

25 January 2016

QUARTERLY ACTIVITIES REPORT TO 31 DECEMBER 2015

- **Successful Completion of Fully Underwritten \$25M Equity Raising**

During the quarter, Dacian Gold completed a fully underwritten \$25 million equity raising to fund the next stage of its 100% owned Mt Morgans Gold Project (MMGP), located 25km south-west of Laverton in Western Australia.

The underwritten \$25 million equity raising (before costs) comprised the issue of approximately 36.3 million new shares at \$0.69 per share. The equity issue comprised an institutional placement offer to raise approximately \$10 million followed by a 5 for 22 accelerated non-renounceable entitlement offer that raised approximately \$15 million.

- **Major Resource Drill Out Commences at the Mt Morgans Gold Project**

In mid-December, and following the completion of its \$25 million capital raising, Dacian Gold commenced a major resource in-fill drilling program at the MMGP. The resource in-fill drilling program is aimed at improving the geological confidence of the Westralia and Jupiter Mineral Resources that were the subject of the Company's Scoping Study (see ASX announcement of 30 September 2015). Approximately 50,000m of predominantly diamond drilling at the Westralia Prospect and 30,000m of RC drilling at Jupiter Prospect is to be completed over the next 6 months.

- **Engineering Firm Engaged For Mt Morgans Gold Project Feasibility Study**

Dacian engaged GR Engineering Services Ltd (GRES) to advance the Feasibility Study relating to the potential development of a standalone gold operation at the MMGP. Dacian Gold is targeting completion of MMGP Feasibility Study during Q4 CY2016 in order to allow the Board and prospective financiers to consider commencing project development in early CY2017.

- **New Drill Targets Identified at Jupiter Project**

Following an ultra-detailed ground magnetic survey over the 1.1 million ounce Jupiter Project, several new and high priority drill-ready targets have been identified and will commence drill testing in the March quarter.

- **Corporate**

The Company is fully funded to complete the MMGP Feasibility Study, the 80,000m resource in-fill drilling program and ongoing exploration. At 31 December 2015 it had cash reserves of \$24.4 million.

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 Dacian Gold has discovered two +1 million ounce gold deposits at Westralia and Jupiter. The discoveries have led to a +250% growth in the MMGP Mineral Resource Inventory to over 3 million ounces, and most recently, completion of a detailed Scoping Study demonstrating the likely economic potential of the project (see ASX announcement 30 September 2015).

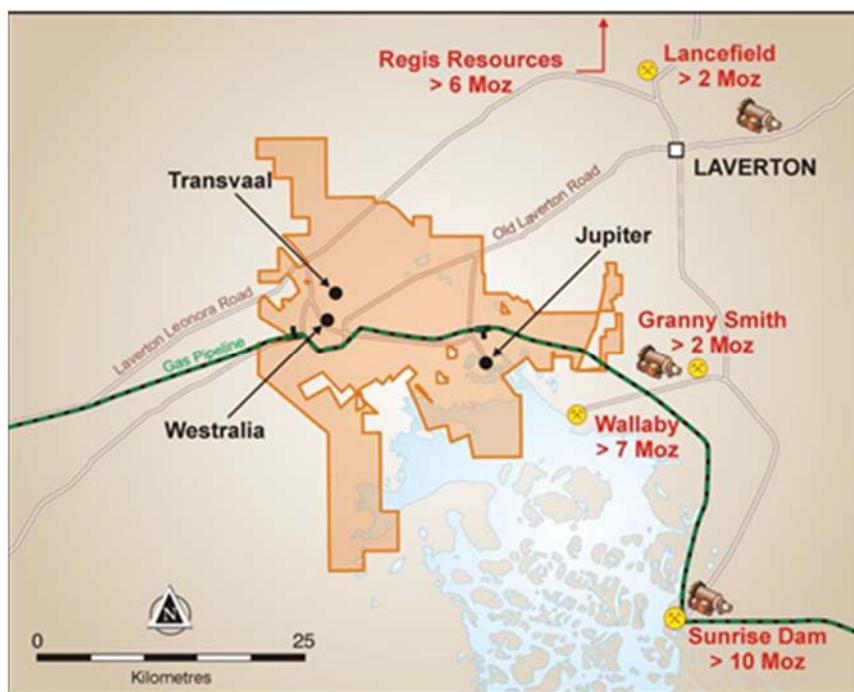


Figure 1: Regional location map showing distribution of Dacian Gold's Westralia, Jupiter and Transvaal Prospects as well as major infrastructure items and proximal multi-million ounce gold deposits.

