

30 January 2015

QUARTERLY ACTIVITIES REPORT TO 31 DECEMBER 2014

Highlights

- New, previously unreleased results returned from the broad Westralia framework drilling testing a 3km strike of the Westralia BIF returned:
 - 2m at 14.4g/t from 390m in 14MMRD019, and
 - 2m at 7.6g/t from 12m in 14MMRD023.
- Post the completion of the Westralia framework drilling, six diamond drill holes targeting southern extensions of the defined Millionaires Shoot returned the following previously unreleased intersections:
 - 3.8m at 4.0g/t from 255m in 14MMRD013, 80m south of the Millionaires resource boundary, and
 - 2.6m at 3.5g/t from 178m in 14MMRD012, 100m south of the Millionaires resource boundary.
- The high grade Millionaires Shoot is now up to 350m long in strike.
- Extensive Transient Electromagnetic ("TEM") surveys conducted over the BIF that hosts the Westralia deposit has defined a significant 800m long TEM anomaly, hereafter referred to as the Birrells prospect. Drilling of this target has commenced with an initial 4 hole, 1,800m diamond drilling program. A 19 hole down-hole TEM survey was also completed during the quarter and results are awaited.
- A work program for a resource estimate update of the Westralia deposit commenced during the quarter.
- A 25 hole RC drill program for 4,450m has commenced at the Jupiter project. The program will complete a 40m x 40m drill out of the Heffernans prospect ahead of completing an inaugural resource estimate for Jupiter.
- Technical work related to a pre-feasibility study on the Jupiter Prospect was initiated.

Corporate

- The Company remains well funded with \$7.6 million in cash as at 31 December 2014.
- The Company also released its new-format website at www.daciangold.com.au.

EXPLORATION

December Quarter Overview

Dacian's stated FY2015 exploration strategy is to:

- determine the mineralisation limits of the recently discovered Millionaires Shoot at Westralia and the Cornwall Shear Zone (CSZ) at Jupiter, and
- define the size of the ore systems at Westralia and Jupiter.

The Company's exploration work completed in the December Quarter was focused on:

- Completion of the major 14 hole, 9,000m framework diamond drilling program over a 3km strike of banded iron formation ("BIF") testing along strike of, and below the Westralia gold mine.
- Completion of a six-hole extensional diamond drilling above and to the south of the high grade Millionaires Shoot at Westralia.
- Completion of an 8km long fixed-loop TEM survey over the BIF hosting the Westralia deposit. The BIF has previously never been the subject of a TEM survey.
- Planning drilling of the large TEM conductor identified from the fixed loop TEM survey, now named the Birrells Prospect.
- Completion of a 19-hole down-hole TEM survey along strike of, and below the Westralia deposit.
- Initiation of a resource estimation update for Westralia.
- Pre-feasibility activities commenced at Jupiter focusing initially on metallurgical, geotechnical and hydrological.

Both Westralia and Jupiter prospect locations are shown in Figure 1.

