with Beresford and Allanson infill surface diamond drilling / grade control program ahead of mine development;
- Report results of the recently completed 319 aircore drill hole program at Cameron Well once all results have been returned;
- Report results of the recently completed 24 surface diamond drill holes completed as part of the Beresford infill drilling / grade control drilling program once all results have been returned;
- Complete 50m x 50m aircore drilling program within the Cameron Well Syenite Complex;
- Commence regional infill aircore/RAB drilling of broad spaced gold-in-regolith anomalism defined around the Cameron Well Syenite Complex;
- Commence RC bedrock testing at Cameron Well Syenite Complex;
- Infill aircore drilling along the 160m x 40m lines at South Cornwall at Jupiter; and
- Commence RC bedrock testing at South Cornwall and East Heffernans at Jupiter.

For and on behalf of the Board



Rohan Williams
Executive Chairman

About Dacian Gold Limited

Dacian Gold Ltd listed on the ASX on 14 November 2012 after raising \$20M in its IPO to fund a 3 year exploration program at the Mt Morgans project it had acquired near Laverton, in Western Australia.

During the 3 years of intensive exploration, Dacian Gold discovered two plus one million ounce gold deposits at Westralia and Jupiter; and following the completion of a Scoping Study in September 2015, completed a \$25 million equity raising to complete a 90,000m resource-infill drill out and to fund a definitive Feasibility Study.

In November 2016, Dacian Gold released the results of the Feasibility Study which showed the Mt Morgans Gold Project to have an Initial Ore Reserve of 1.2 million ounces with an AISC of A\$1,039/oz over an initial 8-year period.

The capital cost to build the project, including a new 2.5 Mtpa CIL treatment facility, is A\$197M which includes A\$149M as the revised site-based infrastructure capital costs, and A\$48M for mine establishment costs at the underground Westralia Mine Area and the open pit at Jupiter. At the same time as releasing the Feasibility Study, the Company released an expansion Pre-Feasibility Study which showed that the MMGP had the potential for 1.7 million ounces at an AISC of A\$970-975/oz.

The Board, which includes Rohan Williams as Executive Chairman and Robert Reynolds, Barry Patterson and Ian Cochrane as non-executive directors, approved the construction of the project which is targeting gold production in the first quarter of CY2018.

Dacian Gold will also maintain an aggressive exploration spend on the project it believes will continue to yield gold discoveries that will increase mine life and project value.

For further information please visit www.daciangold.com.au to view the Company's presentation or contact:

Rohan Williams Executive Chairman Dacian Gold Limited +61 8 6323 9000	Paul Armstrong Investor Relations Read Corporate +61 8 9388 1474
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APPENDIX 1

Mount Morgans Gold Project Mineral Resources as at 28 July 2016

Deposit	Cut-off Grade	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
King Street*	0.5	-	-	-	-	-	-	532,000	2.0	33,000	532,000	2.0	33,000
Jupiter	0.5	994,000	1.7	54,000	22,889,000	1.4	1,006,000	5,739,000	1.1	197,000	29,623,000	1.3	1,257,000
Jupiter UG	1.5	-	-	-	-	-	-	530,000	2.0	34,000	530,000	2.0	34,000
Jupiter LG Stockpile	0.5	3,494,000	0.5	58,000	-	-	-	-	-	-	3,494,000	0.5	58,000
Westralia	2.0	409,000	5.0	65,000	4,769,000	5.5	840,000	3,449,000	6.5	715,000	8,626,000	5.8	1,621,000
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		5,263,000	1.5	246,000	28,287,000	2.1	1,954,000	11,138,000	3.1	1,115,000	44,688,000	2.3	3,315,000

* JORC 2004

Mt Morgans Gold Project Ore Reserves as at 21 November 2016

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
Beresford UG	2.0	50,000	4.9	8,000	2,383,000	4.2	323,000	2,433,000	4.2	331,000
Allanson UG	2.0	-	-	-	882,000	5.7	162,000	882,000	5.7	162,000
Transvaal UG	1.4	193,000	4.7	29,000	325,000	3.4	36,000	518,000	3.9	65,000
Jupiter OP	0.5	867,000	1.7	48,000	13,884,000	1.3	595,000	14,751,000	1.4	643,000
INITIAL ORE RESERVE		1,110,000	2.4	85,000	17,475,000	2.0	1,115,000	18,585,000	2.0	1,200,000

Competent Person Statement

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.

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

The information in this report that relates the Westralia Deposit Mineral Resource (see ASX Announcement 28 July 2016), Jupiter Deposit Mineral Resource (see ASX Announcement 19 July 2016), Transvaal Deposit Mineral Resource (see ASX announcement 16th September, 2015) and the Ramornie

Deposit 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 RungePincockMinarco. 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. 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 2004 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.

Where the Company refers to the Mineral Resources and Ore Reserves in this report (referencing previous releases 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 Mineral Resource estimate and Ore Reserve estimate with that announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons findings are presented have not materially changed from the original announcement.

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 King Street and Craic Mineral Resource 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.

