

25 NOVEMBER 2019

## **OUTSTANDING IN-FILL DRILLING RESULTS INCLUDING 23.1m @ 30.2g/t Au HIGHLIGHT POTENTIAL FOR PHOENIX RIDGE TO BE A NEW PRODUCTION SOURCE AT MT MORGANS**

***Drilling defines new 350m parallel lode with potential to grow the maiden Resource of 125,000oz at 8.1g/t; Resource update due next quarter***

### **Key Points:**

- ***Outstanding results from 40m x 40m infill drilling within the Inferred Mineral Resource at the Phoenix Ridge deposit at Mt Morgans confirms continuity of high-grade gold mineralisation***
- ***The latest results include:***
  - ***23.1m @ 30.2g/t Au from 266.9m;***
  - ***19.1m @ 5.1g/t Au from 223.6m;***
  - ***2.4m @ 47.5g/t Au from 313.35m; and***
  - ***10.2m @ 3.0g/t Au from 235.6m***
- ***Infill drilling has also confirmed a new parallel high-grade shoot less than 50m away from the existing Resource at Phoenix Ridge. Results from this shoot, which is defined over a 350m plunge-extent and remains open at depth, include:***
  - ***2.95m @ 17.7g/t Au from 300.9m;***
  - ***7.75m @ 8.3g/t Au from 202.2m;***
  - ***#4.35m @ 4.8g/t Au from 166.6m;***
  - ***#1.4m @ 9.0g/t Au from 218.5m; and***
  - ***#1.6m @ 6.2g/t Au from 308.55m***
- ***Infill drilling is ongoing and is targeting an upgraded Indicated Mineral Resource estimate for Phoenix Ridge in the March quarter of 2020***
- ***Drilling to test the up-plunge and near-surface potential continuation of Phoenix Ridge to commence later this quarter***
- ***The new results reinforce the potential for Phoenix Ridge to become a new, high-grade, near-term production source at Mt Morgans***

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# Previously released in ASX announcement of 20 June 2019

Dacian Gold Ltd (**Dacian Gold** or **the Company**) (ASX: DCN) is pleased to report outstanding results from in-fill drilling of its recently discovered high-grade Phoenix Ridge deposit, located less than 500m north of the operating Westralia gold mine within its 100%-owned Mt Morgans Gold Operation (**MMGO**), near Laverton in WA.

The results are expected to underpin an upgrade of the existing Inferred Resource of 481,000 tonnes at 8.1g/t Au for 125,000oz (see ASX release of 3 October 2019), due to be completed next quarter.

The new intersections, which come from a recently commenced 40m x 40m infill drilling program have confirmed the continuity of the high-grade gold mineralisation. The infill drilling has also identified a new high-grade shoot lying less than 50m into the hangingwall of the main lode that comprises the Phoenix Ridge Mineral Resource.

This new hangingwall lode has been defined over a plunge extent of over 350m and remains open at depth. None of the newly-defined high-grade shoot is accounted for in the maiden 125,000oz Mineral Resource at Phoenix Ridge.

Drilling is continuing at Phoenix Ridge with the focus on three key areas:

1. Completing the 40m x 40m infill program, which is expected to underpin a resource upgrade to the Indicated category in the first quarter of next year;
2. Testing the interpreted near-surface expression of the Phoenix Ridge deposit; and
3. Testing the extents of the newly-defined hanging wall shoot at depth.

Dacian Executive Chairman, Mr Rohan Williams, said: “The outstanding results from the 40m x 40m infill drilling are significant because they confirm the continuity of the high-grade mineralisation, reinforcing the potential for Phoenix Ridge to develop into a new, near-term high-grade production source.

“If the three key focus areas for ongoing drilling focus continue to yield positive results, we are confident there is an excellent opportunity to bring Phoenix Ridge into the near-term production schedule at Mt Morgans,” he said.

## OVERVIEW

The Phoenix Ridge deposit was discovered by testing the interpreted at-depth extensions of the Morgans North open pit that was mined by previous operators at Mt Morgans during the 1990s.

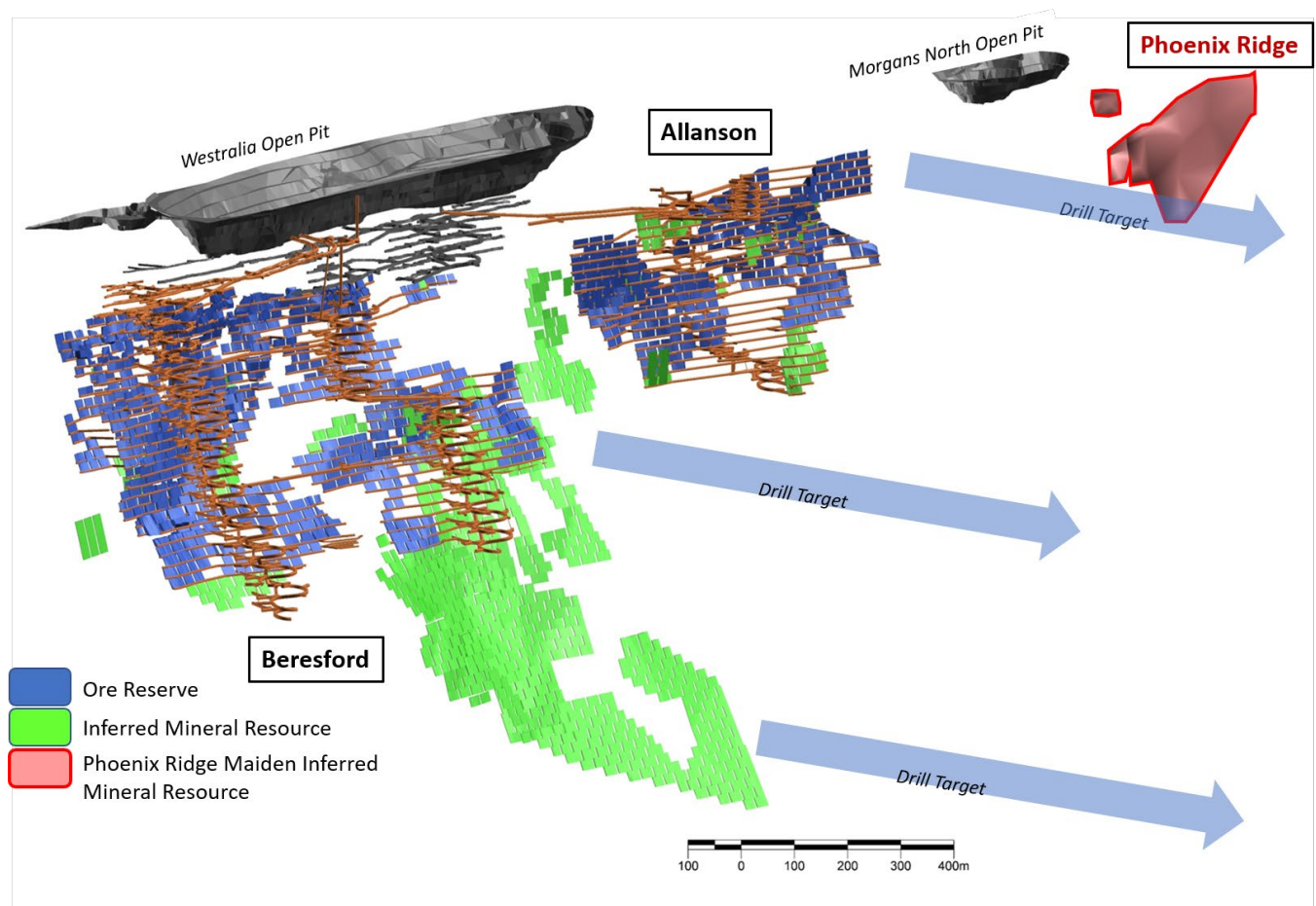
The Morgans North open pit sits 500m north of the Westralia open pit and is hosted by the same banded iron formation (**BIF**) unit that is currently being mined underground at Beresford (see Figure 1).

