25 JULY 2016

STRONG NEW DRILLING RESULTS AT WESTRALIA AWAY FROM EXISTING 1.5MOZ RESOURCE AND AT MORGANS NORTH OPEN PIT

New near-surface shoot identified above Morgans Underground; encouraging results from previously untested near-surface Westralia Footwall BIF

- Shallow resource in-fill and extension drilling at the Morgans North open pit, north of Westralia, has returned several excellent results, including:
  - **10m @ 11.6 g/t Au** from 5m
  - **1m @ 128 g/t Au** from 32m
  - **34m @ 3.7 g/t Au** from 139m including **7m @ 11.3 g/t** Au from 144m
  - **21m @ 2.6 g/t Au** from 20m
  - **9m @ 4.6 g/t Au** from 33m
  - **5m @ 4.8 g/t Au** from 50m
  - **4m @ 2.5 g/t Au** from 141m and **7m at 5.4 g/t Au** from 164m.
  - **7m @ 2.4 g/t Au** from 73m
  - **10m @ 1.4 g/t Au** from 8m

- Shallow reconnaissance drilling intersects mineralisation in the poorly tested Footwall BIF unit along the Westralia trend, confirming the existence of mineralisation in areas previously assumed to be unmineralised. Results include:
  - **17m @ 2.2 g/t Au** from 63m and **2m @ 4.8g/t Au** from 92m
  - **6m @ 8.3 g/t Au** from 82m

  The above two intersections appear to define a new, near-surface shallow plunging high grade shoot directly above the Morgans Underground Mineral Resource

- High grade, near-surface quartz vein identified following sampling of the hangingwall basalt stratigraphy above target BIF returned **9.15m @ 6.3 g/t Au** 55m below the surface including **1.85m @ 23.6 g/t Au**

Dacian Gold Limited ("Dacian Gold" or "the Company") (ASX: DCN) is pleased to advise that exploration RC drilling along the Westralia BIF has intersected highly encouraging mineralisation away from the 1.5 million ounce Westralia Prospect Mineral Resource, within its 100%-owned Mt Morgans Gold Project (MMGP) in WA.

Additionally, and as part of the same drilling program, high grade mineralisation has been intersected from an in-fill and resource-extension drilling associated with the Morgans North open pit, located 900m north of the Westralia open pit.

A total of 67 RC drill holes for 9,700m has established the presence of new, near-surface mineralisation directly above the Morgans Underground and the Westralia Underground Mineral Resources, and in some cases has confirmed the existence of mineralised Westralia Banded Iron Formation (BIF) in areas where 30 years of previous mining and exploration history had not recognised its presence.

Dacian Gold's Executive Chairman, Mr Rohan Williams said the new results were important because they established the presence of mineralisation in the Footwall BIF unit in areas which had not previously been drilled, once again demonstrating the scale and potential of the Westralia gold system."

"It is particularly pleasing that our geological concepts at Westralia are paying dividends with the discovery of new mineralised BIF positions in areas that have never previously been tested."

"The shallow results returned from Morgans North are also significant because they will be included in the Westralia Prospect Mineral Resource upgrade due to be released later this month, which in turn will be incorporated into the MMGP Feasibility Study, due for completion in the December quarter of this year."

BACKGROUND

Dacian Gold recently completed its major, 90,000m resource in-fill and extensional drill program at the Westralia and Jupiter Prospects (see ASX announcements 28 June 2016, 1 June 2016, 21 March 2016 and 11 February 2016 for Westralia; and 16 June 2016, 9 May 2016, 14 March 2016 and 8 February 2016 for Jupiter). This drilling was focused principally on upgrading the Mineral Resource classification of those resources used in the MMGP Scoping Study (see ASX announcement 30 September 2015).

As noted in the MMGP Scoping Study the potential mining of the Morgans Underground Mineral Resource considered an access decline from the base of an expanded Morgans North open pit which had an historic production of 17,000 ounces during the 1990s.

Thirty-eight of the 67 drill holes that are the subject of this announcement were drilled at Morgans North, both within the existing Mineral Resource, and also seeking extensions of the Mineral Resource. All holes drilled at Morgans North will be used to update the existing Morgans North Mineral Resource.

Figure 1 below shows the location of the Morgans North drilling program, the existing Morgans North open pit and the Morgans Underground Mineral Resource.