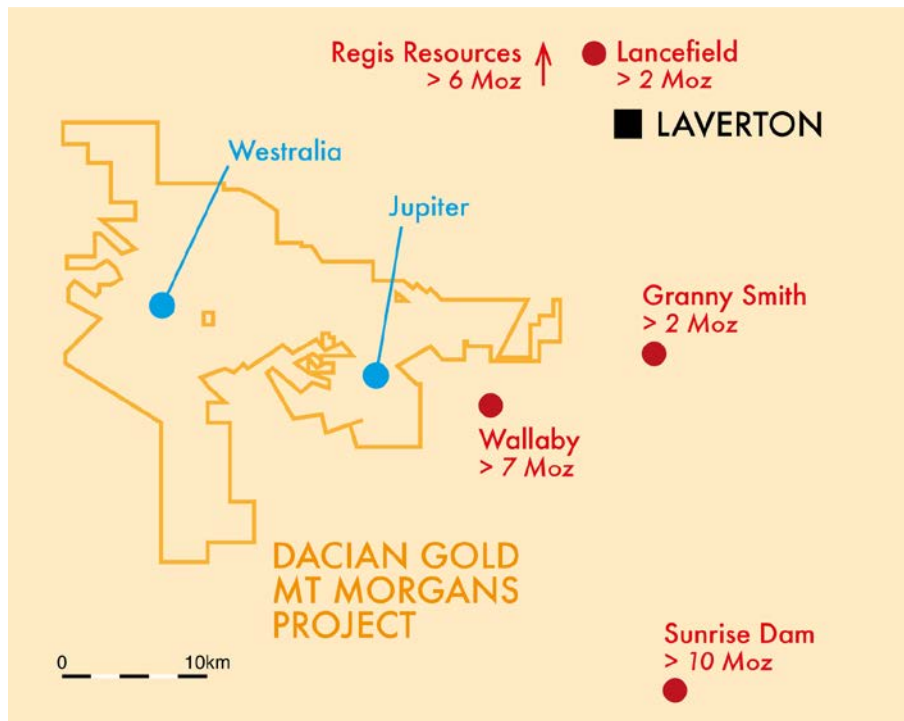


Figure 1: Regional Location Map showing the position of Dacian's Westralia and Jupiter Projects.

Westralia

Gold mineralisation was discovered at Westralia in 1896. The gold occurs within a well-defined banded iron formation (BIF) unit from which approximately 900koz at 4.5 g/t gold was produced up to 1998. Adding together the total past production plus the current 2013 Resource estimate, the pre-mined resource at Westralia stands at over 1.5 million ounces at a grade of 5.1 g/t. Much of this pre-mined resource occurs over a horizontal strike distance of 1.5km and lies within 500m of the surface. Globally, the deposit has an endowment level of around 3,000 ounces per vertical metre (OVM), making it a highly mineralised gold deposit of significance in the WA gold fields.

Westralia is a Significantly Larger Gold System than Previously Recognised

During the September 2014 quarter, a total of 14 diamond drill holes for 9,000m were drilled to a depth of between 140–680m below surface. The exploratory drill holes tested a 3km

strike of BIF and confirmed that the mineralised BIF horizon at Westralia is appreciably larger than previously recognised (see ASX announcement dated 15 October 2014 for full details and disclosures; see also Figure 2 of this report).

The results of the final three holes from the original 14 framework holes drilled were returned during the December quarter. The results, which have not previously been released include (note: please refer to Table 1 for full results and Appendix 1 for supporting information):

- 14MMRD019 2.0m at 14.4g/t gold from 390m
- 14MMRD023 2.0m at 7.6g/t gold from 12m
- 14MMRD016 2.7m at 1.7g/t gold from 529m

The intersection in 14MMRD019 is associated with a previously unknown quartz vein and shear complex in the basalt footwall (west) of the BIF. It demonstrates there are multiple lode gold opportunities in and around the mineralised Westralia BIF sequence. As now seen in several holes, the drilling into the footwall of the Westralia BIF has identified a number of large scale structures which are the subject of ongoing interpretation and are being assessed to determine if they may impart controls on the high grade Westralia BIF mineralisation.

The drill hole result for 14MMRD016 is located 200m below the historic underground workings at Westralia and 150m below the current resource boundary. Whilst not a high grade result in itself, it does confirm continuous mineralisation persists for significant distances beyond the resource boundary (see Figure 2).

The shallow, high grade intersection reported in 14MMRD023 is associated with a small sub-horizontal shear zone in the footwall of the Sarah Shear Zone and lies close to the existing Sarah open pit.