Detailed geological analysis by Dacian Gold has confirmed that there are two high-grade shoot trends in the Westralia mine area (Beresford and Allanson – see Figure 1). The dominant high-grade shoot trend is flat (20-30 degrees) plunging toward the north: this is referred to as the D3B trend in the mine environment and is labelled as “*Drill Target*” in Figure 1. The second high-grade trend is steep (60-70 degrees) plunging toward the south: this is referred to in the mine environment as the D3A trend.

Both the D3A and D3B trends are observed at Beresford and at Allanson, and are therefore the main high-grade controls seen in the Westralia mine area.

The Phoenix Ridge discovery was made by testing along the D3B direction (flat plunge toward the north) below the Morgans North open pit.

As described later in this release the “flat plunge toward the north (D3B)” and the “steep plunge toward the south (D3A)” high-grade trends observed throughout the Westralia mine area are also evident at the Phoenix Ridge deposit. This observation heightens the potential to grow the Mineral Resource at Phoenix Ridge as well at Westralia with ongoing drilling and exploration.



**Figure 1** – Location of the Phoenix Ridge deposit north (to the right) of the operating Beresford and Allanson gold mines that comprise the Westralia Mine Area. Note the Phoenix Ridge deposit is located along the “flat plunge to the north (D3B)” high-grade trends observed within the Westralia mine area, and labelled above as “Drill Target.”

## IN-FILL DRILLING RESULTS

The following sections describe:

1. The 40m x 40m infill drilling results on the 125,000oz, 8.1g/t Au Inferred Mineral Resource at Phoenix Ridge, and

2. Areas of potential Mineral Resource growth as identified with a new hangingwall shoot to the main Phoenix Ridge lode and potential near-surface extensions of the Phoenix Ridge mineralisation.

#### 40m x 40m Infill Drilling Results

A total of twelve diamond drill holes for approximately 4,500m have been completed since the release of the maiden Inferred Mineral Resource estimate at Phoenix Ridge (see ASX release of 3 October 2019).

The infill drilling program is designed to infill the 80m x 80m program that was used to estimate the maiden Inferred Mineral Resource to a 40m x 40m drill pattern that can be used to estimate an Indicated Mineral Resource for Phoenix Ridge. The Indicated Mineral Resource for Phoenix Ridge is expected to be finalised in the March quarter of 2020.

All results from the infill drilling are shown in Table 1 of this announcement. All requisite consents and JORC table disclosures are included in Appendices 1 and 2 of this announcement, respectively.

Several excellent drill intersections were recorded from the 40m x 40m infill drilling, including the thickest and highest grade intersection yet recorded by Dacian Gold at Mt Morgans:

**23.1m @ 30.2g/t Au from 267.7m in 19MMDD0542**

The 19MMDD0542 intersection comprised two high grade intervals of **5.75m @ 15.8g/t Au** from 267.7 and **10.65m @ 57.0g/t Au** from 280.15m. The maximum assay in the second interval was **1m @ 305g/t Au**.

Other significant intersections recorded from the 40m x 40m infill drilling program included:

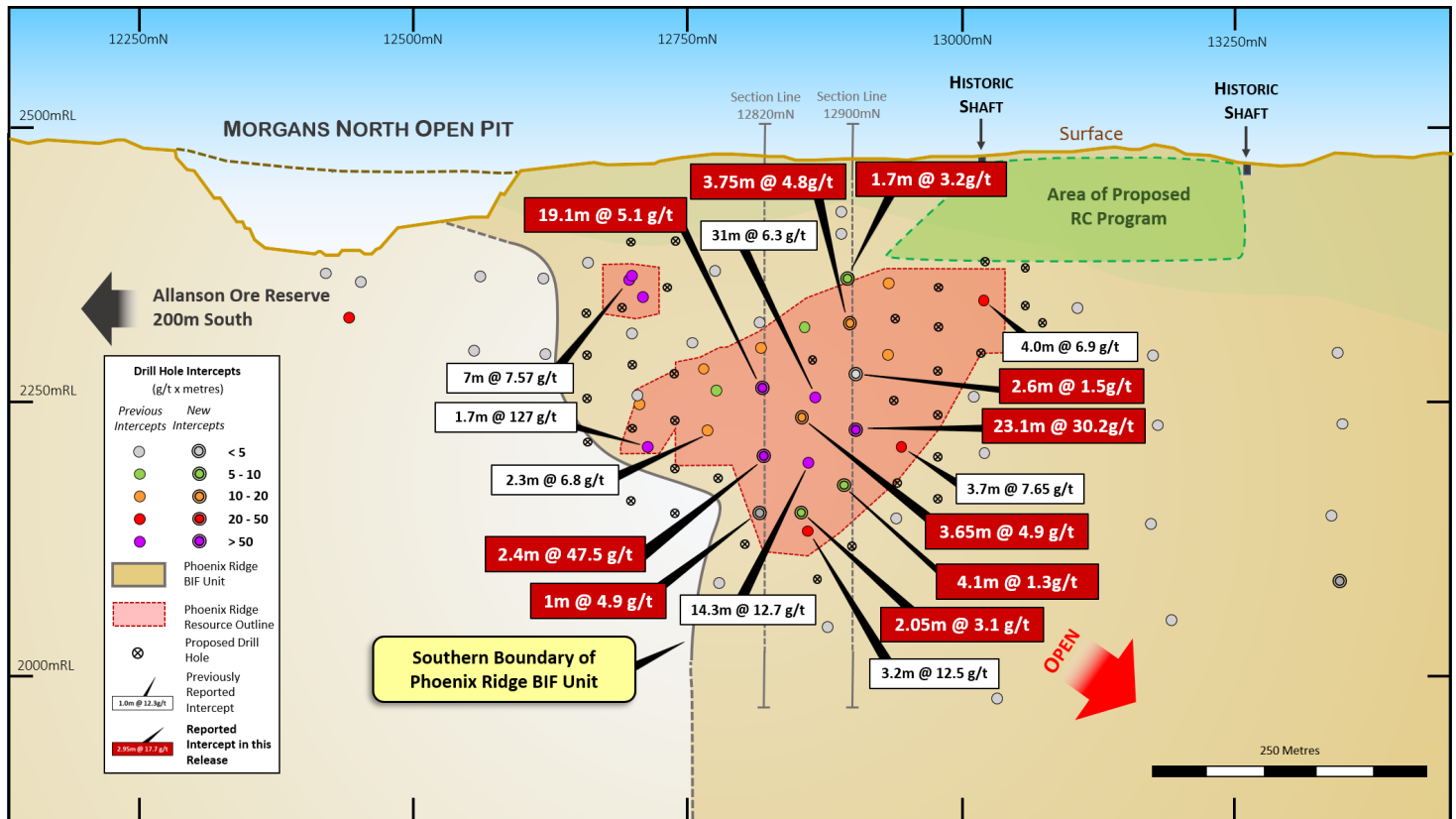
- **19.1m @ 5.1g/t Au** from 223.6m in 19MMDD0520
- **2.4m @ 47.5g/t Au** from 313.35m in 19MMDD0532
- **10.2m @ 3.0g/t Au** from 235.6m in 19MMDD0533
- **3.75m @ 4.8g/t Au** from 162.95m in 19MMDD0540

Figure 2 is a longitudinal section showing the Phoenix Ridge infill drilling results reported in this announcement (red labels) and previously reported results (white labels).

From Figure 2 it is evident that an area measuring approximately 150m x 150m within the core of the Phoenix Ridge deposit is defined by thick and high-grade mineralisation as represented by the following 40m x 40m spaced intersections:

- |   |   |
|---|---|
| ○ <b>23.1m @ 30.2g/t Au</b> (this release)              | ○ <b>14.3m @ 12.7 g/t Au</b> (20 June 2019) |
| ○ <b>31m @ 6.3g/t Au</b> (see ASX release 20 June 2019) | ○ <b>2.4m @ 47.5g/t Au</b> (this release)   |
| ○ <b>19.1m @ 5.1g/t Au</b> (this release)               | ○ <b>3.65m @ 4.9g/t Au</b> (this release)   |

The thick and high-grade core of the Phoenix deposit is located between 200m and 350m below the surface and would represent a high priority production area should an Ore Reserve be estimated following completion of an Indicated Mineral Resource at Phoenix Ridge.