The majority of the Morgans Underground Mineral Resource, referred to above, lies within a mineralised BIF unit that sits between 50 and 100m into the footwall of the mineralised BIF unit that hosts the majority of the 900,000 ounces of gold mined historically from Westralia.

Prior to Dacian Gold's discovery of the Morgans Underground mineralisation, very little was known about the presence of the mineralised Footwall BIF unit and any associated gold mineralisation. Accordingly, the Footwall BIF unit has seen virtually no exploration despite the +100 year history of mining at Westralia.

Detailed interpretation of the location of the near-surface expression of the Footwall BIF unit was made possible following the completion of Dacian Gold's extensive diamond drilling programs along the 3km length of the Westralia mineralised system.

Dacian Gold has now completed a reconnaissance RC drilling program over several hundreds of metres of possible near-surface Footwall BIF above both the Westralia Underground and the Morgans Underground mineralised positions.

Twenty-nine of the 67 RC drill holes, the subject of this announcement, were drilled to test the near-surface interpreted position of the Footwall BIF. Most of the holes drilled were reconnaissance in nature with only one hole drilled for every 50 to 100m along strike. This drilling is designed to (i) test for the presence of Footwall BIF, and (ii) identify any associated mineralisation. Where significant gold is identified, follow-up drilling will be required.

Figure 1 below shows the location of the near-surface reconnaissance drilling testing for the Footwall BIF above the Westralia and Morgans Underground Mineral Resources.