Ore Reserves

The information in this report that relates to Ore Reserves for the Westralia Mining Area and Transvaal Mining Area (see ASX Announcement 21 November 2016) is based on information compiled or reviewed by Mr Matthew Keenan and Mr Shane McLeay. Messrs Keenan and McLeay have confirmed that they

have read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012 Edition). They are Competent Persons as defined by the JORC Code 2012 Edition, having more than five years experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity for which they are accepting responsibility. Messrs Keenan and McLeay are both a Member of The Australasian Institute of Mining and Metallurgy and full time employees of Entech Pty Ltd and consent 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 Ore Reserves for the Jupiter Mining Area (see ASX Announcement 21 November 2016) is based on information compiled or reviewed by Mr Ross Cheyne. Mr Cheyne confirmed that he has read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012 Edition). He is a Competent Person as defined by the JORC Code 2012 Edition, having more than five years' experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity for which he is accepting responsibility. Mr Cheyne is a Fellow of The Australasian Institute of Mining and Metallurgy and a full-time employee of Orelogy Consulting Pty Ltd and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

APPENDIX 2 – TENEMENT SCHEDULE (with respect to tenement changes in the quarter, refer to Appendix 5B, sections 6.1 and 6.2).

Tenement Type	Tenement	Status	Location	Ownership
E	39/1950	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
E	39/1951	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
E	39/1967	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
E	39/2002	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
E	38/2951	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
E	39/1310	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
E	39/1713	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
E	39/1787	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
E	39/2004	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
E	39/2017	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
E	39/2020	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
L	39/0010	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
L	39/0057	Granted	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
L	39/0244	Granted	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
L	39/0245	Granted	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
L	39/0246	Granted	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	38/0395	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	38/0396	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	38/0548	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	38/0595	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	38/0848	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0018	Granted	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0036	Granted	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0208	Granted	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0228	Granted	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0236	Granted	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0240	Granted	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0248	Granted	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0250	Granted	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0261	Granted	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0264	Granted	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0272	Granted	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0273	Granted	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0282	Granted	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0287	Granted	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0291	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0295	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0304	Granted	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0305	Granted	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)



Tenement Type	Tenement	Status	Location	Ownership
M	39/0306	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0333	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0380	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0390	Granted	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0391	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0392	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0393	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0394	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0395	Granted	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0403	Granted	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0441	Granted	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0442	Granted	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0443	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0444	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0497	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0501	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0502	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0503	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0504	Granted	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0513	Granted	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0745	Granted	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0746	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0747	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0799	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0937	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0938	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0993	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/1107	Granted	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
P	38/4093	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	38/4094	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	38/4095	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5358	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5359	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5360	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5361	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5362	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5363	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5364	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5365	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5366	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5367	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5368	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)



Tenement Type	Tenement	Status	Location	Ownership
P	39/5369	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5370	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5371	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5372	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5374	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5375	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5377	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5378	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5379	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5380	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5381	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5382	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5383	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5384	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5385	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5386	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5387	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5388	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5389	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5390	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5391	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5392	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5393	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5394	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5426	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5427	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5461	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5469	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5475	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5476	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5477	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5478	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5479	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5491	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5493	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5498	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5823	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5824	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5825	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5826	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5827	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5828	Application	Mt Morgans WA	Dacian Gold Ltd (100%)



Tenement Type	Tenement	Status	Location	Ownership
P	39/5829	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5830	Application	Mt Morgans WA	Dacian Gold Ltd (100%)

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Dacian Gold Limited

ABN

61 154 262 978

Quarter ended ("current quarter")

31 March 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(2,496)	(10,476)
(b) development	(3,156)	(3,156)
(c) production	-	-
(d) staff costs	(669)	(1,631)
(e) administration and corporate costs	(433)	(1,056)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	122	163
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	835
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(6,631)	(15,320)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	(159)	(543)
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(159)	(543)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	109,790	136,291
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	140	638
3.4 Transaction costs related to issues of shares, convertible notes or options	(4,128)	(4,710)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	(1,081)	(1,408)
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	104,720	130,811

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	26,665	9,648
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(6,631)	(15,320)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(159)	(543)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	104,720	130,811
4.5 Effect of movement in exchange rates on cash held	-	-
4.6 Cash and cash equivalents at end of period	124,595	124,595

Mining exploration entity and oil and gas exploration entity quarterly report

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	10,580	6,138
5.2	Call deposits	114,015	3,510
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	124,595	9,648

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
351
-

Remuneration of directors

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
-
-

n/a

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	150,000	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

Project debt finance facility of up to A\$150 million with Westpac Banking Corporation, Australia and New Zealand Banking Group Limited and BNP Paribas comprising A\$140 million for project development and working capital during construction, commissioning and ramp up stages of the Project plus a cost overrun facility of A\$10 million. Typical conditions precedent are required to be satisfied prior to first draw down which is anticipated to occur in mid-2017.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	3,840
9.2 Development	36,621
9.3 Production	-
9.4 Staff costs	442
9.5 Administration and corporate costs	609
9.6 Other (provide details if material) ¹	1,053
9.7 Total estimated cash outflows	42,566

¹ Comprises primarily project financing costs (\$1.0 million).

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	Nil			
10.2 Interests in mining tenements and petroleum tenements acquired or increased	E39/1951	Granted	Nil	100%
	E39/1967	Granted	Nil	100%

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:



Company secretary

Date: 27 April 2017

Print name:

Kevin Hart

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.