



**DACIAN
GOLD**

ABN 61 154 262 978



ANNUAL REPORT

2015

CORPORATE DIRECTORY

Directors

Rohan Williams *Executive Chairman*
Barry Patterson *Non-Executive Director*
Robert Reynolds *Non-Executive Director*

Company Secretary

Kevin Hart

Registered Office and Principal Place of Business

Suites 14-16,
890 Canning Highway
Applecross WA 6153

Auditor

Grant Thornton Audit Pty Ltd
10 Kings Park Road
West Perth WA 6005

Share Registry

Computershare Investor Services Pty Ltd
172 St Georges Terrace
Perth WA 6000

Stock Exchange Listing

The Company's shares are quoted on the Australian Securities Exchange. The home exchange is Perth, Western Australia.

ASX Code

DCN – Ordinary shares

Company Information

The Company was incorporated and registered under the Corporations Act 2001 in Western Australia on 23 November 2011.

The Company is domiciled in Australia.

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Corporate Governance

Please refer to the Company's website www.daciangold.com.au for the 2015 Corporate Governance Statement and Policies.

CHAIRMAN'S LETTER TO SHAREHOLDERS

Dear Fellow Shareholder,

It is with great pleasure that I present to you Dacian Gold Limited's third annual report.

The 2015 financial year has been extremely productive for your company with the majority of the financial year focused on drilling at the Westralia and Jupiter Prospects. In total we drilled over 35,000m of RC and diamond drilling and have significantly increased the Mt Morgans resource base. We have added over 1 million ounces of gold at each of Westralia and Jupiter; and the project-wide resource inventory now exceeds 3 million ounces of gold. Since our ASX listing, we have now added over 2.2 million ounces at a discovery cost of less than A\$7/ounce.

Highlights from the drilling include confirming the substantial size of the gold mineralisation systems present at both Westralia and Jupiter. At Westralia, we have now defined a continuous zone of high grade mineralisation over 2.8km long: the resource now stands at 9.1Mt at 5.1 g/t for 1.5 million ounces of gold. At Jupiter we have now defined a continuous zone of near surface mineralisation over 1.8km long: the resource now stands at 27Mt at 1.3 g/t for 1.1 million ounces of gold.

Towards the end of the financial year, we commenced work on completing a Scoping Study for Mt Morgans on the increased resource base. The results of the study were announced on 30 September 2015 and clearly showed that the Mt Morgans Gold Project has the potential to be a significant, low-cost WA-based gold operation. A quick summary of the results of the Scoping Study includes:

- An average of 220,000 ounces of gold production per annum in the first 5 years of operation
- All in sustaining costs of A\$929/ounce
- Site infrastructure capital is estimated at A\$157 million, which includes a purpose-built 2.5Mtpa treatment facility

The Company has the benefit of extensive existing infrastructure which includes: gas pipeline, haul roads, borefield with excellent quality water, operating camp, Telstra communications tower, granted Mining Leases and ready access to sealed airstrips at nearby Laverton and Leonora.

Our plan next year is to complete a definitive feasibility on the Mt Morgans Gold Project. Your Board of Directors will then consider whether to commence construction of the treatment plant considered in the Scoping Study. Our target is to commence gold production in early 2018.

The following pages provide more detail on the year's drilling activities and results; and the Scoping Study (together with requisite cautionary statements). I encourage you to read the information and feel free to contact me at our Perth-based office if you have any questions.

I would also like to recognise the excellent contributions of the Dacian staff over the last financial year. Thank you for your interest and support during the year, and I look forward to an exciting and rewarding FY2016.

Yours sincerely



Rohan Williams
Executive Chairman

REVIEW OF OPERATIONS

2014/2015 Highlights

Scoping Study Highlights

The Mt Morgans Scoping Study suggests the project will be a significant and likely low cost mid-tier WA-based gold producer. The Company is targeting completion of a definitive feasibility study at the end of CY2016, mine construction in CY2017 and gold production in early 2018. Key outcomes from the study are:



First 5 years of Mt Morgans Gold Project shows estimated annual production of **220,000oz** with life of mine AISC of **A\$929/oz**.

Site infrastructure capital of **A\$157m** including a stand-alone 2.5Mtpa plant servicing a major mining complex comprising Jupiter open pits and Westralia undergrounds.

Initial seven-year life producing **1.2Moz at 2.5g/t** including underground production of **818,000oz at 5.4g/t**.

Extensive infrastructure in place, including gas pipeline, haul roads and camp.

Exploration Highlights

During the year, the Company has defined two one million ounce deposits at Westralia and Jupiter. Key outcomes from Dacian's FY2015 exploration include:

Exploration focus on the Westralia and Jupiter projects. A total of **20,100m of diamond drilling and 15,400m of RC drilling** was completed during the year.

1.8 million ounces of Mineral Resources was added in the past 12 months.

The total Mt Morgans Project Mineral Resource inventory now stands at **41.7Mt @ 2.2 g/t for 3.0 million ounces**.

The Westralia Prospect resource **increased by 250%** during the year to 9.3Mt at 5.1g/t for 1,520,000oz. It is now continuously defined over a strike length of 2.8km.

