INVESTMENT HIGHLIGHTS

- 100% ownership of the high grade Mt Morgans Gold Project, Laverton District in WA
- Ore Reserve of 136,000oz at 6.2g/t Au
- Mineral Resources of 923,000oz at 3.1g/t Au (inclusive of reserves).
- Multiple high grade targets to be drilled, testing below existing resources as well as large scale conceptual targets.
- Minimum ore reserve target of 500,000 ounces.
- \$16.5M in cash as at 31
 March 2013.

BOARD OF DIRECTORS

Rohan Williams Non-Executive Chairman Paul Payne Managing Director Barry Patterson Non-executive Director Robert Reynolds Non-executive Director

ASX code: "DCN"

Dacian Gold Limited ABN 61 154 262 978

5 July 2013 DRILLING CONFIRMS CONTINUITY OF HIGH GRADE MINERALISATION AT WESTRALIA

Dacian Gold Limited ("Dacian") is pleased to announce new high grade results from its drilling program at its 100% owned Mt Morgans Gold Project, 40km west of Laverton in the North Eastern Goldfields of Western Australia.

At the Westralia deposit, a five hole drilling program has been completed to selectively infill around Dacian's previously reported high grade intersections (including 5m at 6.8g/t and 17.08m at 7.5g/t in hole 13MMRD003). All five holes intersected high grade gold including:

- 7.39m at 10.2g/t
- 4.41m at 7.6g/t
- 2.45m at 7.6g/t
- 10.99m at 3.1g/t
- 3.85m at 3.0g/t

Drilling has now confirmed the continuity of high grade gold mineralisation in excess of 400m below the existing 364,000oz resource at Westralia.

Managing Director Paul Payne commented "These results confirm the continuity of a high grade shoot additional to the existing resource at Westralia. This new shoot, along with the higher grade portions of the 364,000oz Mineral Resource demonstrate that the deposit has good potential for underground mining. Work is ongoing to delineate the geometry and extent of the multiple high grade shoots at the deposit."

Westralia

Gold mineralisation at Westralia occurs within a well-defined banded iron formation (BIF) horizon from which in excess of 850koz was produced up to 1998. Sparse drilling beneath the southern end of the Westralia pit carried out during the 1990s had returned high grade gold intersections within an area measuring 1,000m along strike and 600m down-dip. Initial broad spaced drilling by Dacian (approximately 200m centres) intersected high grade gold mineralisation including the previously reported 5m at 6.2g/t and 17.08m at 7.5g/t in 13MMRD003. This was recently followed up with a five hole infill program at 50m to 120m spacings around the initial high grade intersections. The Dacian drilling is shown on Figure 1.



Figure 1: Westralia Long Section Showing Historical Intersections and Dacian Drill Holes

All five of the infill holes intersected high grade gold mineralisation in a continuous hangingwall BIF horizon. The intersections included:

- 7.39m at 10.2g/t from 212.96m in 13MMRD011
- 4.41m at 7.6g/t from 344m in 13MMRD013

- 2.45m at 7.6g/t from 204.55m in 13MMRD010
- 10.99m at 3.1g/t from 328.37m in 13MMRD019
- 3.85m at 3.0g/t from 351.7m in 13MMRD017

Full details of the Westralia drilling intersections are included in Table 1.

The hangingwall BIF horizon is a highly continuous unit defined by pit and underground mapping. It is steeply east dipping and is defined over an extent of >1km along strike and around 600m down dip. Within this unit, multiple zones of high grade gold mineralisation have developed and have been intersected by a large number of surface and underground drill holes as well as being defined by underground mapping and sampling.

Gold mineralisation is associated with pyrrhotite and pyrite replacement of magnetite within zones of silica and albite alteration of the BIF. Previous mining at the deposit has demonstrated that the gold is free milling with good recoveries achieved from conventional CIL processing.

The new shoot defined by the Dacian drilling is south of the limit of historic mining and lies outside of the existing 364,000oz Mineral Resource.

Figure 2 and Figure 3 are cross sections (Sections 10300N and 10360N as shown on Figure 1) showing the location of the recent Dacian drilling together with previously completed drilling. Importantly the cross sections show the significant extensions of the now drill-defined high grade mineralisation below the existing resource boundary. Figure 2 shows high grade gold mineralisation extending for over 400m below the Westralia resource boundary, with the deepest Dacian hole intersecting 1.17m at 19.9g/t, with mineralisation remaining open at depth. Figure 2 also shows the proximity of existing underground development to the 17.08m at 7.5g/t intersection in 13MMRD003.

Dacian is highly encouraged at the large extent of high grade gold mineralisation defined by both its own recent drilling and that completed by previous operators; and believes there is excellent potential to continue to grow the Westralia resource beyond its current 364,000 ounce inventory.



Figure 2: Cross section 10300N showing the location of high grade gold mineralisation intersected below the existing Westralia resource boundary and workings. See Figure 1 for location of cross section 10300N.



Figure 3: Cross section B showing the extent of drill-defined high grade gold mineralisation intersected over 300m below the existing Westralia resource boundary. See Figure 1 for location of cross section 10360N.