SUCCESSFUL COMPLETION OF FULLY UNDERWRITTEN \$25M EQUITY RAISING

During the December quarter, Dacian Gold completed a fully underwritten \$25 million equity raising to fund the next stage of the MMGP (see ASX announcements dated 9 November 2015, 11 November 2015 and 1 December 2015). CBA Equities Limited acted as sole underwriter and together with Argonaut Securities Pty Ltd were joint lead managers to the issue.

The \$25 million equity raising comprised an institutional placement of 14.42 million shares to raise \$9.95 million and the issue of 21.84 million shares from a 5 for 22 accelerated non-renounceable entitlement offer to raise up to \$15.07 million. The 36.26 million new shares were issued at \$0.69 per share. The Company now has 132.4 million shares on issue.

The proceeds from the \$25 million equity raising will be used to:

1. Fund the MMGP Feasibility Study scheduled to be completed by Q4 CY2016, ahead of the Dacian Board and prospective financiers considering project development that may commence in early CY2017.
2. Fund an 80,000m resource in-fill drilling program at Westralia and Jupiter (see ASX announcement dated 30 September 2015) designed to improve Mineral Resource classification to Indicated Resource to enable Ore Reserve estimation studies to be completed (as part of the MMGP Feasibility Study).
3. Maintain an aggressive exploration program at multiple drill-ready targets already identified at Callisto, Cameron Well and the Jupiter region. These drill target areas are not part of the Mineral Resources considered in the MMGP Scoping Study.
4. Provide working capital for corporate expenditure up to the procurement of project finance for construction of the MMGP.

GR ENGINEERING ENGAGED FOR MMGP FEASIBILITY STUDY

During the December quarter, a number of WA-based engineering firms with extensive experience in feasibility studies, designing and constructing Western Australian gold projects were invited to submit proposals to assist Dacian in its MMGP Feasibility Study. Following a comprehensive review and evaluation of submissions, GR Engineering Services Ltd were selected as the preferred party.

The GRES work will form a major component of the MMGP Feasibility Study and generally involves the completion of necessary engineering work to estimate the cost of establishing and operating a 2.5Mt/annum ore processing facility and site service infrastructure. Key items of work to be completed by GRES are:

- Development, management and supervision of metallurgical testwork programs, conducted at a certified third party laboratory.

- Engaging and managing specialist consultants relating to tailings storage facility design and civil geotechnical studies.
- Engineering and cost estimation related to the ore processing facility.
- Engineering and cost estimation related to site service infrastructure (eg power, water, fuel, roads, accommodation, offices, workshops, etc).
- Identification of equipment long-lead items.
- Development of a project implementation plan.

An indicative timeline for completion of key items of the MMGP Feasibility Study is as follows:

Q1 CY2016:

- Completion of resource in-fill drilling program at the Jupiter Prospect.
- Engagement of specialist consultants relating to mine geotechnical studies, hydrogeology, project regulatory approvals and permitting, ore processing and site service infrastructure design and cost estimation.
- Commencement of metallurgical testwork programs on samples from proposed mining areas.
- Confirmation of process plant operating parameters and flowsheet.

Q2 CY2016:

- Mineral Resource estimate update for the Jupiter Prospect.
- Completion of resource in-fill drilling programs at the Westralia Prospect and Mineral Resource estimate update.
- Mine optimisation and design for the proposed Jupiter open pit mining complex.
- Completion of key metallurgical testwork programs.
- Commencement of a detailed study for the ore processing facility and site service infrastructure.

Q3 2016:

- Mine optimisation and design for the proposed Westralia underground mining complex.
- Mine project-wide ore production scheduling.
- Completion of ore processing facility and site service infrastructure detailed study and related capital and operating cost estimate.
- Submission of applications for project regulatory approvals and permitting.

Q4 2016:

- MMGP Feasibility Study finalisation for presentation to the Dacian Board.

MAJOR RESOURCE DRILL OUT COMMENCES AT THE MMGP

As announced to the ASX on 15 December 2015, Dacian Gold has commenced an 80,000m resource in-fill drilling program. The resource-infill drilling program is aimed at improving the geological confidence of the Westralia and Jupiter Mineral Resources that were the subject of the MMGP Scoping Study (see ASX announcement of 30 September 2015). Approximately 50,000m of predominantly diamond drilling at the Westralia Prospect and 30,000m of RC drilling at Jupiter Prospect is to be completed over the next 6 months.