The high grade Footwall BIF discovery was made at Westralia during the year. Follow-up drilling led to a maiden Inferred Mineral Resource of 1.2Mt at 9.1g/t Au for 344,000 ounces.

At the Jupiter Prospect, a buried syenite was discovered 120m below surface and returned intersections of: **79m @ 1.9g/t, 112m @ 1.1g/t and 14m @ 4.6 g/t**.

The Jupiter Prospect Mineral Resource **increased to 26.6Mt at 1.3g/t for 1,085,000 ounces**, and is continuously mineralised over a 1.8km strike length comprising the Doublejay, Heffernans and Ganymede deposits.

A geological reinterpretation of the distribution of the high grade zones at Transvaal representing an **85% increase in grade** is now reported as 1.25Mt at 5.2g/t for 210,000 ounces.

REVIEW OF OPERATIONS

Introduction and Dacian's Corporate Objective

Dacian's Mt Morgans Gold Project (MMGP) is located 20km west of Laverton, being approximately 800km north-east of Perth in Western Australia (see Figure 1). The project area is a 520 km² contiguous tenement package comprising predominantly granted mining leases. The tenement package is situated in the Laverton gold district which is known to contain some 30 million ounces of gold, making it the second highest endowed gold district in Western Australia behind Kalgoorlie.

The MMGP has been the Company's sole focus since its IPO on the ASX in November 2012. In less than three years since the Company's IPO, Dacian has discovered two +1 million ounce gold deposits at Westralia and Jupiter (see Figure 2). During the same time the Company's MMGP Mineral Resource has grown almost four times over from 0.8Moz to 3.0Moz at a discovery cost of less than A\$7/oz.

A detailed Scoping Study shows that Mt Morgans is likely to become an outstanding WA gold project (see ASX announcement – 30 September, 2015) whereby strong production rates and low costs may deliver robust margins and cashflow, particularly at the current Australian-dollar gold price. The Company is confident that Mt Morgan's strong economic and technical merits will enable it to secure the funding required on attractive terms.

With the detailed feasibility study on track for completion late next year and much of the infrastructure already in place, the Company expects to begin gold production in 2018 following a mine construction period during 2017. While this schedule is implemented, it intends to continue an aggressive exploration campaign to unlock the full value of the Mt Morgans project area.

At the end of June 2015 Dacian had \$4.6 million remaining in cash reserves and is in line with planned expenditure rates described at the time of the ASX listing.



Figure 1: Location of Dacian's Project area in Western Australia

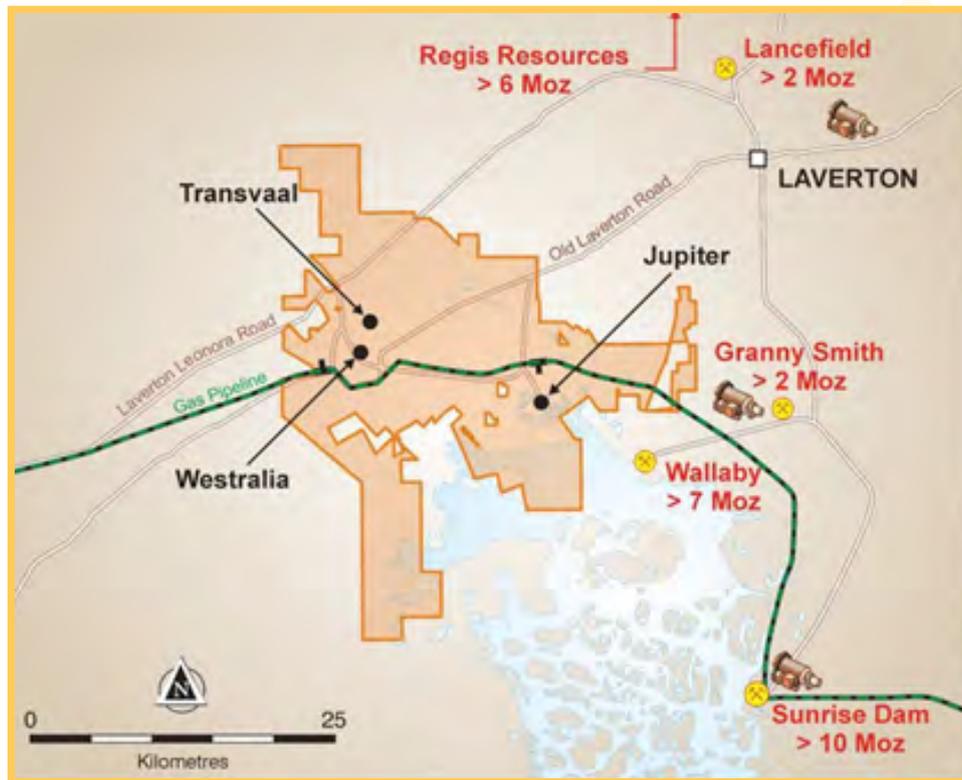
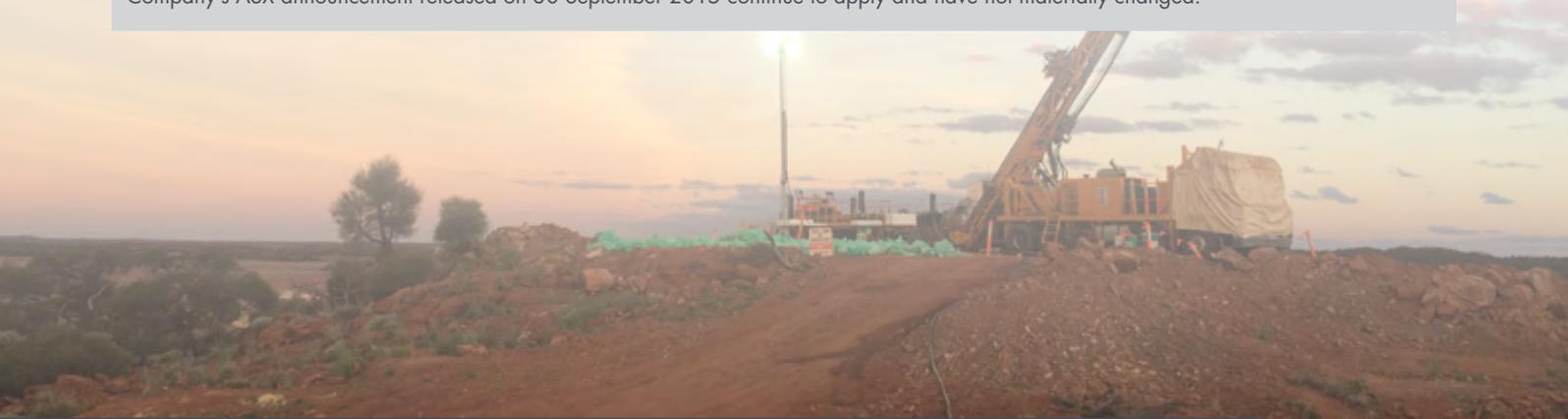