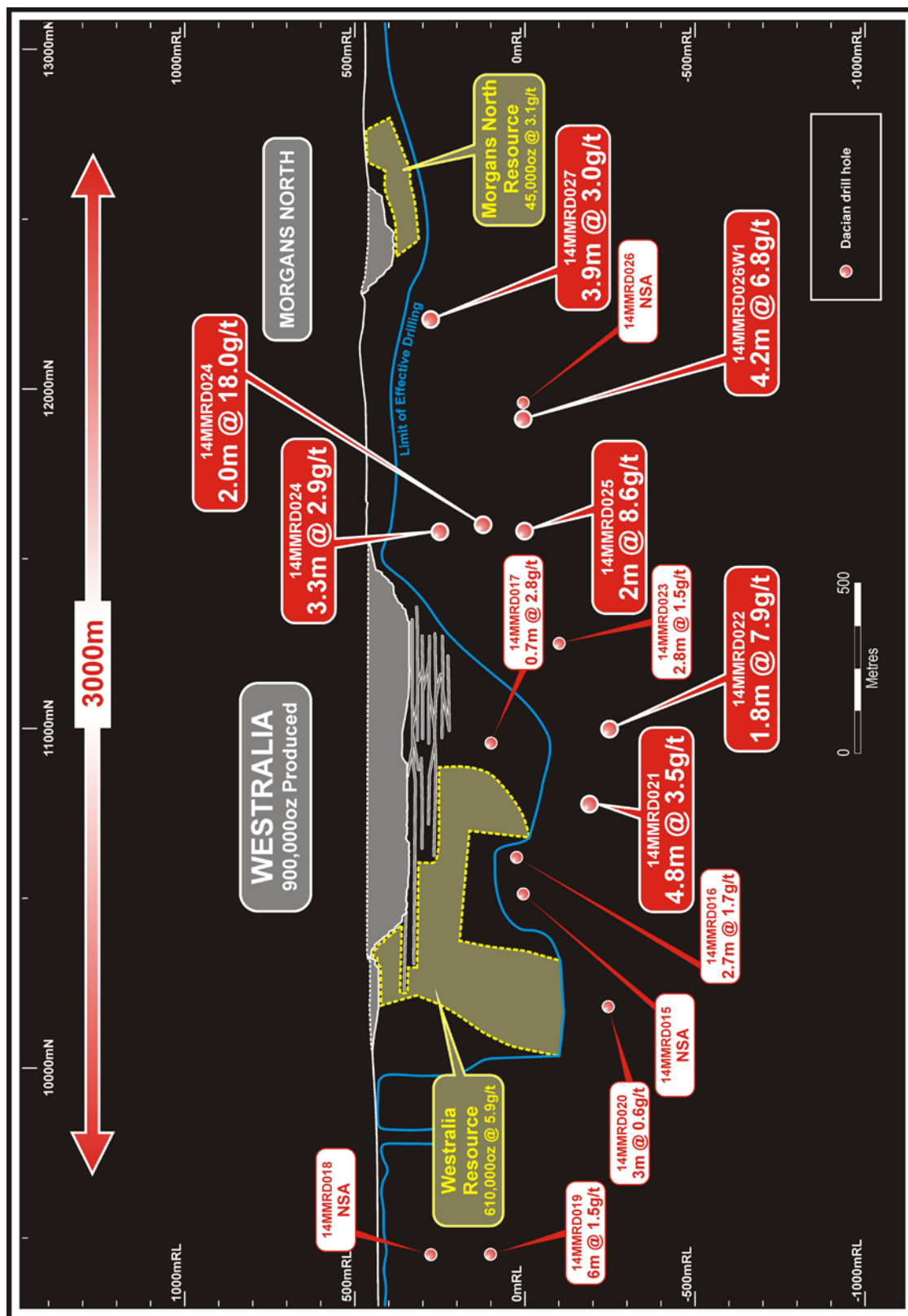


Figure 2: Long section showing the results from Dacian's wide-spaced reconnaissance testing of the 3km strike of the Westralia BIF. Numerous high grade intersections are present from areas previously not drilled - note also the previous limit of effective drilling. The drilling confirms the Westralia gold mineralisation system is significantly larger than previously recognised.

Westralia Resource Infill Program

Immediately following the completion of the Westralia framework drilling program, a further six holes for 2,000m testing up-dip and to the south of defined Millionaires resource were drilled during the December quarter . The Millionaires resource stands at 1.3 Mt @ 7.6 g/t gold for 326,000 ounces (see ASX announcement 19 December 2013 for full details and disclosures). The resource-extension program tested 25m up-dip and between 30 and 150m to the south of the existing resource (as described above). The drilling extended the southern Millionaires Shoot boundary and returned mineralisation over good width and grade (see Table 1 for full results and Appendix 1 for supporting information) including:

- 14MMRD013 3.8m at 4.0 g/t gold from 255m (80m south of resource)
- 14MMRD004 2.0m at 4.0g/t gold from 137m (25m above the resource)
- 14MMRD012 2.6m at 3.5g/t gold from 178m (100m south of resource)
- 14MMRD011 1.0m at 7.6g/t gold from 135m (150m south of resource)
- 14MMRD014 1.4m at 4.7g/t gold from 340m (30m south of resource)

The Company considers the results to be significant and notes:

- Five of the six drill holes testing the extensions to the existing resource have intersected moderate to high grade mineralisation. These intersections show continuity of BIF hosted mineralisation proximal to the existing resource in an area previously believed to be barren of gold mineralisation.
- The holes demonstrate mineralisation exists to the south and confirms the steep southerly plunge of the Millionaires Shoot.
- The strike length of the Millionaires Shoot is now confirmed to be 350m.