Dacian Gold will provide regular updates to the market as they become available.

EXPLORATION ACTIVITY

Jupiter Ultra-detailed Ground Magnetic Survey

A total of 382 line kilometres of ground magnetic geophysical surveys were collected from overlapping east-west and north-south oriented lines completed on 50m line spacings during the quarter (See ASX announcement 4 November 2015).

The two overlapping sets of geophysical data have been interpreted both separately and combined so as to provide the best possible interpretation of a three-dimensional model of the variably magnetic rock units that host the Jupiter mineralisation.

A key observation made following the completion of the ultra-detailed ground magnetic survey is that the mineralised syenite bodies identified within the Jupiter Corridor have at least two very different geophysical signatures. It is apparent that certain mineralised syenite bodies have conspicuous positive magnetic anomalies (eg Heffernans) whereas other mineralised syenite bodies within the Jupiter Corridor have conspicuous negative magnetic anomalies (eg Doublejay, see Figure 2).

Several high priority drill targets have been identified following the ultra-detailed survey, and are labelled in Figure 2:

- Bulls-eye Rosetta and Europa magnetic anomalies, and
- Corridor A and Corridor B, each over 1km long. Both corridors have a geophysical signature very similar to the mineralised Jupiter Corridor (linear trend defined by numerous approximately circular magnetic highs and lows).

Each of the targets described above will be drilled during the March and June quarters as part of ongoing exploration in addition to the 80,000m resource in-fill drill out.