Figure 2: Regional location map showing distribution of Dacian's Westralia, Jupiter and Transvaal Prospects as well as major infrastructure items and proximal multi-million ounce gold deposits.

Cautionary Statement

Dacian Gold has concluded it has a reasonable basis for providing the forward looking statements that relate to the Mt Morgans Scoping Study that are included in this report. The detailed reasons for that conclusion are outlined in ASX announcement dated 30 September 2015, which has been prepared in accordance with the JORC Code (2012) and the ASX Listing Rules. The Company advises that the Scoping Study results, Production Targets and Forecast Financial Information contained in this report are preliminary in nature as the conclusions are based on low-level technical and economic assessments, and are insufficient to support the estimation of Ore Reserves or to provide an assurance of economic development at this stage. There is a low level of geological confidence associated with Inferred Mineral Resources used in the scoping study and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the Production Target itself will be realised. The stated Production Target is based on the Company's current expectations of future results or events and should not be relied upon by investors when making investment decisions. Further evaluation work and appropriate studies are required to establish sufficient confidence that this target will be met.

The Company confirms that all material assumptions underpinning the Production Target and Forecast Financial Information contained in the Company's ASX announcement released on 30 September 2015 continue to apply and have not materially changed.



REVIEW OF OPERATIONS

2015 Exploration Strategy

Dacian commenced its year with the following stated FY2015 Exploration Strategy, being:

- (i) Define the mineralisation limits of new discoveries on the Cornwall Shear Zone at Jupiter and Millionaires at Westralia, and
- (ii) Define the size of the gold mineralised systems at Jupiter and Westralia.

Working towards this clearly defined strategy, the Company has delivered considerable success with the delineation of two one million ounce deposits at (i) the Westralia Prospect and (ii) the Jupiter Prospect. The Mt Morgans Project Mineral Resource inventory now stands at:

41.7Mt @ 2.2 g/t for 3.0 million ounces,

with the addition of 1.8 million ounces of Mineral Resources in the past 12 months.

Over 35,000m of drilling (15,400m of RC and 20,100m of diamond drilling) at both Westralia and Jupiter Prospects over the last year has successfully discovered two significant zones of mineralisation that will be the focus of ongoing exploration and resource definition drill programs during FY2016.

Specifically, the FY2016 focus of drilling at these two prospects are the high grade Footwall BIF discovery at Westralia and the mineralised syenites along the 1.8km Jupiter Corridor.

Given it is the Company's belief that Westralia and Jupiter offer the best opportunity for resource and reserve growth; and in so doing, increasing shareholder value, Dacian's exploration strategy for FY2016, is to:

- (i) Improve resource confidence at both Westralia and Jupiter in order to allow feasibility study and Ore Reserve delineation of those Mineral Resources that comprise the Mt Morgan Scoping Study.
- (ii) To identify resource extensions and new mineralised positions associated with the 2.8km long mineralised BIF at Westralia and the 1.8km long mineralised Jupiter Corridor.
- (iii) To discover new mineralised positions away from the Jupiter and Westralia Prospects that may be able to augment the potential 1.2Moz production schedule outlined in the Scoping Study.