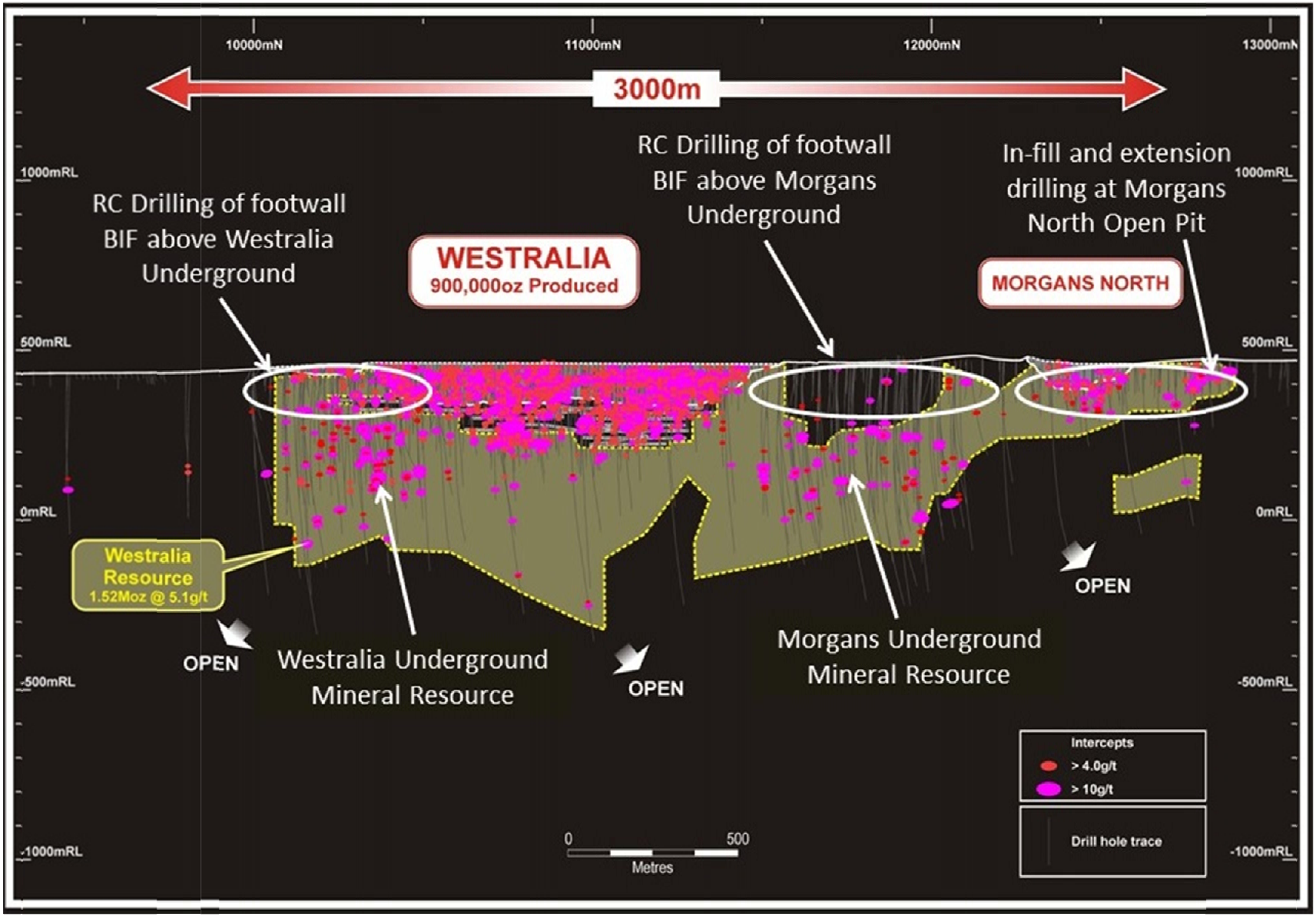

Figure 1: Long section of the 3km long, 1.5 million ounce Westralia Prospect Mineral Resource showing the location of the recently completed 71 RC drill holes testing Morgans North resource in-fill and extension program; the Footwall BIF reconnaissance drill testing above the Westralia Underground and Morgans Underground positions.

MORGANS NORTH OPEN PIT RESOURCE INFILL AND EXTENSION DRILLING

As noted above, a total of 38 RC holes for 4,900m were completed in and around the existing Morgans North open pit. The drilling was designed to infill the existing 45,000 ounce Mineral Resource as well as test for extensions to the Mineral Resource.

Table 1 lists the significant results returned from the drill program.

Drill hole	Intersection	From	Comments
16MMRC0227	**10m @ 11.6 g/t Au**	5m	Immediately below the floor of the Morgans North open pit
16MMRC0222	**34m @ 3.7 g/t Au** Incl **7m @ 11.3 g/t Au** and 12m @ 1.6 g/t Au and 3m @ 6 g/t Au	139m 144m 155m 170m	Several BIF intersections beneath the floor of the existing Morgans North open pit and inside existing resource
16MMRC0238	**1m @ 128 g/t Au**	32m	North of Morgans North open pit inside existing resource. Visible gold panned
16MMRC0228	**21m @ 2.6 g/t Au**	20m	Immediately below the floor of the Morgans North open pit
16MMRC0223	**9m @ 4.6 g/t Au** and 4m @ 1.5 g/t Au	33m 46m	Immediately below the floor of the Morgans North open pit
16MMRC0237	**5m @ 4.8 g/t Au**	50m	North of Morgans North open pit inside existing resource
16MMRC0255	2m @ 7.2 g/t Au and **1m @ 14.8 g/t Au**	156m 202m	North of Morgans North open pit inside existing resource
16MMRC0247	4m @ 2.5 g/t Au and **7m @ 5.4 g/t Au**	141m 164m	Beneath the floor of the existing Morgans North open pit and inside existing resource
16MMRC0224	7m @ 2.4 g/t Au	73m	Beneath the floor of the existing Morgans North open pit and inside existing resource

Table 1: Significant BIF-hosted intersections from the resource in-fill and extension drilling program at Morgans North.

The results shown in Table 1 will be incorporated into an updated Westralia Prospect Mineral Resource estimate to be released before the end of July.

Table 4 at the back of this announcement lists all drill results returned and Appendix 1 and II provide all requisite consents and disclosures.

NEAR-SURFACE FOOTWALL BIF DRILLING ABOVE MORGANS UNDERGROUND

As noted above, Dacian Gold discovered a previously unrecognised and mineralised BIF unit lying between 50 and 100m into the footwall of the BIF unit from which the majority of an historic 900,000 ounces of gold production from Westralia was sourced. Reconnaissance RC drill testing of one drill hole every 50 to 100m was completed over an 850m strike between the Westralia and Morgans North open pits, directly above the Morgans Underground Mineral Resource. See Figure 1 for the location of this drilling program. The drilling was designed to (i) identify whether the shallow Footwall BIF unit existed at the interpreted location, and (ii) whether any gold mineralisation was present at the targeted position.

Table 2 below is a summary of the significant drill results returned from testing the 850m strike of potential near-surface footwall BIF. Two 50m spaced holes along strike returned the excellent results of 6m @ 8.3 g/t Au (16MMRC0270) and 17m @ 2.2 g/t Au (16MMRC0269) suggesting the possible existence of a newly identified shallow north plunging shoot. Shallow north-plunging shoots are interpreted to be the high grade controls at both the Westralia and Morgans Underground Mineral Resources.