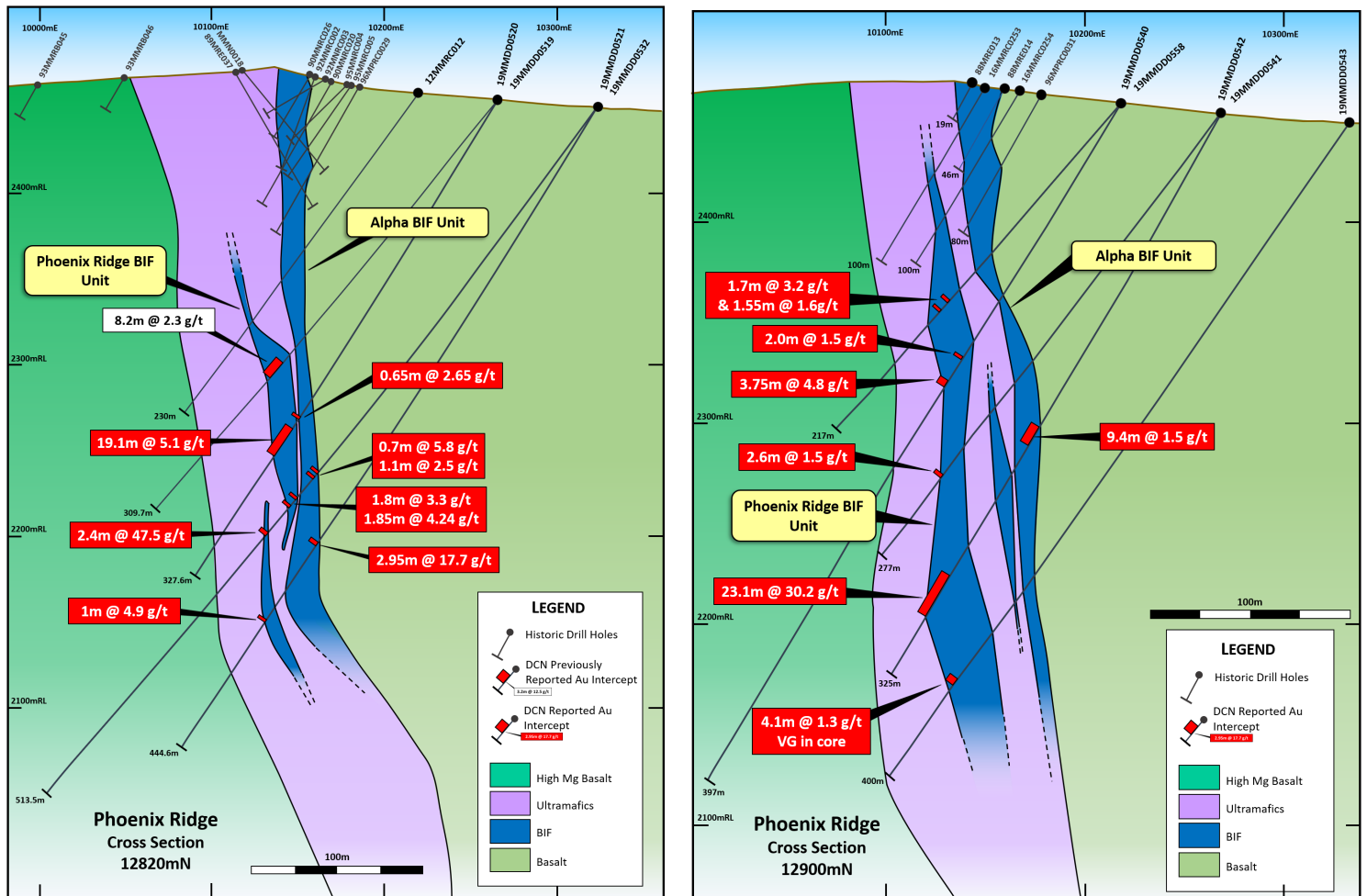
**Figure 2** – Longitudinal section showing the 40m x 40m infill drilling results of the 125,000oz, 8.1g/t Au Phoenix Ridge Inferred Mineral Resource (red shade): new intersections are shown as red labels and previously released intersections as white labels (see ASX releases 20 June 2019 and 5 August 2019). Note the thick and high-grade intercepts in the central core of the deposit. Proposed infill holes that are part of the ongoing drilling program are shown as crosses. Note also the interpreted near-surface projection of the Phoenix Ridge mineralisation labelled “Area of Proposed RC Program” with drilling in this area to commence in the current quarter. The “flat plunge to north high-grade trend (D3B)” defined by the Morgans North open pit and the Phoenix Ridge deposit remains open to the north (to the right of the image). Section lines 12820mN and 12900mN are shown in Figure 3.

Figure 3 shows cross sections 12820mN and 12900mN located through the central area of the Phoenix Ridge deposit. Both sections show two parallel lodes hosted by the Phoenix Ridge BIF Unit and the Alpha BIF Unit.

The existing Mineral Resource of 125,000oz at 8.1g/t Au Mineral Resource for Phoenix Ridge sits within the Phoenix Ridge BIF Unit only (shown in Figure 3). The Alpha BIF Unit lodes currently has no corresponding Mineral Resource.

The parallel and hangingwall lode is hosted by the Alpha BIF Unit, which is in the same stratigraphic unit that hosts the dominant Red Lode observed in the Beresford mine located over 1,500m to the south.





**Figure 3** – Cross sections 12820mN and 12900mN showing results of the 40m x 40m infill drilling throughout the central area of the Phoenix Ridge deposit (see Figure 2 for location of the cross sections). New intersections reported in this release are shown by red labels and previously released intersections are shown as white labels. Parallel lodes that are less than 50m apart are hosted within the Phoenix Ridge and Alpha BIF units. Note the existing 125,000oz, 8.1g/t Au Mineral Resource at Phoenix Ridge resides solely in the Phoenix Ridge BIF Unit. No Mineral Resource currently exists within the Alpha BIF Unit.

### Potential for Mineral Resource Growth at Phoenix Ridge

As noted above, the current Phoenix Ridge Mineral Resource of 125,000oz at 8.1g/t Au is situated within the Phoenix Ridge BIF Unit shown in cross section in Figure 3 and as the red shaded area in long section in Figure 2.

Three potential areas have been identified where the Mineral Resource at Phoenix Ridge may grow.