Mt Morgans Scoping Study

Dacian recently presented the findings of the MMGP Scoping Study. Summary results are shown below in Table 1.

The Scoping Study has determined that the MMGP demonstrates likely robust project fundamentals with low technical risk. It contemplates the co-development of a large open pit mining complex at the Jupiter Prospect and a large underground mining complex at the Westralia Prospect, located 15km to the west. Central to the MMGP is the construction of a stand-alone 2.5 million tonne per annum (Mtpa) ore processing facility located close to the Jupiter Prospect.

See Dacian's Scoping Study Cautionary Statement on page 5 of this report.

Dacian believes an initial 7 year production life for 1.2 million ounces of gold produced is possible and will be assessed more fully in detailed feasibility studies aimed for completion at the end of CY2016. Following the delineation of Ore Reserves, the Dacian Board will then consider a decision to proceed with project construction.

Mine Design

Detailed mine design studies were completed on seven separate deposits within the Mineral Resources comprising four potential open pits and three potential underground mines. Three potential open pits lie within the Jupiter Prospect and comprise the Heffernans, Doublejay and Ganymede deposits (see Figure 3); as well as a small potential open pit cut-back at Morgans North; which is part of the Westralia Prospect.

Of the three potential underground mines, two are located at the Westralia Prospect (Westralia, see Figure 4 and Morgans); and the third at Transvaal Prospect, located 1.7km north-east of Westralia (see Figure 2).

MMGP LOM		LOM Underground Mining	
Initial Life of Mine (LOM)	7 years	No. of Underground Mines	3
LOM Mined Tonnes (HG)	12.7 Mt	Underground Mined Tonnes	4.7 Mt
LOM Mine Grade (HG)	3.1 g/t Au	Underground Mined Grade	5.4 g/t Au
LOM Mined Tonnes (LG)	3.4 Mt	Underground Mined Ounces	818 Koz
LOM Mined Grade	0.6 g/t Au	LOM Open Pit Mining	
LOM Contained Gold Mined	1.3 Moz	No. of Open Pit Mines	4
Treatment Throughout	2.5 Mtpa	Open Pit Mined Tonnes (HG)	7.9 Mt
Treatment Recovery	91%	Open Pit Mined Grade (HG)	1.7 g/t Au
LOM Gold Production	1.2 Moz	Open Pit Mined Ounces (HG)	424 Koz
LOM C1 Cash Cost	A\$812/oz	Open Pit Mined Ounces (LG)	69 Koz
LOM AISC	A\$929/oz	Average Strip Ratio (w:o)	6.5
Annual Average Production (Years 1-5)		Infrastructure Capital	
Mined Tonnes (HG)	2.4 Mt	A\$157M	
Mined Grade (HG)	3.1 g/t Au	Completion of Feasibility Study	end of CY2016
Mined Tonnes (LG)	0.7 Mt	Possible Project Construction	CY2017
Mined Grade (LG)	0.6 g/t Au	Possible Gold Production	CY2018
Treated Tonnes	2.5 Mt		
Gold Production	220 Koz		