Table 4 at the back of this announcement lists all drill results returned and Appendix 1 and II provide all requisite consents and disclosures.

Drill hole	Intersection	From	Comments
16MMRC0270	**6m @ 8.3 g/t Au**	82m	Potential new shallow north plunging shoot located between the Westralia and Morgans North open pits
16MMRC0269	**17m @ 2.2 g/t Au** and 2m @ 4.8 g/t Au	63m 92m	Potential new shallow north plunging shoot located between the Westralia and Morgans North open pits
16MMRC0263	2m @ 4.3 g/t Au	6m	Shallow mineralisation north of the Westralia open pit

16MMRC0262	11m @ 1.4 g/t Au	155m	Mineralisation north of the Westralia open pit
16MMRC0258	2m @ 2.7 g/t Au and 3m @ 2.1 g/t Au	107m 112m	Mineralisation north east of the Westralia open pit

Table 2: Significant results from shallow, reconnaissance RC drill testing over an 850m strike of potential footwall BIF located between the Westralia and Morgans North open pits.

Infill drilling around the 16MMRC0269 and 16MMRC0270 intersections will be undertaken later this quarter to confirm whether continuity of mineralisation can be determined. If so, Dacian Gold would investigate possible open pit options.

NEAR-SURFACE FOOTWALL BIF DRILLING ABOVE WESTRALIA UNDERGROUND

As noted above, Dacian Gold discovered a previously unrecognised and mineralised BIF unit lying between 50 and 100m into the footwall of the BIF unit from which the majority of an historic 900,000 ounces of gold production from Westralia was sourced.

Reconnaissance RC drill testing of one drill hole every 50 to 100m was completed over a 650m strike west of the western wall of the Westralia open pit and continuing southward toward the historic Millionaires open pit. The southern area of drill testing lies directly above the Westralia Underground Mineral Resource.

See Figure 1 above for the location of this drilling program. The drilling was designed to (i) identify whether the shallow footwall BIF unit existed at the interpreted location, and (ii) whether any gold mineralisation was present at the targeted position.

Drilling has shown the footwall BIF is present west of the western wall of the Westralia open pit, however mineralisation is less well developed than that seen north of the Westralia open pit, directly above the Morgans Underground Mineral Resource.
Table 3 below is a summary of the better intercepts from this drilling program.

Drill hole	Intersection	From	Comments
16MMRC0286	6m @ 1.9 g/t Au	80m	South -west end below Millionaires open pit
16MMRC0284	1m @ 8.9 g/t Au and 2m @ 4 g/t Au and 1m @ 6.3 g/t Au	148m 174m 229m	South -west end below Westralia open pit
16MMRC0277	5m @ 1.4 g/t Au	83m	Central-west below Millionaires open pit

Table 3: Significant results from shallow, reconnaissance RC drill testing over an 650m strike of potential footwall BIF located west and south of the Westralia open pit.
Table 4 at the back of this announcement lists all drill results returned and Appendix 1 and II provide all requisite consents and disclosures.

HANGINGWALL BASALT MINERALISATION ABOVE MORGANS UNDERGROUND

All of the resource in-fill diamond drilling at Morgans Underground and Westralia underground pass through the hangingwall basalt sequence. A number of mineralised structures in the hangingwall basalt have been mined in shallow open pits e.g. Ramornie, Ramornie North and Sarah, all located east of the Westralia open pit. The mineralised hangingwall basalt structures have a typically steep east dip.

Sampling the hangingwall stratigraphy of the previously released drill hole 16MMRD0051, returned a highly mineralised quartz vein located within the hangingwall basalt. The shallow intersection returned:

- **9.15m @ 6.3g/t Au** from 79.85m and included **1.85m @ 23.6 g/t Au**

The true thickness of the intersection appears to be 3.5m, however given its high grade nature and the shallow position, being only 55m below the surface, follow up drilling will take place later in this quarter.

Table 4 at the back of this announcement lists all drill results returned and Appendix 1 and II provide all requisite consents and disclosures.