During the quarter, Dacian embarked on an update to the resource estimate at Westralia. It is anticipated the new resource estimate will be announced during the March quarter 2015.

TEM Geophysical Surveys Over 8km of the Westralia BIF Package

During the December quarter, Dacian completed extensive Transient Electromagnetic (“TEM”) geophysical surveys over an 8km segment of BIF, north of and including the 3km zone that hosts the large +1.5 million ounce Westralia mineralised system. The TEM surveys comprised:

- (i) An 8km long surface fixed loop survey over the BIF stratigraphy that includes the Westralia mine and existing resources, and
- (ii) A 19 hole down-hole TEM survey using several deep drill holes completed into the 3km segment of the mineralised Westralia BIF.

The rationale for the two TEM survey types was to screen the 8km strike of BIF, and its vertical extent, for accumulations of sulphide alteration that may contain high grade gold mineralisation. The sulphide accumulations in the BIF occur as a consequence of the gold formation process, and can become electrically conductive and therefore amenable to detection using TEM surveys. Although never undertaken previously at Mt Morgans, TEM surveys have been successfully employed at other BIF-hosted gold mine environments. Given no previous TEM surveys have been conducted at Mt Morgans, it was not known if the TEM surveying planned by Dacian would be successful in identifying gold-prospective sulphide accumulations.

In areas of surveying the BIF via surface fixed loop TEM only, the aim of the survey was to detect sulphide accumulations (and therefore potentially gold mineralised positions), down to a vertical depth of approximately 300–400m below surface. In areas where down-hole TEM surveys were undertaken in and around the Westralia mine and current resource boundaries, the survey aims were to detect sulphide alteration to depths in excess of 700m below surface.

By combining the results of the surface fixed loop TEM survey with the down-hole TEM surveys, the Company was aiming for a cost-effective screen to test an 8km segment of BIF for high grade gold mineralisation, analogous to that seen at the Westralia gold mine.

On December 9 2014, Dacian announced to the ASX that it had identified a significant surface TEM anomaly within BIF, 3km north of the +1.5 million ounce BIF-hosted Westralia deposit. The large conductor is referred to as the Birrells Prospect and is shown in Figure 3. The late-time (channel 20) TEM anomaly measures 800m long and has been geophysically modelled to represent an accumulation of sulphides, the top of which lies approximately 160m below the surface.

Figure 3 is a composite image showing the TEM anomaly located in the northern half of the survey and the corresponding magnetic signature of the BIF. As noted in the figure, the TEM anomaly is developed at the same location there is a corresponding low (or break) in the magnetic anomalies of the BIF. It is here where Dacian will drill test for gold-bearing sulphides, with an initial four hole 1,800m diamond drill program commencing in the last week of January 2015.

Twelve of the 14 hole, wide-spaced framework drilling program referred to above plus seven previously drilled Dacian holes were used by Dacian to complete a major down-hole TEM geophysical survey over the 3km strike length of the Westralia mineralised system. As with the surface fixed loop TEM surveys, the down hole TEM survey program is designed to identify areas of sulphide development that may be associated with gold mineralisation, in the areas between the wide-spaced drill intersections (see Figure 2, above) returned from the reconnaissance diamond drill program.