Table 1: Mt Morgans Gold Project Scoping Study summary

REVIEW OF OPERATIONS

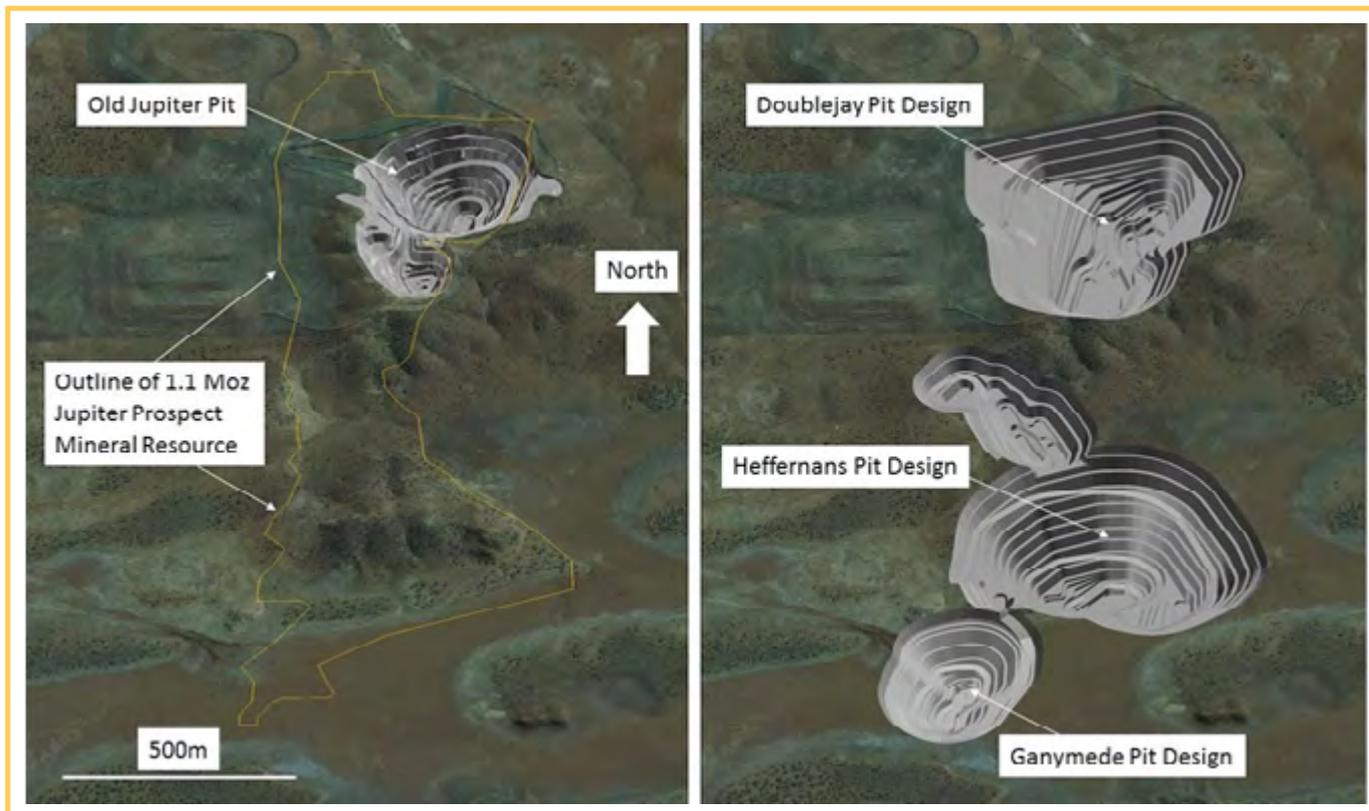


Figure 3: Comparison of the 1.1Moz high grade Jupiter Mineral Resource outline and historic Jupiter open pit with the new open pit designs of Doublejay, Heffernans and Ganymede. The three open pit designs extend over approximately 1.8km in strike.

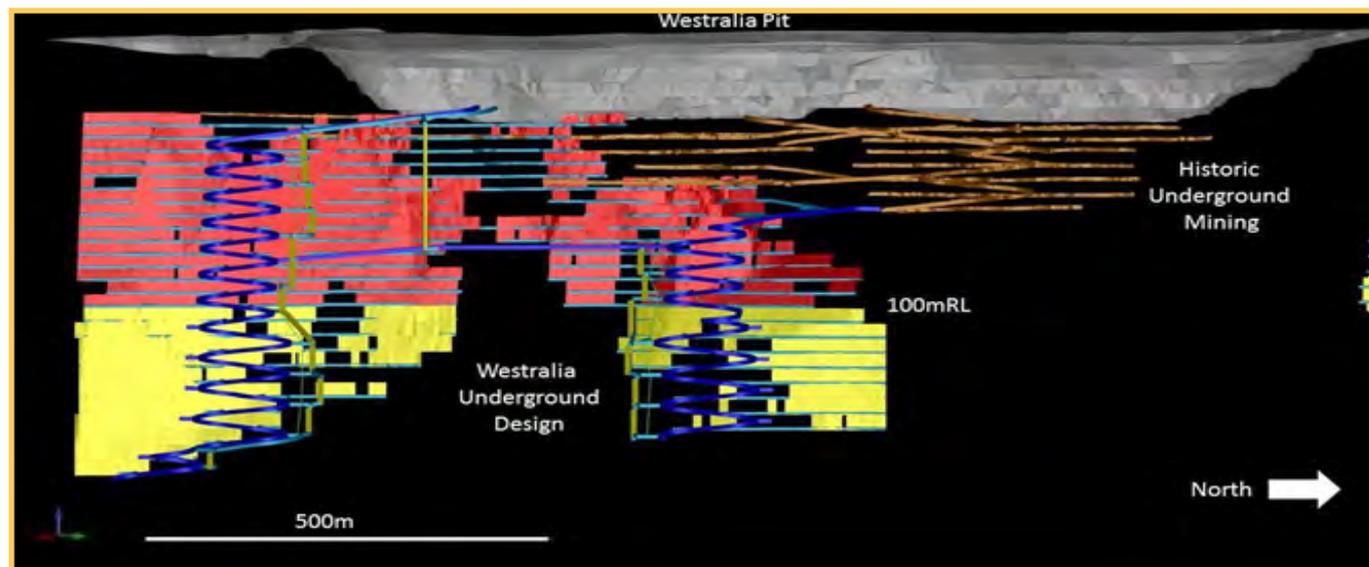


Figure 4: Detailed view of the potential mine design for Westralia Underground. Red shaded mining areas are the predominantly higher confidence Measured and Indicated Mineral Resources and lie from 355RL to 100RL; and yellow shaded mining areas are from 100RL to -120RL, representing Inferred Mineral Resource. Note existing underground mining is brown and the historic Westralia pit is grey.