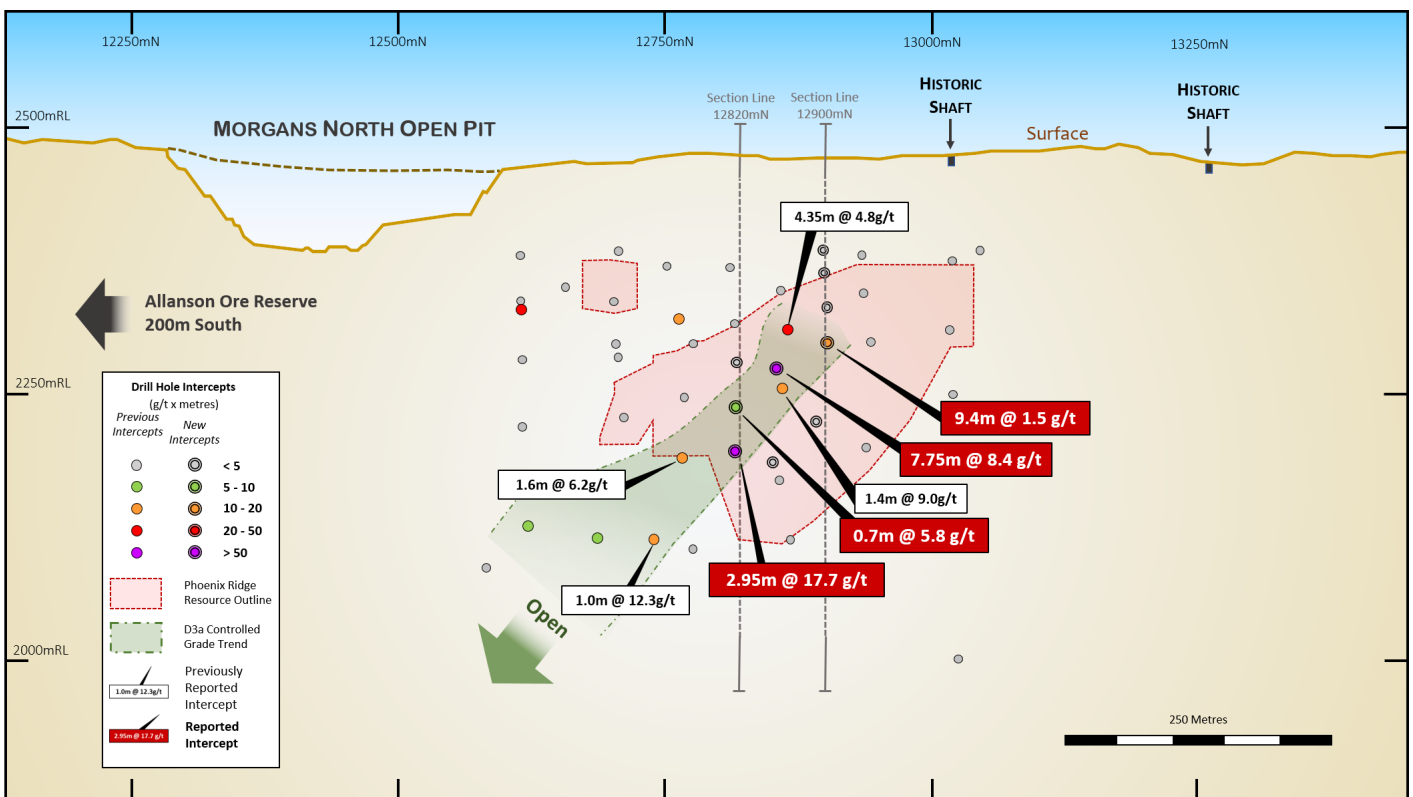
The first area is shown in Figure 2 as the green-shaded region labelled “Area of Proposed RC Program.” This undrilled area contains the interpreted 100m near-surface expression of the Phoenix Ridge deposit. The presence of 2 historic surface shafts immediately in line with the interpreted trend of the mineralisation as shown in Figure 2 is consistent with the view mineralisation may extend toward the surface. RC drill testing of this area will commence in the current quarter.

The second area for potential Mineral Resource growth at Phoenix Ridge is the high-grade shoot observed within the Alpha BIF Unit shown in Figure 3.

Figure 4 below shows the distribution of the intersections within the Alpha BIF Unit in longitudinal section superimposed on the current Phoenix Ridge Mineral Resource. It is clear from Figure 4 that a steep south-plunging shoot is developed within the Alpha BIF Unit over a distance in excess of 350m, and is broadly parallel with the high-grade shoot that defines the Phoenix Ridge Mineral Resource.

The steep south-plunging shoot in the Alpha BIF Unit is identical in orientation to the D3A shoots observed at Beresford and Allanson in the Westralia Mine Area located to the south. High-grade intersections that comprise the D3A shoot observed in the Alpha BIF Unit include:

- **2.95m @ 17.7g/t Au** (this release)
- **7.75m @ 8.4g/t Au** (this release)
- **4.35m @ 4.8g/t Au** (see ASX release 20 June 2019)
- **1.4m @ 9.0g/t Au** (see ASX release 20 June 2019)
- **1.0m @ 12.3g/t Au** (see ASX release 20 June 2019)
- **1.6m @ 6.2g/t Au** (see ASX release 20 June 2019)



**Figure 4** – Longitudinal section showing the steep south-plunging high-grade shoot within the Alpha BIF Unit (shaded green) superimposed over the current Phoenix Ridge Mineral Resource hosted in the parallel Phoenix Ridge BIF Unit (shaded pink). The steep south-plunging shoot orientation of both lodes is identical to the D3A lode orientations observed in the Beresford and Allanson operating mines located 1.5km to the south. Note the high-grade lode in the Alpha BIF Unit remains open at depth.

The third area for a potential increase to the Phoenix Ridge Mineral Resource is to discover additional mineralisation along the now-confirmed flat plunge to the north (D3B) high-grade shoot trend defined by the Morgans North open pit and the Phoenix Ridge mineralised position. This region is marked by the “Open” arrow shown above in Figure 2.

## **NEXT STEPS**

Infill diamond drilling of the Inferred Mineral Resource at Phoenix Ridge is ongoing with an upgrade to Indicated Mineral Resource targeted for the March quarter in 2020. In addition, RC drilling of the interpreted upper and near-surface expression of the Phoenix Ridge mineralisation is scheduled to commence later in the current quarter.