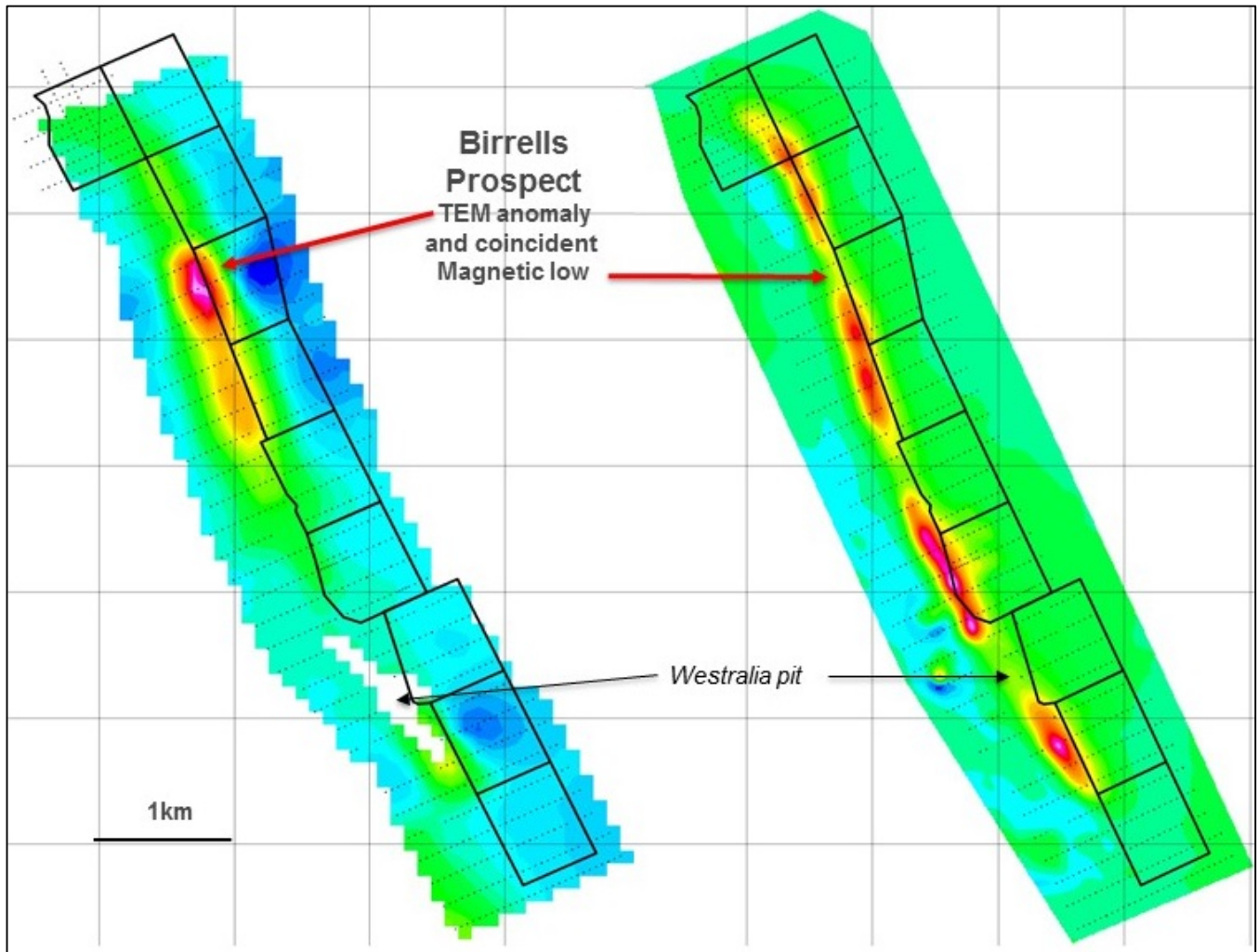


Figure 3: Composite image showing TEM anomaly at the Birrells Prospect (channel 20) on the left hand side and corresponding magnetic image on the right hand side. TEM loops are shown as bold box. Note coincidence of TEM anomaly and low (or break) in magnetic anomaly. Refer to Figure 1 for location.

If down hole TEM anomalies are successfully identified away from existing drill intersections, it provides the Company with new opportunities to discover additional zones of high grade BIF-hosted mineralisation. The results of the 19 down hole TEM surveys will be released to the market following the completion of geophysical modelling which is anticipated to be in February 2015.

Jupiter

Previous operators discovered and mined in excess of 170,000 ounces of gold from the 140m deep Jupiter pit in the mid-1990s. Both Jupiter, and the nearby world-class + 8 million ounce Wallaby gold deposit, located only 8km south-east of Jupiter, share similar, yet unusual, geological features including near flat-dipping lode gold mineralisation associated with magnetic anomalies developed around sub-vertical syenite intrusive bodies.

Dacian has commenced a twenty-five hole RC drilling program for 4,450m at the Jupiter project. The aim of the drilling is to complete a 40m x 40m drill out of the prospective Heffernans prospect over a 300m of strike length. The drilling is aimed at confirming open pit potential and specifically target:

- (i) where the CSZ intersects the Heffernans syenite.
- (ii) where the CSZ is exposed at, and near the surface, away from Heffernans.