Potential Production Profile

A summary mine and gold production schedule of the potential mining inventory that comprise the MMGP at the time of the Scoping Study is shown in Table 2. Key features from Table 2 include:

- An initial LOM of 5 years of mining and treatment followed by two years of treating low grade stocks delivers a 1.31 million ounce mine production schedule.
- Total mine production is estimated at 16Mt @ 2.54 g/t for 1.31 million ounces. Open pit production totals 11Mt and underground production totals 5Mt.
- Total gold produced is estimated at 1.2 million ounces.
- Peak production is in Year 3 where over 280,000 ounces of gold is produced.
- Jupiter Prospect open pits mine an estimated 484,000 ounces of gold for 445,000 ounces produced (assuming a 92% recovery).
- Westralia Prospect mines an estimated 745,000 ounces of gold at a mined grade of 5.5 g/t gold for 678,000 ounces produced (assuming a 91% recovery).

Potential Mine and Gold Production Schedule			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Jupiter Prospect Open Pits (HG)	tonnes	7,874,876	1,186,664	1,603,801	1,717,831	647,346	2,151,807	564,407	
	grade	1.65	1.60	1.86	1.84	1.25	1.47	1.65	
	ounces	416,528	61,103	96,066	101,665	26,024	101,599	30,070	
Jupiter Prospect Open Pits (LG)	tonnes	3,330,192	827,382	855,816	603,005	385,244	490,249	168,496	
	grade	0.62	0.64	0.64	0.62	0.55	0.59	0.73	
	ounces	66,825	17,141	17,485	12,104	6,812	9,353	3,929	
Westralia Prospect Underground	tonnes	4,230,209	638,049	800,454	1,228,710	1,259,581	303,414		
	grade	5.47	4.43	4.56	5.92	5.97	5.20		
	ounces	744,606	90,876	117,365	233,909	241,962	60,494		
Westralia Prospect Open Pit	tonnes	101,246	101,246						
	grade	3.03	3.03						
	ounces	9,871	9,871						
Transvaal Prospect Underground	tonnes	507,134	440,918	66,216					
	grade	4.52	4.38	5.52					
	ounces	73,777	62,020	11,757					
TOTAL	tonnes	16,043,657	3,194,279	3,326,287	3,549,547	2,292,171	2,945,469	735,903	-
	grade	2.54	2.35	2.27	3.05	3.73	1.81	1.44	-
	ounces	1,311,605	241,011	242,673	347,678	274,798	171,447	33,999	-
Ore Treated	tonnes	16,043,657	2,273,288	2,500,000	2,506,849	2,500,000	2,500,000	2,500,000	1,263,520
	grade	2.54	3.00	2.82	3.81	3.75	1.89	0.99	0.63
Gold Produced		1,198,592	200,160	207,628	280,179	274,608	139,087	73,548	23,381

Table 2: Mt Morgans Gold Project potential production plan

Process Plant

The MMGP Scoping Study is considering the construction of a new 2.5Mtpa CIL treatment facility producing an estimated average 220Koz of gold per annum in the first 5 years, and located adjacent to the Jupiter Prospect (see Figure 2).

The estimated capital cost for the construction of the 2.5Mtpa CIL treatment facility plus associated infrastructure at a scoping study level (ie +/- 30%) is A\$131 million. The treatment plant capital includes borefield refurbishment and expansion, construction of a tailings storage facility for life of mine and a 20% contingency allowance.

The process engineering company that estimated the capital cost for the 2.5Mtpa CIL MMGP treatment facility also estimated the operating costs for the same plant, assuming power is supplied from a gas-fired power station. The estimated operating cost for the MMGP treatment plant is A\$18/t.

REVIEW OF OPERATIONS

Infrastructure

A key factor supporting the possibility of Dacian developing the MMGP into a substantial new West Australian gold mining centre is the significant advantage it has in established infrastructure:

- A new gas pipeline that crosses the entire Dacian tenement package west to east has recently been constructed with two barred – tees where the pipeline is closest to the Westralia Prospect and where it is closest to the Jupiter Prospect (see Figure 2). Subject to executing gas supply agreements, Dacian is well positioned to have access to gas to supply power for mining and treatment operations.
- Existing haul roads between Westralia and Jupiter support ore haulage from Westralia and Transvaal Prospects to Jupiter.
- Dacian has an excellent exploration camp in place that will serve as a construction camp during site construction.
- An existing bore field located approximately 5-10km north-west of Jupiter with serviceable water bores in place. Preliminary test work on the bore field indicates it will likely accommodate the site's water supply requirements.
- An existing Telstra microwave tower is located 6km north of the Westralia Prospect.
- The established regional towns of Laverton and Leonora are within easy access of the site. Laverton is only 25km to the north-east and Leonora 80km to the west. Both towns have sealed airstrips and a regular air service.

Key elements comprising required infrastructure to service a 2.5Mtpa gold mining and treatment operation at Mt Morgans will include:

- A new 2.5Mtpa treatment facility with tailings storage facility
- Administration offices and maintenance workshops
- 320-person accommodation and messing facilities
- Power station and power reticulation
- Site-based communications

The total infrastructure capital costs at the MMGP are estimated at A\$157 million.