NEXT STEPS

Having completed the 90,000m in-fill and resource extension drilling program at the Jupiter and Westralia Prospects, the following work programs and corresponding ASX announcements are planned for the coming weeks:

- Updated Mineral Resource estimates for Westralia Prospect due to be released before the end of the month;
- Exploration is ongoing with a 600-hole reconnaissance drill testing program at Jupiter Regional and Cameron Well. Initial results are likely to be received and released to the market in July;
- A specialist salt-lake drilling rig has been booked to drill the promising Callisto target, located 7km west of the 8 Moz Wallaby gold deposit. Drilling will commence in the second half of July; and
- Planning of follow-up drill programs of the encouraging results reported herein will be undertaken in August with drilling to commence later this quarter.

Feasibility Study activities are advanced with the following work streams in progress:

- Environmental impact assessments related to project development and drafting of regulatory approval submissions;
- Metallurgical testwork programs for determination of process plant operating and performance criteria;
- Detailed design of processing plant and tailings storage facility infrastructure, enabling capital cost and operating cost estimation;
- Detailed open pit and underground mine designs and associated schedules for the proposed Jupiter and Westralia mining areas respectively, following finalisation of Mineral Resource estimate updates; and
- Publication of Ore Reserve estimates for the Jupiter open pit mining complex and Westralia underground mining complex.

For and on behalf of the Board

Rohan Williams
Executive Chairman

Table 4: Mt Morgans Exploration Drilling Results - Morgans North

Collar Location and Orientation									Intersection > 1 ppm * m Au			
Hole	Local Northing	Type	X	Y	Z	Total Depth	Dip	Azimuth	From (m)	To (m)	Length (m)	Au (ppm)
16MMRC0220	12400	RC	408,488	6,818,541	456	175	-48	243	135	136	1	1.0
									145	146	1	4.4
									151	153	2	2.9
16MMRC0222	12500	RC	408,440	6,818,602	451	208	-50	244	**139**	**173**	**34**	**3.7**
								incl.	139	140	1	4.4
								and	**144**	**151**	**7**	**11.3**
								and	**155**	**167**	**12**	**1.6**
								and	**170**	**173**	**3**	**6.0**
16MMRC0223	12500 In Pit	RC	408,367	6,818,595	410	100	-65	240	23	24	1	1.4
									33	**42**	**9**	**4.6**
									46	50	4	1.5
16MMRC0224	12500 In Pit	RC	408,353	6,818,616	413	100	-70	240	25	28	3	0.9
									32	33	1	1.9
									73	**80**	**7**	**2.4**
16MMRC0225	12550 In Pit	RC	408,337	6,818,636	417	75	-61	237	**8**	**18**	**10**	**1.4**
16MMRC0227	12550 In Pit	RC	408,350	6,818,651	421	75	-55	239	**5**	**15**	**10**	**11.6**
16MMRC0228	12550 In Pit	RC	408,339	6,818,636	417	80	-75	240	**20**	**41**	**21**	**2.6**
									76	77	1	1.2
16MMRC0229	12550	RC	408,381	6,818,683	450	150	-50	235	104	105	1	1.0
16MMRC0230	12600	RC	408,283	6,818,666	460	100	-55	64	59	62	3	0.9
16MMRC0231	12600	RC	408,325	6,818,692	456	100	-49	242	No significant assays			
16MMRC0232	12600	RC	408,272	6,818,687	462	60	-50	62	No significant assays			
16MMRC0233	12600	RC	408,314	6,818,703	457	100	-60	240	19	21	2	0.9
16MMRC0234	12750	RC	408,238	6,818,782	468	60	-50	59	No significant assays			
16MMRC0235	12750	RC	408,270	6,818,844	464	100	-58	236	46	50	4	0.8
									59	61	2	1.8
16MMRC0236	12800	RC	408,261	6,818,871	463	100	-59	236	**43**	**48**	**5**	**2.3**
16MMRC0237	12850	RC	408,231	6,818,917	465	100	-59	238	24	29	5	1.0
									50	**55**	**5**	**4.8**
									95	96	1	1.7
16MMRC0238	12900	RC	408,213	6,818,938	455	195	-59	241	27	28	1	2.0
									32	**33**	**1**	**128.0**
16MMRC0239	12400	RC	408,471	6,818,560	453	175	-50	237	128	130	2	1.1
									136	137	1	3.9
16MMRC0240	12300	RC	408,446	6,818,400	467	150	-56	240	46	50	4	0.8
16MMRC0241	12300	RC	408,467	6,818,417	463	150	-55	241	29	31	2	1.9
16MMRC0242	12300	RC	408,496	6,818,435	454	150	-55	235	No significant assays			
16MMRC0243	12300	RC	408,485	6,818,456	453	150	50	238	134	135	1	1.0
16MMRC0244	12300	RC	408,515	6,818,470	458	150	-50	240	113	122	9	1.0
									128	130	2	3.7
16MMRC0246	12450	RC	408,272	6,818,466	462	150	-55	59	No significant assays			