**For and on behalf of the Board**



**Rohan Williams**  
**Executive Chairman & CEO**



**Table 1: Mt Morgans Exploration Drilling Results – Westralia**

Collar Location and Orientation								Intersection > 2 g/t Au x DH length				Geology
Hole	Type	X	Y	Z	Total Depth	Dip	Azimuth	From (m)	To (m)	Length (m)	Grade (g/t Au)	BIF Unit
19MMDD0555	DD	408,190	6,819,455	445	382	-62	238	282.65	287	4.35	1.93	Alpha
19MMDD0556	DD	408,242	6,819,484	442	472	-62	237	NSA				
19MMDD0520	DD	408,330	6,818,938	453	328	-58	243	217.45	218.1	0.65	2.65	Alpha - Contact
								<b>223.6</b>	<b>243.7</b>	<b>19.1</b>	<b>5.10</b>	Phoenix Ridge
							incl.	<b>224.6</b>	<b>226.8</b>	<b>2.2</b>	<b>8.17</b>	Phoenix Ridge
								<b>238.05</b>	<b>243.7</b>	<b>5.65</b>	<b>11.90</b>	Phoenix Ridge
19MMDD0532	DD	408,380	6,818,970	449	514	-53	238	266.75	267.45	0.7	5.84	Alpha
								271.1	272.2	1.1	2.47	Alpha
								286.3	288.1	1.8	3.33	Phoenix Ridge
								<b>292.55</b>	<b>294.4</b>	<b>1.85</b>	<b>4.24</b>	Phoenix Ridge
								<b>313.35</b>	<b>315.75</b>	<b>2.4</b>	<b>47.50</b>	Phoenix Ridge
19MMDD0521	DD	408,380	6,818,970	449	445	-58	238	<b>300.9</b>	<b>303.85</b>	<b>2.95</b>	<b>17.70</b>	Alpha
								356	357	1	4.88	Phoenix Ridge
19MMDD0533	DD	408,295	6,818,976	455	364	-68	238	<b>202.2</b>	<b>209.95</b>	<b>7.75</b>	<b>8.43</b>	Alpha
								<b>235.6</b>	<b>245.8</b>	<b>10.2</b>	<b>3.03</b>	Phoenix Ridge
							incl.	<b>242.15</b>	<b>278.7</b>	<b>3.65</b>	<b>4.91</b>	Phoenix Ridge
19MMDD0524	DD	408,367	6,819,009	449	430	-58	238	360.2	362.25	2.05	3.03	Phoenix Ridge
19MMDD0558	DD	408,253	6,818,995	459	217	-48	240	130	131.7	1.7	3.17	Phoenix Ridge
								136	137.55	1.55	1.58	Phoenix Ridge
19MMDD0540	DD	408,253	6,818,995	459	397	-58	240	149	151	2	1.52	Phoenix Ridge
								<b>162.95</b>	<b>166.7</b>	<b>3.75</b>	<b>4.84</b>	Phoenix Ridge
19MMDD0541	DD	408,298	6,819,020	454	277	-53	240	226.9	229.5	2.6	1.53	Phoenix Ridge
19MMDD0542	DD	408,298	6,819,020	454	325	-60	240	180.4	189.8	9.4	1.50	Alpha
								<b>267.7</b>	<b>290.8</b>	<b>23.1</b>	<b>30.2</b>	Phoenix Ridge
							incl.	<b>267.7</b>	<b>273.45</b>	<b>5.75</b>	<b>15.80</b>	Phoenix Ridge
								<b>280.15</b>	<b>290.8</b>	<b>10.65</b>	<b>57.0</b>	Phoenix Ridge
19MMDD0543	DD	408,353	6,819,049	450	400	-55	238	340.3	344.4	4.1	1.27	Phoenix Ridge

## ABOUT DACIAN GOLD LIMITED

Dacian Gold Limited (ASX: DCN) has cemented its position as a new mid-tier Australian gold producer with the declaration of Commercial Production at its 100%-owned Mt Morgans Gold Operation (**MMGO**), located near Laverton in Western Australia, on 1 January 2019.

With an Ore Reserve of 1.4Moz, a Mineral Resource of 3.5Moz (including Ore Reserves) and highly prospective exploration tenure, Mt Morgans is one of the largest new gold mines to come on stream in Australia over the last ten years.

The Board comprises Rohan Williams as Executive Chairman & CEO; and Robert Reynolds, Barry Patterson and Ian Cochrane as non-executive directors.

For further information please visit [www.daciangold.com.au](http://www.daciangold.com.au) to view the Company's presentation or contact:

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## APPENDIX 1

### 2018 MINERAL RESOURCES & ORE RESERVES STATEMENT (DCN: 100%)

**Table 1: Mt Morgans Gold Operation Mineral Resources as at 31 July 2018**

(Refer ASX release dated 6 August 2018)

**Mount Morgans Gold Project Mineral Resources as at 31 July 2018**

Deposit	Cut-off Grade	Measured			Indicated			Inferred			Total Mineral Resource		
		Au g/t	Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz	Tonnes	Au g/t
Westralia	2.0	1,304,000	5.3	222,000	4,662,000	5.1	767,000	4,018,000	4.1	528,000	9,985,000	4.7	1,518,000
Jupiter	0.5	2,363,000	1.3	101,000	21,979,000	1.3	954,000	5,353,000	1.1	188,000	29,695,000	1.3	1,242,000
Jupiter UG	1.5	-	-	-	-	-	-	525,000	2.0	34,000	525,000	2.0	34,000
Jupiter LG Stockpile	0.5	3,494,000	0.5	58,000	-	-	-	-	-	-	3,494,000	0.5	58,000
Phoenix Ridge	2.0	-	-	-	-	-	-	481,000	8.1	125,000	481,000	8.1	125,000
Cameron Well	0.4	-	-	-	3,465,000	1.1	117,000	2,808,000	1.4	127,000	6,273,000	1.2	245,000
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	-	-	-	160,000	4.1	21,000	422,000	4.0	55,000	582,000	4.1	76,000
Maxwells	0.5	-	-	-	413,000	1.2	16,000	309,000	0.9	9,000	722,000	1.1	25,000
Craic*	2.0	-	-	-	69,000	8.2	18,000	120,000	7.1	27,000	189,000	7.5	46,000
King St*	0.5	-	-	-	-	-	-	532,000	2.0	33,000	532,000	2.0	33,000
Low Grade Stockpiles	0.5	-	-	-	1,276,000	0.7	30,000	-	-	-	1,276,000	0.7	30,000
Mine Stockpiles	0.5	151,000	0.9	4,000	-	-	-	-	-	-	151,000	0.9	4,000
Total		7,678,000	1.8	453,000	32,428,000	1.9	1,992,000	15,051,000	2.5	1,200,000	55,157,000	2.1	3,645,000

\* JORC 2004

Other than Cameron Well and the above Phoenix Ridge Resource, all Mineral Resource estimates are as of 30th June 2018. Cameron Well Mineral Resource estimate is of 31 July 2018 and the Phoenix Ridge Mineral Resource estimate is of the 3rd of October 2019.