Timeline and Next Steps

The Scoping Study estimates Dacian’s commencement of gold production to be at the beginning of CY2018. The estimate assumes a 12 month construction period for the 2.5Mtpa treatment plant being the duration of CY2017. A decision to mine is anticipated to be made following the completion of a detailed feasibility study completed at the end of CY2016. Figure 5 below is a diagrammatic timeline showing the timing of the main deliverables to gold production.

It is assumed that financing for the required capital and regulatory approvals to commence construction will be sourced during the second half of CY2016. Dacian has received a “letter of support” from an Australian commercial bank confirming it is reasonable for Dacian to assume it will be able to finance construction and commencement of mining from conventional debt and equity markets.

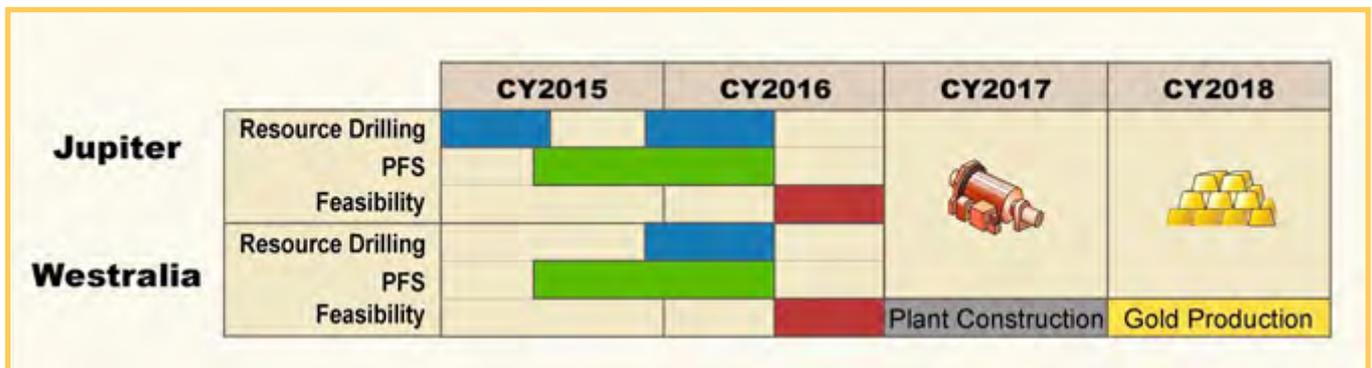


Figure 5: Potential timeline to production for the Mt Morgans Gold Project

Next steps for Dacian to advance the MMGP toward a pre-feasibility study level include:

- Drilling programs aimed at improving the geological confidence of those resources used in the potential production schedule.
- Detailed metallurgical testwork and geotechnical assessments for all seven of the possible mines contemplated in the MMGP Scoping Study.
- Requisite detailed environmental and hydrological surveys.
- Pursue potential MMGP enhancing opportunities such as discovery of new mineralisation away from the Jupiter and Westralia Prospects. Such areas include drill testing Callisto, Cameron Well, Rainbow Bore and Maxwells in FY2016.

REVIEW OF OPERATIONS

Westralia

Introduction

Gold mineralisation at Westralia was first discovered in 1896 and quickly led to the gazetting of the Mt Morgans township. By 1903, 200,000 ounces of gold had been mined from 191,000 tonnes at Westralia confirming production grades of over 1 ounce of gold per tonne.

The gold at Westralia occurs within a well-defined mineralised banded iron formation (BIF) unit from which approximately 900,000 ounces at a grade of 4.5 g/t gold was produced up to 1998; with the majority being sourced from within the Westralia open pit limits. Much of this pre-mined resource occurs over a horizontal strike distance of 1.5km and lies within 500m of the surface.

Previous mining and on-site treatment of the deposit has demonstrated that the gold is free milling with recoveries of 91%-93% achieved historically from conventional site-based CIP/CIL processing.

Exploration Activity

The majority of exploration conducted at the Westralia Prospect for the FY2015 year focused on defining the size of the mineralised system, consistent with the stated exploration strategy.

In late 2014, a total of 14 widely spaced diamond drill holes for 9,000m were drilled to a depth of between 140-680m below surface, testing a 3km strike of potentially mineralised BIF adjacent to Westralia. The wide-spaced drilling returned significant mineralisation in several of the holes, many confirming mineralisation extends up to 1,200m away from existing resources and mine openings (see Table 3 below). The drilling conclusively showed that the mineralised BIF horizon at Westralia is appreciably larger than previously considered (see ASX announcement 15 October 2014).

Hole ID	Intersection	Distance from 850Koz resource boundary
14MMRD024	2.0m @ 18.0 g/t Au	600m
14MMRD024	3.3m @ 2.9 g/t Au	600m
14MMRD025	2.0m @ 8.6 g/t Au	600m
14MMRD026W1	4.2m @ 6.8 g/t Au	900m
14MMRD027	3.9m @ 3.0 g/t Au	1,200m

Table 3: Results from wide-spaced diamond drilling completed in October 2014.
Note the Westralia Prospect Mineral Resource at the time of drilling was 850,000 ounces.