Table 4 cont'd: Mt Morgans Exploration Drilling Results - Morgans North

16MMRC0247	12450	RC	408,458	6,818,582	451	300	-50	240	**141**	**145**	**4**	**2.5**
									149	150	1	1.8
									164	**171**	**7**	**5.4**
									183	184	1	1.1
16MMRC0248	12500	RC	408,262	6,818,517	461	150	-55	58	No significant assays			
16MMRC0249	12550	RC	408,274	6,818,579	459	103	-55	76	No significant assays			
16MMRC0250	12600	RC	408,269	6,818,631	460	100	-55	61	No significant assays			
16MMRC0251	12600	RC	408,341	6,818,692	454	100	-60	238	60	62	2	1.0
16MMRC0252	12650	RC	408,303	6,818,758	459	100	-59	237	26	28	2	0.9
16MMRC0253	12900	RC	408,194	6,818,955	466	100	-60	236	No significant assays			
16MMRC0254	12900	RC	408,210	6,818,963	465	100	-59	236	88	90	2	0.9
16MMRC0255	12750	RC	408,317	6,818,875	456	232	-60	242	**156**	**158**	**2**	**7.2**
									202	**203**	**1**	**14.8**
									219	220	1	1.8
16MMRC0256	12600	RC	408,364	6,818,731	452	162	-60	238	130	132	2	0.7
									135	137	2	1.0
									152	154	2	0.8
16MMRC0295	12350	RC	408,280	6,818,387	463	148	-56	63	No significant assays			
16MMRC0296	12400	RC	408,266	6,818,436	464	150	-51	66	No significant assays			
12MMRC011	12750	RC	408,309	6,818,855	457	230	-52	235	No significant assays			
RC hole extended from 150m to 230m												
12MMRC012	12800	RC	408,294	6,818,907	457	230	-55	247	No significant assays			
RC hole extended from 150m to 230m												

Table 4 cont'd: Mt Morgans Exploration Drilling Results - Morgans Footwall

Collar Location and Orientation									Intersection > 1 ppm * m Au			
Hole	Local Northing	Type	X	Y	Z	Total Depth	Dip	Azimuth	From (m)	To (m)	Length (m)	Au (ppm)
16MMRC0257	11500	RC	408,678	6,817,635	458	150	-54	64	No significant assays			
16MMRC0258	11500	RC	408,871	6,817,726	451	200	-55	241	**107**	**109**	**2**	**2.7**
									112	**115**	**3**	**2.1**
									120	127	7	0.7
16MMRC0260	11600	RC	408,641	6,817,726	459	150	-55	66	No significant assays			
16MMRC0261	11650	RC	408,626	6,817,776	461	150	-49	67	32	34	2	0.5
									46	48	2	1.8
16MMRC0262	11700	RC	408,598	6,817,819	462	190	-49	67	**155**	**166**	**11**	**1.4**
									174	175	1	2.1
16MMRC0263	11750	RC	408,576	6,817,864	466	150	-55	65	6	8	2	4.3
16MMRC0265	11850	RC	408,547	6,817,960	463	178	-50	64	No significant assays			
16MMRC0266	11900	RC	408,519	6,818,002	462	150	-55	65	No significant assays			
16MMRC0268	12000	RC	408,487	6,818,098	465	160	-50	76	No significant assays			
16MMRC0269	12050	RC	408,449	6,818,135	467	150	-56	64	**63**	**80**	**17**	**2.2**
									92	**94**	**2**	**4.8**
16MMRC0270	12100	RC	408,422	6,818,178	473	150	-51	64	**82**	**88**	**6**	**8.3**
16MMRC0271	12150	RC	408,380	6,818,214	470	150	-50	65	No significant assays			
16MMRC0272	12200	RC	408,360	6,818,260	472	150	-55	63	No significant assays			
16MMRC0300	11350	RC	408,690	6,817,475	454	214	-50	59	13	14	1	1.1
16MMRD0051	11850	RCD	408,765	6,818,085	472	381	-51	240	**79.85**	**89.00**	**9.15**	**6.3**
					New 79.85 - 89m			incl.	**79.85**	**81.70**	**1.85**	**23.6**
					New			and	**85.00**	**89.00**	**4.00**	**3.1**
					Previoulsy reported				162.05	163.25	1.20	0.9
					Previoulsy reported				**284.05**	**286.10**	**2.05**	**12.6**
16MMRD0052	11850	RCD	408,762	6,818,083	476	395	-60	237	40	47	7	0.7
					New 40 - 47m			incl.	43	45	2	1.2
					Previoulsy reported				**196.85**	**198.70**	**1.85**	**15.9**
					Previoulsy reported				337.75	338.50	0.75	6.1
16MMRD0053	11850	RCD	408,762	6,818,083	476	466	-66	241	104.7	105.6	0.85	0.9
					Previoulsy reported				234.1	234.8	0.70	1.7
					Previoulsy reported				334.1	336.0	1.90	3.1
					Previoulsy reported				398.0	398.8	0.80	2.1
					Previoulsy reported				**408.85**	**409.25**	**0.40**	**23.3**
16MMRD0115	11600	RCD	409,081	6,817,940	445	682	-59	237	46	48	2	1.8
					New 46 -48m				558.00	558.40	0.40	2.7
					Previoulsy reported				573.40	575.05	1.65	1.9