Upon completion of this program, Dacian will undertake an inaugural resource estimate for Jupiter.

Planned work for the March Quarter

Dacian's exploration activities for the March quarter will be to:

- Commence drill testing of the Birrells TEM target with an initial four hole diamond drilling program.
- Finalise geophysical modeling of results from the down-hole TEM surveys of 19 drill holes testing for sulphide conductors associated with the 3km mineralised Westralia BIF.

- Complete RC drill testing on a 40 x 40m pattern on the Heffernans Prospect.
- Undertake resource estimate studies for the mineralised areas at Jupiter that demonstrate good geological and grade continuity.
- Undertake an update to the Westralia and Ramornie resource estimates
- Continue with preliminary pre-feasibility activities at Jupiter.

CORPORATE

As at 31 December 2014, the Company had cash reserves of \$7.6 million.

Shares on issue are 96.1 million with no change from the previous quarter. On the 14 November, 2014, 24 million shares were released from escrow.

Total number of unlisted options is 10.15 million.

For and on behalf of the Board



Rohan Williams
Executive Chairman

About Dacian Gold Limited

Dacian Gold Limited is a well-funded, Western Australian focused gold exploration and development company, headquartered in Perth. In November 2012, the company raised \$20 million in its IPO to explore its 100% owned Mt Morgans gold project, located in the Laverton District of Western Australia's North Eastern Goldfields.

The Mt Morgans Project hosts high grade Mineral Resources of 1.2 million ounces at an average grade of 4.0 g/t gold, including Ore Reserves of 136,000 ounces at an average grade of 6.2 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. See Appendix II for full details including Competent Persons statements

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

Dacian's exploration strategy at Mt Morgans is aimed at delivering on the company's corporate objective of defining at least 600,000 ounces of Ore Reserves at Mt Morgans. Dacian considers mining an Ore Reserve of at least 600,000 ounces of gold is reasonably likely to provide sufficient returns to justify the investment capital required to construct an ore processing facility at the project.

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

Rohan Williams

Executive Chairman

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Table 1: Mt Morgans Exploration Drilling Results - Westralia

Collar Location and Orientation								Intersection > 1 ppm * m Au			
Hole	Type	X	Y	Z	Total Depth	Dip	Azimuth	From (m)	To (m)	Length (m)	Au (ppm)
14MMRD004	RCD	409,608	6,816,646	450	232	-60	240	129.70	131.35	1.65	0.9
								132.70	133.50	1.00	1.0
								137.00	139.00	2.00	4.0
14MMRD010	RCD	409,643	6,816,531	449	256	-65	240	No significant assays			
14MMRD011	RCD	409,679	6,816,550	445	300	-65	240	117.25	118.35	1.10	1.2
								135.00	136.00	1.00	7.6
14MMRD012	RCD	409,717	6,816,568	445	366	-65	240	142.10	143.30	1.20	1.6
								177.65	180.25	2.60	3.5
14MMRD013	RCD	409,764	6,816,589	454	390	-65	240 including	230.15	230.75	0.60	1.7
								255.50	259.25	3.75	4.0
								258.00	259.25	1.25	8.9
								266.00	267.30	1.30	3.8
								280.50	281.05	0.50	13.3
14MMRD014	RCD	409,824	6,816,623	454	495	-65	240	339.90	341.25	1.35	4.7
								397.10	398.10	1.00	1.3
14MMRD015	RCD	409,703	6,817,008	470	706	-65	240	0.00	1.00	1.00	1.6
								13.00	28.00	15.00	1.1
								526.30	526.75	0.45	1.6
14MMRD016	RCD	409,627	6,817,083	470	608	-65	240	0.00	4.00	4.00	1.0
								155.00	157.55	2.55	0.6
								528.85	531.50	2.65	1.7
								574.50	576.85	2.35	2.3
14MMRD018	RCD	410,035	6,816,020	434	400	-65	240	173.00	174.00	1.00	1.7
								251.30	253.85	2.55	0.8
14MMRD019	RCD	410,299	6,816,134	431	544	-65	240	349.00	355.00	6.00	1.5
								390.00	392.00	2.00	14.4
								448.20	449.20	1.00	1.5
14MMRD023	RCD	409,400	6,817,684	448	789	-65	240	12.00	14.00	2.00	7.6
								600.50	603.30	2.80	1.5
								610.80	611.30	0.50	2.0
								668.00	670.90	2.90	1.2

