

GEOLOGICAL REINTERPETATION LEADS TO MAJOR DRILL PROGRAM AT JUPITER

Dacian Gold Ltd (“Dacian” or “the Company”) (ASX:DCN) is pleased to announce that it has completed a major geological review and reinterpretation of its Jupiter prospect, located within the 100% owned Mt Morgans Project, situated 20km west of Laverton in WA. The geological reinterpretation has provided the Company with a major new exploration drill target at Jupiter.

Key points from the geological review:

- The geological review combines the Company’s detailed surface mapping and drill hole logging, and has led to the interpretation of a previously unknown +2km long north–south oriented structure.
- It appears the newly interpreted structure may impart an important control on the mineralisation seen for over a distance of 2km.
- The structure is interpreted to be shallow to moderate east–dipping, and outcrops in an area associated with old workings, which have largely remained untested.
- Approximately 20 historic drill holes from drilling completed over the last 20 years are interpreted to have intersected the structure. In most cases, where a drill hole intersects the interpreted structure, gold mineralisation is present. Better intersections are located close to, and within the syenite intrusives. Many shallow historic holes appear to have ended above the structure leaving it untested over large areas.

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- Previously reported high grade intersections from Dacian's 2013 drilling (eg 17m @ 4.8 g/t in 13JUDD018 and 6.9m @ 8.3 g/t in 13JUDD007; see ASX release of 14 November 2013) are interpreted to lie within the newly recognised structure.
- Dacian will, in early June, commence a major 56 hole, 7,000m drill program that will test over 1km strike of the structure. Key target areas for drill testing include:
 - Open pit potential where the structure is exposed at and near-surface.
 - Open pit potential where the structure intersects the larger Heffernan's syenite body.
- It is interpreted the intersection of the shallow to moderate east-dipping structure with the northern syenite gave rise to main lode mined at the Jupiter pits in the 1990s, from which +120,000 ounces was produced.
- The mineralised structure referred to above is hereafter called the Cornwall Shear Zone.
- An untested high amplitude magnetic anomaly located adjacent to the Joanne and Jenny pits at Jupiter is the subject of ongoing geophysical modelling and its interpreted intersection with the Cornwall Shear Zone will be drill tested at the completion of the 56 hole drill program referred to above.

The Jupiter prospect is located 8km to the west of Wallaby, a major +7 million ounce gold deposit (see Figure 1). Following the completion of mining at Jupiter in 1996, Wallaby was discovered in 1998 after exploration programs targeted Jupiter-style deposits. Both Wallaby and Jupiter share similar geological and gold mineralisation characteristics and are both interpreted to have formed from the same widespread gold mineralising event. Very limited exploration work was conducted at Jupiter during changes of ownership of Mt Morgans during the period 1996 – 2010. The exploration work commenced by Dacian in 2013 was the first systematic exploration completed at Jupiter since the closure of the mine in 1996.

The existing Inferred Mineral Resource at Jupiter of 0.8Mt @ 2.8 g/t for 73,000 ounces lies immediately beneath the base of the Jupiter Pit and was originally estimated in 1998 and confirmed in 2012, as part of Dacian's IPO. None of the mineralisation discovered by Dacian during 2013 forms any part of the resource at Jupiter. Dacian anticipates it will complete an updated Mineral Resource for Jupiter in the second half of 2014.

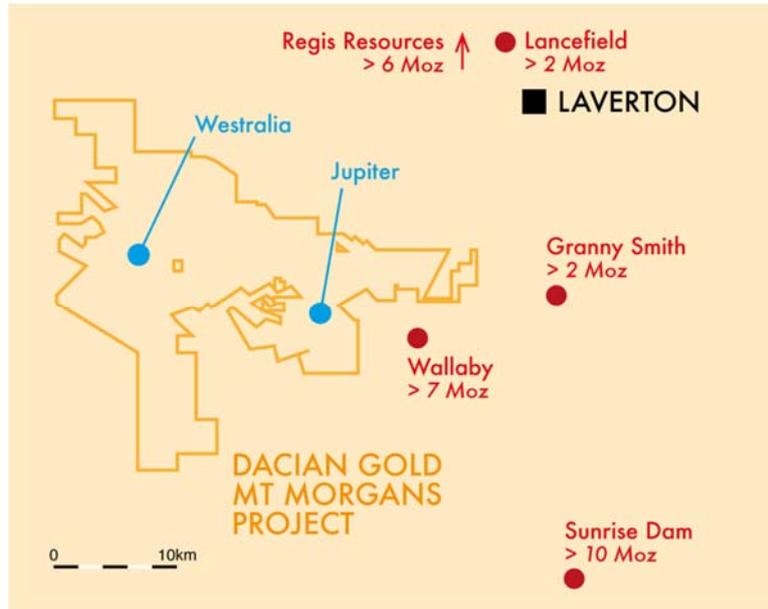


Figure 1: Regional Location Map showing the position of Dacian's Westralia and Jupiter Projects

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. At March 31 2014, it had \$12.2 million in cash.

The Mt Morgans Project hosts high grade Mineral Resources of 1.2 million ounces at an average grade of 4.0g/t gold, including 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 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 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 the project.

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

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Competent Person Statement

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.