Table 4 cont'd: Mt Morgans Exploration Drilling Results - Westralia Footwall

Collar Location and Orientation									Intersection > 1 ppm * m Au			
Hole	Local Northing	Type	X	Y	Z	Total Depth	Dip	Azimuth	From (m)	To (m)	Length (m)	Au (ppm)
16MMRC0275	10150	RC	409,485	6,816,523	448	150	-56	61	No significant assays			
16MMRC0276	10150	RC	409,579	6,816,567	453	106	-50	240	25	27	2	2.5
16MMRC0277	10200	RC	409,442	6,816,558	449	150	-50	69	83	88	5	1.4
16MMRC0278	10200	RC	409,551	6,816,609	455	112	-50	242	6	7	1	1.3
									23	24	1	1.6
									96	99	3	0.9
16MMRC0279	10250	RC	409,416	6,816,599	451	150	-56	61	No significant assays			
16MMRC0280	10300	RC	409,403	6,816,650	457	150	-50	66	No significant assays			
16MMRC0282	10400	RC	409,328	6,816,721	455	210	-55	67	No significant assays			
16MMRC0283	10450	RC	409,297	6,816,765	455	200	-50	66	No significant assays			
16MMRC0284	10500	RC	409,259	6,816,804	452	256	-55	67	148	149	1	8.9
									174	176	2	4.0
									229	230	1	6.3
									237	240	3	0.5
									249	250	1	1.4
16MMRC0285	10550	RC	409,199	6,816,831	449	250	-50	68	No significant assays			
16MMRC0286	10100	RC	409,531	6,816,489	451	150	-56	66	**80**	**86**	**6**	**1.9**
16MMRC0287	10050	RC	409,547	6,816,441	445	150	-51	65	67	68	1	4.2
									74	75	1	1.1
16MMRC0297	10050	RC	409,676	6,816,503	445	150	-50	239	No significant assays			
16MMRC0298	10000	RC	409,691	6,816,455	443	150	-56	241	97	98	1	3.3
16MMRC0299	10650	RC	409,126	6,816,906	450	200	-56	69	No significant assays			

About Dacian Gold Limited

The Mt Morgans Gold Project hosts high grade Mineral Resources of 3.2 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 currently underway and maintain an active exploration program aimed at identifying new, high value mineral resources with the Mt Morgans gold project.

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

Rohan Williams Executive Chairman Dacian Gold Limited +61 8 9226 4622	Paul Armstrong Investor Relations Read Corporate Pty Ltd +61 8 9388 1474

Appendix I

Mount Morgans Gold Project Mineral Resources as at 19 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	Au Oz
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	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		5,089,000	1.3	215,000	25,479,000	1.7	1,407,000	14,763,000	3.4	1,592,000	45,332,000	2.2	3,214,000

* JORC 2004

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 Jupiter Mineral Resource (current announcement), Westralia and Transvaal Mineral Resources (see ASX announcement – 16th September, 2015) and Ramornie Mineral Resources (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 Jupiter Mineral Resource 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 Jupiter – see current ASX announcement, Westralia, Transvaal and Jupiter LG stockpile Mineral Resources – see ASX announcement 16th September, 2015 and Ramornie Mineral Resource, see ASX announcement 24th 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.

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.