APPENDIX I – 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	<ul style="list-style-type: none"> <i>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.</i> <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> <i>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.</i> 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> <i>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).</i> 	<ul style="list-style-type: none"> 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 to 180m depth were followed with diamond tails.
Drill sample recovery	<ul style="list-style-type: none"> <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> <i>Measures taken to maximise sample recovery and ensure representative nature of the</i> 	<ul style="list-style-type: none"> Recoveries from historical drilling are unknown. Recoveries from Dacian core drilling were measured and recorded in the database

Criteria	JORC Code explanation	Commentary
	<p><i>samples.</i></p> <ul style="list-style-type: none"> <i>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.</i> 	<p>and recovery was generally 100% in fresh rock with minor core loss in oxide.</p> <ul style="list-style-type: none"> In Dacian drilling no relationship exists between sample recovery and grade.
Logging	<ul style="list-style-type: none"> <i>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.</i> <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> <i>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.</i> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> 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. All 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	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered</i> 	<ul style="list-style-type: none"> For Dacian drilling, the analytical technique used was a 40g fire assay with Pb collection, with an ICP-AAS finish. This

Criteria	JORC Code explanation	Commentary
laboratory tests	<p><i>partial or total.</i></p> <ul style="list-style-type: none"> <i>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.</i> <i>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.</i> 	<p>is a full digestion technique. Samples were analysed at Bureau Veritas Laboratories in Kalgoorlie, Western Australia.</p> <ul style="list-style-type: none"> 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.
Verification of sampling & assaying	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> 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 or GEOBANK software 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	<ul style="list-style-type: none"> <i>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.</i> <i>Specification of the grid system used.</i> 	<ul style="list-style-type: none"> 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 51 grid using differential GPS. Dacian holes at Jupiter were downhole

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <i>Quality and adequacy of topographic control.</i> 	<p>surveyed either with multi-shot EMS or Reflex multi-shot tool.</p> <ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> <i>Data spacing for reporting of Exploration Results.</i> <i>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.</i> <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> 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 reported drilling in March – July 2014 has not been used to prepare Mineral Resource estimates for either deposit.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> <i>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.</i> 	<ul style="list-style-type: none"> At Westralia, drill holes are angled to 245°, 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	<ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> Chain of custody is managed by Dacian. Samples are stored on site until collected for transport to BV 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	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> A RungePincockMinarco (RPM) consultant reviewed RC and diamond core sampling techniques in October 2013 and concluded that sampling techniques are satisfactory.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The Westralia gold deposit is an Achaean 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	<ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 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 down hole length and interception depth hole length 	<ul style="list-style-type: none"> For drilling not previously reported, the locations and mineralised intersections for all holes completed are summarised in Table 1 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 rounded to the nearest 0.1m. Actual intersection widths are listed in Table 1 of the report.

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <i>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.</i> 	
Data aggregation methods	<ul style="list-style-type: none"> <i>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.</i> <i>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.</i> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> 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 Table 1 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	<ul style="list-style-type: none"> <i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> <i>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').</i> 	<ul style="list-style-type: none"> At Westralia, drill holes are angled to 245°, 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	<ul style="list-style-type: none"> <i>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.</i> 	<ul style="list-style-type: none"> Relevant diagrams have been included within the main body of text.
Balanced Reporting	<ul style="list-style-type: none"> <i>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.</i> <i>Where comprehensive reporting of all</i> 	<ul style="list-style-type: none"> All exploration results have been reported.

Criteria	JORC Code explanation	Commentary
	<i>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.</i>	
Other substantive exploration data	<ul style="list-style-type: none"> • <i>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.</i> 	<ul style="list-style-type: none"> • All interpretations for both Westralia and Jupiter mineralisation are consistent with observations made and information gained during previous mining at the project.
Further work	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large– scale step– out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • At Jupiter, further broad spaced drilling is planned to define the structural controls and mineralisation potential of the Jupiter Corridor. Infill RC drilling along the Cornwall Shear continues. • At Westralia, broad spaced drilling is planned to extend 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.