**Table 2: Mt Morgans Gold Operation Ore Reserves as at 1 July 2018**

(Refer ASX release dated 18 December 2018)

**Mt Morgans Gold Operation Ore Reserves as at 1 July 2018**

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
Beresford UG	1.2 / 2.1*	749,000	4.3	104,000	2,355,000	3.5	265,000	3,104,000	3.7	369,000
Allanson UG	1.2 / 2.1*	-	-	-	1,175,000	5.0	188,000	1,175,000	5.0	188,000
Westralia UG Low Grade	0.5 / 1.8*	-	-	-	458,000	1.2	18,000	458,000	1.2	18,000
Transvaal UG	1.4	193,000	4.7	29,000	325,000	3.4	36,000	518,000	3.9	65,000
Jupiter OP	0.5	2,213,000	1.2	88,000	13,049,000	1.3	523,000	15,262,000	1.2	611,000
Cameron Well OP	0.4	-	-	-	1,300,000	1.1	45,000	1,300,000	1.1	45,000
Jupiter Low Grade Stockpile	0.5	3,494,000	0.5	58,000	-	-	-	3,494,000	0.5	58,000
Low Grade Stockpiles	0.5	-	-	-	1,276,000	0.7	30,000	1,276,000	0.7	30,000
Mine Stockpiles	0.5	151,000	0.9	4,000	-	-	-	151,000	0.9	4,000
<b>ORE RESERVE</b>	<b>-</b>	<b>6,799,000</b>	<b>1.3</b>	<b>284,000</b>	<b>19,938,000</b>	<b>1.7</b>	<b>1,105,000</b>	<b>26,737,000</b>	<b>1.6</b>	<b>1,389,000</b>

\* Development and Stopping cut-off grades. Rounding errors will occur.

## **Competent Person Statement**

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

### **Exploration**

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

### **Mineral Resources**

The information in this report that relates to Mineral Resources for Westralia, Jupiter, Cameron Well, Ramornie, Mine and Low Grade Stockpiles (See ASX release 6 August 2018), and Transvaal (see ASX release 16 September 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 Ashmore Advisory. 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 to Mineral Resources for Craic and King Street is based on information compiled by Mr Rohan Williams, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Williams holds shares and options in, and is a director and full time employee of, Dacian Gold Ltd. Mr Williams has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Williams consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

### **Ore Reserves**

The information in this report that relates to Ore Reserves for the Westralia Mining Area is based on information compiled or reviewed by Mr James Howard. Mr Howard has confirmed that he has read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012 Edition). Mr Howard is a Competent Person as defined by the JORC Code 2012 Edition, having more than five years’ experience which is relevant to the style of mineralisation and type of deposit under consideration and to the

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

The information in this report that relates to Ore Reserves for the Jupiter Mining Area and Cameron Well Area is based on information compiled or reviewed by Mr Mathew Lovelock. Mr Lovelock has confirmed that he has read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012 Edition). He is a Competent Person as defined by the JORC Code 2012 Edition, having more than five years' experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity for which he is accepting responsibility. Mr Lovelock is a member of The Australasian Institute of Mining and Metallurgy and a full-time employee of Dacian Gold Limited and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Where the Company refers to the Mineral Resources and Ore Reserves in this report (referencing previous releases made to the ASX), it confirms that it is not aware of any new information or data that materially affects the information included in that announcement and all material assumptions and technical parameters underpinning the Mineral Resource estimate and Ore Reserve estimate with that announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons findings are presented have not materially changed from the original announcement.

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

## APPENDIX 2 – JORC TABLE 1

### Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>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.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>DCN utilises and diamond drilling. Surface RC and diamond holes were angled to intersect the targeted mineralised zones at optimal angles.</li> <li>Surface diamond 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.</li> <li>RC holes are sampled over the entire length of hole. DCN RC drilling was sampled at 1m intervals via an on-board cone splitter. Historical RC samples were collected at 1m using riffle splitters.</li> <li>DCN samples were submitted to a contract laboratory for crushing and pulverising to produce either a 40g or 50g charge for fire assay.</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>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).</li> </ul>	<ul style="list-style-type: none"> <li>Diamond drilling was mostly carried out with NQ2 sized equipment, along with minor HQ3 and PQ2, using standard tube. Surface drill core was orientated using a Reflex orientation tool.</li> <li>For RC holes, a 5¼" face sampling bit was used.</li> <li>For deeper holes, RC pre-collars were followed with diamond tails.</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Recoveries from historical drilling are unknown.</li> <li>Recoveries from DCN core drilling were measured and recorded in the database</li> <li>Recoveries average 99.5% with minor core loss in oxidised material, fresh rock that is very broken due to the interaction of multiple structures or pervasively talc altered ultramafic.</li> <li>In DCN drilling no relationship exists between sample recovery and grade.</li> </ul>
<b>Logging</b>	<ul style="list-style-type: none"> <li>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.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> <li>All RC and AC drill holes were logged for geology, alteration and structure. All RC chip trays were photographed.</li> <li>All drill holes were logged in full.</li> </ul>
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and</li> </ul>	<ul style="list-style-type: none"> <li>DCN core was cut in half using an automatic core saw at either 1m intervals or to geological contacts; core samples were collected from the same side of the core.</li> <li>Historical RC samples were collected at the rig</li> </ul>