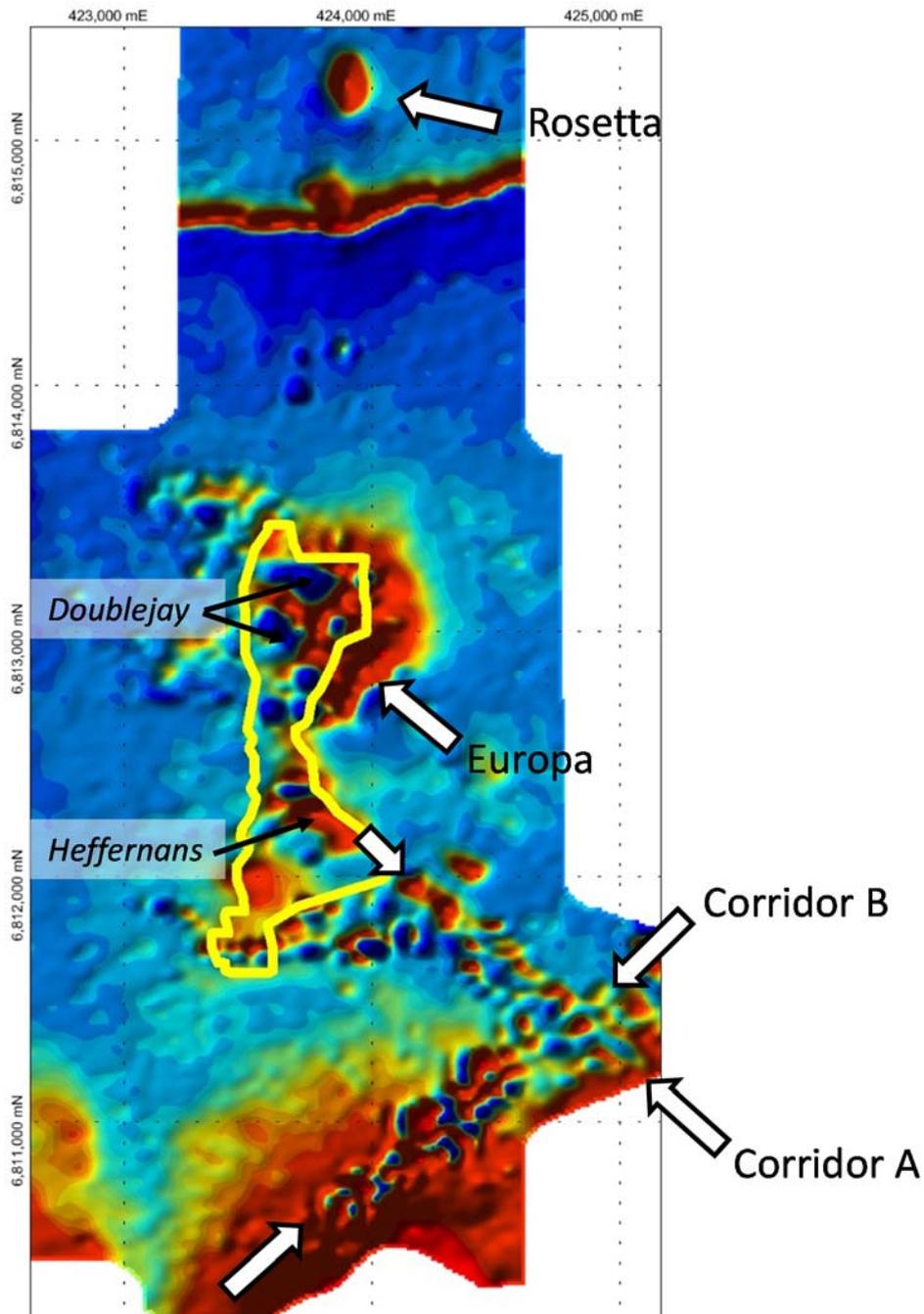


Figure 2: Jupiter Corridor ultra-detailed ground magnetics (TMI). The +1.1 million ounce Jupiter Prospect Mineral Resource is shown as yellow outline. Note the variable magnetic response from within the Mineral Resource envelope: mineralised syenites display both positive magnetism (red circular features as seen at Heffernans) and negative magnetism (blue circular features as seen at Doublejay). Also note the discrete and unexplained Europa and Rosetta positive magnetic anomalies as well as the linear trends of combined positive and negative magnetic anomalies within the newly identified Corridor A and Corridor B. All of the new magnetic anomalies and Corridors represent drill-ready targets.

PLANNED ACTIVITIES FOR THE MARCH QUARTER

Dacian Gold's planned activities during the March quarter are as follows:

- Completion of resource in-fill drilling program at the Jupiter Prospect.
- Continuation of resource in-fill drilling programs at the Westralia Prospect.
- Ongoing reporting of exploration results to the market.
- Engagement of specialist consultants relating to for mine geotechnical studies, hydrogeology, project regulatory approvals and permitting, ore processing and site service infrastructure design and cost estimation.
- Commencement of metallurgical testwork programs on samples from proposed mining areas.

CORPORATE

- As at 31 December 2015, the Company had cash reserves of \$24.4 million.
- Shares on issue are 132.4 million with an increase of 36.3 million compared to the previous quarter. The total number of unlisted options remains unchanged at 11.65 million.

For and on behalf of the Board



Rohan Williams
Executive Chairman

About Dacian Gold Limited

The Mt Morgans Gold Project hosts high grade Mineral Resources of 3.0 million ounces at an average grade of 2.2 g/t gold. In addition, the Company has identified multiple exploration targets and resource extension opportunities. If proven, they will enable growth of the Mt Morgans' existing Mineral Resource and Ore Reserve base.

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

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

Dacian Gold is fully funded to complete the MMGP Feasibility Study, complete a major 80,000m resource in-fill drill program currently underway and maintain an active exploration program aimed at identifying new, high value mineral resources with the Mt Morgans project.

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

Rohan Williams

Executive Chairman

Dacian Gold Limited +61 8 9226 4622 or rohan.williams@daciangold.com.au

APPENDIX I

Mount Morgans Gold Project Mineral Resources as at 15 September 2015

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

Mt Morgans Gold Project Ore Reserves as at 15 September 2015

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

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

Competent Person Statement

Exploration

The information in this report that relates to Exploration Results is based on information compiled by Mr Rohan Williams who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Williams holds shares and options in, and is a director and full time employee of, Dacian Gold Ltd. Mr Williams has sufficient experience which is relevant to the style of mineralisation under consideration to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves." Mr Williams consents to the inclusion in the report of the matters based on the information compiled by him, in the form and context in which it appears.

Mineral Resources and Ore Reserves

The information in this report that relates the Westralia, Jupiter and Transvaal Mineral Resource (see ASX announcement – 16th September, 2015) and the Ramornie Mineral Resource (see ASX announcement – 24th February, 2015) is based on information compiled by Mr Shaun Searle who is a Member of Australian Institute of Geoscientists and a full time employee of RPM. Mr Searle has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which

he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Searle consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates the Jupiter Low Grade Stockpile (see ASX announcement – 16th September, 2015) and is based on information compiled by Mr Rohan Williams who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Williams holds shares and options in, and is a director and full time employee of, Dacian Gold Ltd. Mr Williams has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Williams consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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

Where the Company refers to the Mineral Resources in this report (referencing this release made to the ASX), it confirms that it is not aware of any new information or data that materially affects the information included in that announcement and all material assumptions and technical parameters underpinning the resource estimate with that announcement continue to apply and have not materially changed.

