

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Dacian Gold Limited

ABN

61 154 262 978

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <p>In accordance with the ASX announcements dated 22 February 2017 and 24 February 2017:</p> <ul style="list-style-type: none">• approximately 7.7 million ordinary shares to be issued pursuant to the Placement; and• approximately 47.2 million ordinary shares to be issued pursuant to the Entitlement Offer. <p>The exact number of shares are still to be finalised and are subject to shareholding reconciliation and rounding.</p> |

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3	Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	Fully paid ordinary shares issued on the same basis as all other existing fully paid ordinary shares
4	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	The shares issued will rank equally with all existing shares from the date of issue.
5	Issue price or consideration	\$2.00 per share.
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	<p>Proceeds from the capital raising are to be used to fund the development of the Mt Morgans Gold Project, further exploration drilling and general corporate purposes.</p> <p>Further details are set out in the ASX announcement dated 22 February 2017.</p>
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	No.

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+ See chapter 19 for defined terms.

6b	The date the security holder resolution under rule 7.1A was passed	N/A
6c	Number of +securities issued without security holder approval under rule 7.1	N/A
6d	Number of +securities issued with security holder approval under rule 7.1A	N/A
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A
6f	Number of +securities issued under an exception in rule 7.2	N/A
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	N/A
7	<p>+Issue dates</p> <p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	<p>The proposed issue dates are as follows:</p> <ul style="list-style-type: none"> • Shares issued under the Placement – Monday, 6 March 2017 • Shares issued to institutional shareholders under the Entitlement Offer – Monday, 6 March 2017

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- Shares issued to retail shareholders under the Entitlement Offer – Monday, 27 March 2017

8 Number and ⁺class of all ⁺securities quoted on ASX (including the ⁺securities in section 2 if applicable)

Number	⁺ Class
Up to 201,181,440 (subject to rounding)	Ordinary fully paid shares (DCN)
Number	⁺ Class
5,100,000	Options exercisable at \$0.83 each and expiring 9 October 2017.
500,000	Options exercisable at \$0.56 each and expiring 28 February 2019.
1,000,000	Options exercisable at \$0.64 each and expiring 24 September 2019.
2,000,000	Options exercisable at \$0.45 each and expiring 17 November 2019
1,500,000	Options exercisable at \$1.21 each and expiring 30 September 2020.
1,650,000	Options exercisable at \$1.22 each and expiring 28 February 2021.
300,000	Options exercisable at \$2.05 each and expiring 28 February 2021.
500,000	Options exercisable at \$3.72 each and expiring 30 June 2021.
140,000	Performance rights expiring 11 October

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	200,000	2020 and performance measurement date of 30 June 2017.
	330,000	Performance rights expiring 11 October 2020 and performance measurement date of 30 June 2018.
		Performance rights expiring 11 October 2020 and performance measurement date of 30 June 2019.

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A
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Part 2 - Pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non renounceable
13	Ratio in which the ⁺ securities will be offered	1 new shares for every 3.1 shares held on the record date
14	⁺ Class of ⁺ securities to which the offer relates	Fully paid ordinary shares
15	⁺ Record date to determine entitlements	10:00pm (AEDT) Friday, 24 February 2017
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17	Policy for deciding entitlements in relation to fractions	Fractional entitlements will be rounded up to the nearest whole number of shares

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18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	For the retail component of the Entitlement Offer all countries other than Australia and New Zealand. For the institutional component of the Entitlement Offer all countries other than Australia, New Zealand, United Kingdom, United States, Malaysia, Canada, Luxembourg, Switzerland, Singapore and Hong Kong.
19	Closing date for receipt of acceptances or renunciations	Entitlement Offer to institutional shareholders – Thursday, 23 February 2017 Entitlement Offer to retail shareholders – Monday, 20 March 2017
20	Names of any underwriters	Macquarie Capital (Australia) Limited
21	Amount of any underwriting fee or commission	2.5% of gross proceeds
22	Names of any brokers to the issue	Macquarie Capital (Australia) Limited and Argonaut Securities Pty Ltd
23	Fee or commission payable to the broker to the issue	In addition to underwriting fees, fees to lead manager include a management fee equal to 1.0% of the gross proceeds.
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	No Prospectus is required. A Retail Entitlement Offer Booklet and Entitlement and Acceptance form will be sent to Eligible Retail Shareholders on or about 28 February 2017.
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A

28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	⁺ Issue date	<p>The proposed issue date for the Institutional Entitlement offer is Monday 6 March 2017</p> <p>The proposed issue date for the Retail Entitlement Offer is Monday 27 March 2017</p>

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of ⁺securities
(tick one)

(a) ☒ ⁺Securities described in Part 1

(b) ☐ All other ⁺securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 ☐ If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
- 1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 ☐ A copy of any trust deed for the additional ⁺securities

Entities that have ticked box 34(b)

- 38 Number of ⁺securities for which ⁺quotation is sought

N/A

- 39 ⁺Class of ⁺securities for which quotation is sought

N/A

- 40 Do the ⁺securities rank equally in all respects from the ⁺issue date with an existing ⁺class of quoted ⁺securities?
- If the additional ⁺securities do not rank equally, please state:
- the date from which they do
 - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
 - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
- | |
|-----|
| N/A |
|-----|

41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another +security, clearly identify that other +security)	N/A	
42	Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	Number	+Class
		N/A	

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

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- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Company secretary

Date: 22 February 2017

Print name: Kevin Hart

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