Ongoing Exploration Programs

Further evaluation of the Westralia deposit is ongoing and includes the modeling of geology and gold mineralisation in the Dacian holes as well as the numerous historic holes that have intersected the high grade gold mineralisation. This work will result in additional drill holes being planned for completion in the second half of 2013.

Drilling programs have been planned for the Jupiter and Cameron Well prospects. It is anticipated that these will commence late in the September Quarter once approvals for the work have been received.

Dacian's exploration strategy at Mt Morgans is aimed at delivering on the company's corporate objective of defining at least 500,000 ounces of Ore Reserves at Mt Morgans. Dacian considers mining an Ore Reserve of at least 500,000 ounces of gold is reasonably likely to provide sufficient returns to justify the investment capital required to construct an ore processing facility at Mt Morgans.

For further information, please contact:

Paul Payne Managing Director Dacian Gold Limited +61 8 9226 4622 Paul.payne@daciangold.com.au

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 JORC Code compliant Mineral Resources of 923,000 ounces at an average grade of 3.1g/t gold, including JORC Code compliant Ore



Reserves of 136,000 ounces at an average grade of 6.2g/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 non-executive Chairman and Paul Payne as Managing Director; and 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.

Visit: www.daciangold.com.au



Mineral Resources and Ore Reserves

A summary of the Mineral Resources and Ore Reserves at the Mt Morgans Project is shown below.

Deposit	Cutoff Grade Au g/t	Measured			Indicated			Inferred			Total		
		Tonnes	Au g/t	Au Oz									
King Street	0.5							532,000	2.0	33,000	532,000	2.0	33,000
Jupiter	1.5							811,000	2.8	73,000	811,000	2.8	73,000
Westralia	0.5	646,000	3.9	80,000	1,385,000	2.9	129,000	1,300,000	3.7	155,000	3,331,000	3.4	364,000
Craic	0.5				69,000	8.2	18,000	120,000	7.1	27,000	189,000	7.5	46,000
Transvaal	0.5	1,549,000	3.2	159,000	1,176,000	2.7	102,000	926,000	2.2	66,000	3,650,000	2.8	327,000
Ramornie	0.5				189,000	3.6	22,000	138,000	2.8	13,000	326,000	3.3	34,000
Morgans North	0.5				290,000	2.6	25,000	169,000	3.8	20,000	459,000	3.1	45,000
Total		2,194,000	3.4	240,000	3,108,000	3	296,000	3,996,000	3.0	387,000	9,298,000	3.1	923,000

Mt Morgans Gold Project Mineral Resources

Mt Morgans Gold Project Ore Reserves

Deposit	Cutoff		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
Transvaal	3.4	380,000	6.2	76,000	271,000	6.0	52,000	651,000	6.1	128,000
Total		380,000	6.2	76,000	299,000	6.3	61,000	679,000	6.2	136,000

Competent Person Statement

The information in this report that relates to Mineral Resources and exploration results is based on information compiled by Mr Paul Payne, a director and full time employee of Dacian Gold Limited and a Member of The Australasian Institute of Mining and Metallurgy. 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 Payne 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 a Competent Persons as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Payne 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.

		Colla	Intersection > 0.5ppm Au									
Prospect	Hole	Туре	x	Y	z	Total Depth	Dip	Azimuth	From	То	Length	Au
									(m)	(m)	(m)	(ppm)
Westralia	13MMRD010	RC	409,636	6,816,751	452	342	-65	226	204.55	207	2.45	7.59
								and	223.9	224.5	0.6	4.81
Westralia	13MMRD011	RCD	409,605	6,816,810	455	346	-59	240	212.96	220.35	7.39	10.23
							in	cluding	219	219.68	0.68	75.50
								and	220.35	225.16	4.81	0.82
								and	228.17	230	1.83	3.42
								and	236	238.03	2.03	0.77
								and	243.08	244.72	1.64	0.99
Westralia	13MMRD012	RCD	409,707	6,816,793	454	200	-63	240	Hole abandoned			
Westralia	13MMRD013	RCD	409,690	6,816,841	458	423	-60	240	56	59	3	4.54
								and	344	348.41	4.41	7.58
							in	cluding	345	346	1	25.20
								and	357.28	365	7.72	3.20
								and	373.26	375	1.74	5.05
								and	381.15	382	0.85	7.75
								and	387.26	388.11	0.85	2.15
Westralia	13MMRD017	RCD	409,781	6,816,761	453	457	-60	240	351.7	355.55	3.85	2.98
								and	368.5	370	1.5	6.25
Westralia	13MMRD019	RCD	409,709	6,816,794	454	436	-63	244	328.37	339.36	10.99	3.12
								and	343	343.63	0.63	7.69
								and	354	355	1	3.32
								and	367	368	1	1.83

Table 1: Westralia Deposit Exploration Drilling Results June 2013

RC samples were collected at 1m intervals using a riffle splitter. The core samples were half NQ core and were based on geological boundaries with a minimum sample length of 0.25m. Reported intersections are based on intervals >0.5g/t Au and can include up to 4m of internal dilution. All samples were analysed by Bureau Veritas using a 40g fire assay. QAQC protocols include the use of blanks, standards and duplicates. All holes have been spatially located using differential GPS with downhole surveys completed using a north seeking gyro instrument.

True thickness of intersections is interpreted to represent approximately 75% of down-hole intersections.