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

All information relating to Mineral Resources and Ore Reserves (other than the King Street and Craic) were prepared and disclosed under the JORC Code 2012. The JORC Code 2004 Mineral Resource and Ore Reserve have not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last updated.



APPENDIX II – 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
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%)
E	38/2951	Application	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	39/1714	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
E	39/1715	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
E	39/1787	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
G	39/0001	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
G	39/0002	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
G	39/0003	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
G	39/0004	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
G	39/0005	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
G	39/0006	Granted	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	Dacian Gold 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	Dacian Gold Ltd (100%)
M	39/0036	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0208	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0228	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0236	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0240	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0248	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0250	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0261	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0264	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0272	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0273	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0282	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0287	Granted	Mt Morgans WA	Dacian Gold 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	Dacian Gold Ltd (100%)
M	39/0305	Granted	Mt Morgans WA	Dacian Gold 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	Dacian Gold 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	Dacian Gold Ltd (100%)
M	39/0403	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0441	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0442	Granted	Mt Morgans WA	Dacian Gold 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	Dacian Gold Ltd (100%)
M	39/0513	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0745	Granted	Mt Morgans WA	Dacian Gold 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%)
P	39/4800	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/4801	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/4807	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/4808	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/4810	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/4811	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/4812	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/4813	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/4814	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/4815	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%)



Tenement Type	Tenement	Status	Location	Ownership
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%)
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	39/5425	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	Application	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	39/5490	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5491	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5492	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5493	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)



Tenement Type	Tenement	Status	Location	Ownership
P	39/5494	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5498	Application	Mt Morgans WA	Dacian Gold Ltd (100%)

Appendix 5B

Mining 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

Name of entity

Dacian Gold Limited

ABN

61 154 262 978

Quarter ended ("current quarter")

31 December 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration & evaluation	(1,507)	(3,460)
(b) development	-	-
(c) production	-	-
(d) administration	(425)	(790)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	18	39
1.5 Interest and other costs of finance paid	(1)	(1)
1.6 Income taxes paid	-	-
1.7 Other - R&D tax credit	224	556
Net Operating Cash Flows	(1,691)	(3,656)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(226)	(227)
(d) bonds	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
(d) bonds redeemed	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other - security deposits paid	-	-
Other - security deposits refunded	-	-
Net investing cash flows	(226)	(227)
1.13 Total operating and investing cash flows (carried forward)	(1,917)	(3,883)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,917)	(3,883)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	25,017	25,017
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	(8)	(16)
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	(1,306)	(1,306)
	Net financing cash flows	23,703	23,695
	Net increase (decrease) in cash held	21,786	19,812
1.20	Cash at beginning of quarter/year to date	2,651	4,625
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	24,437	24,437

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000	
1.23	Aggregate amount of payments to the parties included in item 1.2	131
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

- Remuneration of directors - \$131k;

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	6,500
4.2 Development	-
4.3 Production	-
4.4 Administration	525
Total	7,025

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	592	2,620
5.2 Deposits at call	23,845	31
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	24,437	2,651

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	Nil		
6.2	Interests in mining tenements acquired or increased	Nil		

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities <i>(description)</i>	-	-	
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	+Ordinary securities	132,356,254	132,356,254	
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	36,256,254	36,256,254	
7.5	+Convertible debt securities <i>(description)</i>	-	-	

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)			<i>Exercise price</i>	<i>Expiry date</i>
		6,150,000	-	\$0.84	9 October 2017
		1,000,000	-	\$0.57	28 February 2019
		1,000,000	-	\$0.65	24 September 2019
		2,000,000	-	\$0.46	17 November 2019
		1,500,000	-	\$1.22	30 September 2020
7.8	Issued during quarter	1,500,000	-	\$1.22	30 September 2020
7.9	Exercised during quarter	-	-		
7.10	Expired during quarter	-	-		
7.11	Debentures (totals only)	-	-		
7.12	Unsecured notes (totals only)	-	-		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



Company secretary

Date: 25 January 2016

Print name:

Kevin Hart

+ See chapter 19 for defined terms.

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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 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.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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