Criteria	JORC Code explanation	Commentary
	<p><i>appropriateness of the sample preparation technique.</i></p> <ul style="list-style-type: none"> <li><i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li><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></li> <li><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<p>using riffle splitters. Samples were generally dry. For historic RC drilling, information on the QAQC programs used is acceptable. DCN RC samples were collected via on-board cone splitters. Most samples were dry. For RC drilling, sample quality was maintained by monitoring sample volume and by cleaning splitters on a regular basis.</p> <ul style="list-style-type: none"> <li>RC field duplicates were mostly taken at 1 in 25.</li> <li>Sample preparation was conducted by a contract laboratory. After drying, the sample is subject to a primary crush, then pulverised to 85% passing 75µm.</li> <li>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 gold.</li> </ul>
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li><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></li> <li><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></li> </ul>	<ul style="list-style-type: none"> <li>For DCN drilling, the analytical technique used was a 40g or 50g lead collection fire assay and analysed by Atomic Absorption Spectrometry. This is a full digestion technique. Samples were analysed at Bureau Veritas and Intertek Laboratories in Perth or Kalgoorlie, Western Australia.</li> <li>For DCN drilling, sieve analysis was carried out by the laboratory to ensure the grind size of 85% passing 75µm was being attained.</li> <li>For DCN RC and diamond 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.</li> <li>QAQC data has been reviewed for historic RC drilling and is acceptable.</li> <li>Laboratory QAQC includes the use of internal standards using certified reference material, blanks, splits and replicates.</li> <li>Certified reference materials demonstrate that sample assay values are accurate.</li> <li>Umpire laboratory test work was completed in 2019 over mineralised intersections with good correlation of results.</li> <li>Commercial laboratories used by DCN were audited in February 2018.</li> </ul>
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li><i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li><i>The use of twinned holes.</i></li> <li><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li><i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>Significant intersections were visually field verified by company geologists and by Shaun Searle of Ashmore during the 2018 site visits.</li> <li>Twin holes were completed at the nearby Westralia underground. Results were within expectation for orogenic gold deposits.</li> <li>Primary data was collected into an Excel spread sheet and then imported into a Data Shed database.</li> <li>Assay values that were below detection limit were adjusted to equal half of the detection limit value.</li> </ul>
<b>Location of data points</b>	<ul style="list-style-type: none"> <li><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></li> </ul>	<ul style="list-style-type: none"> <li>Historic drill hole collar coordinates were tied to a local grid with subsequent conversion to MGA94 Zone 51. Historic near surface mine workings support the locations of historic</li> </ul>



Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>• <i>Specification of the grid system used.</i></li> <li>• <i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>drilling.</li> <li>• All DCN hole collars were surveyed in MGA94 Zone 51 grid using differential GPS.</li> <li>• DCN holes were down hole surveyed either with multi-shot EMS, Reflex multi-shot tool or north seeking gyro tool.</li> <li>• Topographic surfaces were prepared from detailed ground, mine and aerial surveys.</li> </ul>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <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></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>• For the DCN drilling at Morgans North and Phoenix Ridge, the nominal hole spacing of surface drilling is approximately 80x80m at its broadest to better than 20x20m close to surface.</li> <li>• The mineralised domains have sufficient continuity in both geology and grade to be considered appropriate for the Mineral Resource and Ore Reserve estimation procedures and classification applied under the 2012 JORC Code.</li> <li>• Samples have been composited to 1m lengths in mineralised lodes using best fit techniques.</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>• <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></li> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• At Morgans North, surface drill holes are angled to between 50-65 degrees which is approximately perpendicular to the orientation of the expected trend of mineralisation.</li> <li>• No orientation-based sampling bias has been identified in the data.</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li>• <i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Chain of custody is managed by DCN. Samples are stored on site until collected for transport to the sample preparation laboratory in Kalgoorlie. DCN 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.</li> </ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>• <i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Shaun Searle of Ashmore reviewed RC and diamond core sampling techniques in April 2018 and concluded that sampling techniques are satisfactory.</li> <li>• Commercial laboratories used by DCN have been audited in February, 2018.</li> </ul>

## Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Morgans North is part of the Westralia Project, an active underground gold mine which started in May 2017. Morgans North Deposit (including the Phoenix Ridge resource) is located within Mining Lease 39/18 and M39/240 owned by Mt Morgans WA Mining Pty Ltd, a wholly owned subsidiary of Dacian Gold Ltd.</li> <li>The tenements are in good standing.</li> </ul>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>At Westralia open pit and underground mining has occurred since the 1890's. Other companies to have explored the deposit area include Whim Creek Consolidated NL, Dominion Mining, Plutonic Resources, Homestake Gold, Barrick Gold Corporation, Delta Gold and Range River Gold.</li> </ul>
<b>Geology</b>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>All Dacian Gold deposits are located within the Yilgarn Craton of Western Australia.</li> <li>The Morgans North Deposits (including Phoenix Ridge) are Archaean BIF hosted with sulphide replacement mineralisation.</li> </ul>
<b>Drill hole information</b>	<ul style="list-style-type: none"> <li>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"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length</li> </ul> </li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>All exploration results that have previously been reported by DCN between 2013 and 2019.</li> <li>All information has been included in the appendices. No drill hole information has been excluded.</li> </ul>
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>Exploration results are reported as length weighted averages of the individual sample intervals.</li> <li>No high-grade cuts have been applied to the reporting of exploration results.</li> <li>For RC and diamond drilling, Intersections have been reported using a 0.5g/t lower cut-off, and can include internal dilution.</li> <li>No metal equivalent values have been used.</li> </ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>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</li> </ul>	<ul style="list-style-type: none"> <li>At Morgans North, surface drill holes are angled to 50-65 degrees which is approximately perpendicular to the orientation of the expected trend of mineralisation.</li> <li>It is interpreted that true width is approximately 60-100% of down hole intersections.</li> </ul>



Criteria	JORC Code explanation	Commentary
	not known').	
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Relevant diagrams have been included within the main body of text.</li> </ul>
<b>Balanced Reporting</b>	<ul style="list-style-type: none"> <li>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.</li> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>All DCN hole collars were surveyed in MGA94 Zone 51 grid using differential GPS. DCN holes were down-hole surveyed either with multi-shot EMS or Reflex multi-shot tool.</li> <li>All exploration results Relating to Morgans North and Phoenix Ridge deposits have been reported.</li> </ul>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>All interpretations for Morgans North mineralisation are consistent with observations made and information gained during previous and current mining.</li> </ul>
<b>Further work</b>	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large- scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Shallow RC drilling to test for up dip extensions of the Phoenix Ridge discovery are being planned</li> <li>Infill diamond drilling of the Phoenix Ridge inferred Resource is underway</li> </ul>