Appendix II

Mineral Resources and Ore Reserves

Mount Morgans Gold Project Mineral Resources														
Deposit	Cut-off Grade	Measured			Indicated			Inferred			Total Mineral Resource			
		Au	Tonnes	Au	Au	Tonnes	Au	Au	Tonnes	Au	Au	Tonnes	Au	Au
		g/t	kt	g/t	'000's	kt	g/t	'000's	kt	g/t	'000's	kt	g/t	'000's
King St	0.5								532	2.0	33	532	2.0	33
Jupiter	1.5								811	2.8	73	811	2.8	73
Westralia	2		150	5.0	24	951	5.2	158	2,112	6.3	428	3,213	5.9	610
Craic	0.5					69	8.2	18	120	7.1	27	189	7.5	46
Transvaal	0.5		1,549	3.2	159	1,176	2.7	102	926	2.2	66	3,650	2.8	327
Ramornie	0.5					189	3.6	22	138	2.8	13	326	3.3	34
Morgans Nth	0.5					290	2.6	25	169	3.8	20	459	3.1	45
Total			1,699	3.4	184	2,674	3.8	324	4,808	4.3	660	9,180	4.0	1,168

Mount Morgans Gold Project Ore Reserves										
Deposit	Cut-off Grade Au g/t	Proved			Probable			Total		
		Tonnes kt	Au g/t	Au '000's Oz	Tonnes kt	Au g/t	Au '000's Oz	Tonnes kt	Au g/t	Au '000's Oz
Craic	3.9				28	9.2	8	28	9.2	8
Transvaal	3.4	380	6.2	76	271	6.0	52	651	6.1	128
Total		380	6.2	76	299	6.3	61	679	6.2	136

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 to Mineral Resources (other than Westralia which is reported under JORC 2012, refer ASX release of 19 December 2013) 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 Westralia Mineral Resource in this report (referencing the release made to the ASX on 19 December 2013), 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 Westralia Mineral Resource estimate, see ASX announcement dated 19 December 2013) 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.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant ASX releases and the form and context of the releases have not been materially modified.

APPENDIX III– TENEMENT SCHEDULE (with respect to tenement changes in the December 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	38/2939	Application	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%)



Tenement Type	Tenement	Status	Location	Ownership
M	39/0305	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
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	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5359	Application	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%)



Tenement Type	Tenement	Status	Location	Ownership
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%)
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	39/5373	Application	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	39/5376	Application	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	39/5480	Application	Mt Morgans WA	Dacian Gold Ltd (100%)



Tenement Type	Tenement	Status	Location	Ownership
P	39/5481	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5490	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5491	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5492	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5493	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5494	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 2014

Consolidated statement of cash flows

		Current quarter \$A'ooo	Year to date (6 months) \$A'ooo
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors		
1.2	Payments for (a) exploration & evaluation	(1,651)	(3,018)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(206)	(467)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	71	154
1.5	Interest and other costs of finance paid	-	(1)
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	50	50
	Net Operating Cash Flows	(1,736)	(3,282)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(27)	(30)
	(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)	(34)	(34)
	Net investing cash flows	(61)	(64)
1.13	Total operating and investing cash flows (carried forward)	(1,797)	(3,346)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,797)	(3,346)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
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)	(22)	(22)
	Net financing cash flows	(30)	(38)
	Net increase (decrease) in cash held	(1,827)	(3,384)
1.20	Cash at beginning of quarter/year to date	9,392	10,949
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	7,565	7,565

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	1,500
4.2 Development	-
4.3 Production	-
4.4 Administration	180
Total	1,680

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	2,735	3,362
5.2 Deposits at call	4,830	6,030
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	7,565	9,392

+ See chapter 19 for defined terms.

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	-		
6.2	Interests in mining tenements acquired or increased	P39/5377 P39/5475 P39/5476 P39/5477 P39/5478 P39/5479 P39/5490	Nil Nil Nil Nil Nil Nil Nil	100% 100% 100% 100% 100% 100% 100%

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 (description)	-	-	
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	+Ordinary securities	96,100,000	96,100,000	
7.4	Changes during quarter (a) Increases through issues – released from escrow (b) Decreases through returns of capital, buy-backs	-	24,000,000	
7.5	+Convertible debt securities (description)	-	-	

+ See chapter 19 for defined terms.

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	-	84 cents	9 October 2017
		1,000,000	-	57 cents	28 February 2019
		1,000,000	-	65 cents	24 September 2019
		2,000,000	-	46 cents	17 November 2019
7.8	Issued during quarter	2,000,000	-	46 cents	17 November 2019
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: 30 January 2015

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 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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