Two of the intersections shown in Table 3 were of particular interest to Dacian as they were obtained from mineralised BIF up to 100m into the footwall of the BIF / porphyry package on a previously unrecognised footwall BIF unit. The two intersections were 2m @ 18.0 g/t in 14MMRD024 and 4.2m @ 6.8 g/t in 14MMRD026W1.

In 2015, Dacian embarked on a 14 hole 7,500m diamond drill program to infill the 2014 Dacian intersections, described above (see ASX announcement 4 June 2015). The new drill holes were to test the extent of the newly identified Footwall BIF discovery. Significant results returned from the drilling included (See Figure 6 and 7):

- 5.3m @ 12.2 g/t Au from 265.15m in 13MMRD016;
- 4.1m @ 9.9 g/t Au from 281.9m in 13MMRD016;
- 2.7m @ 15.3 g/t Au from 247.7m in 15MMRD018;
- 1.75m @ 23.4 g/t Au from 261.1m, also in 15MMRD018; and
- 1.55m @ 6.5g/t Au from 437.75m in 15MMRD020.

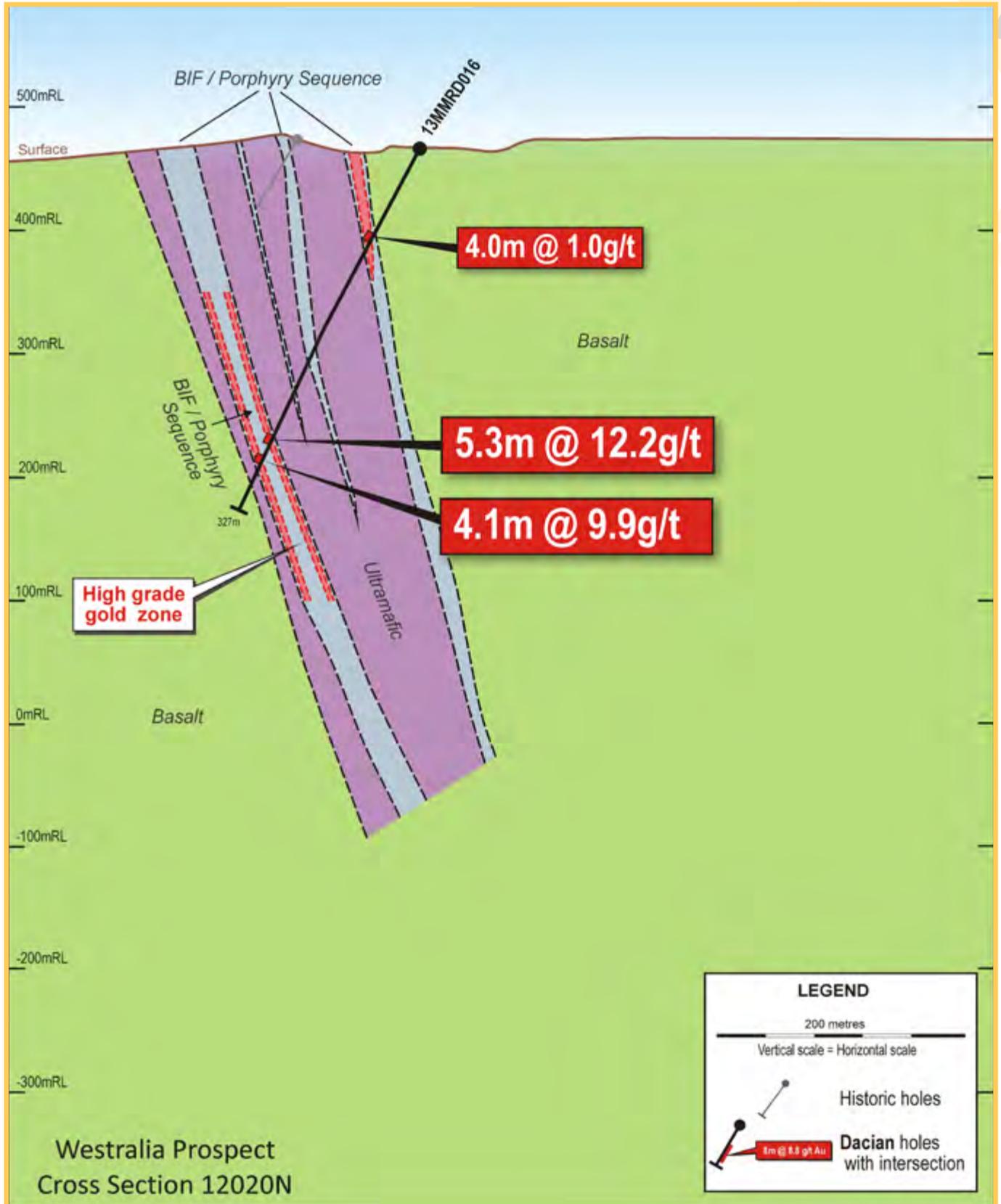


Figure 6: Section 12020N (Mine Grid) with results from the diamond drill hole, 13MMRD016 extended in 2015.

REVIEW OF OPERATIONS

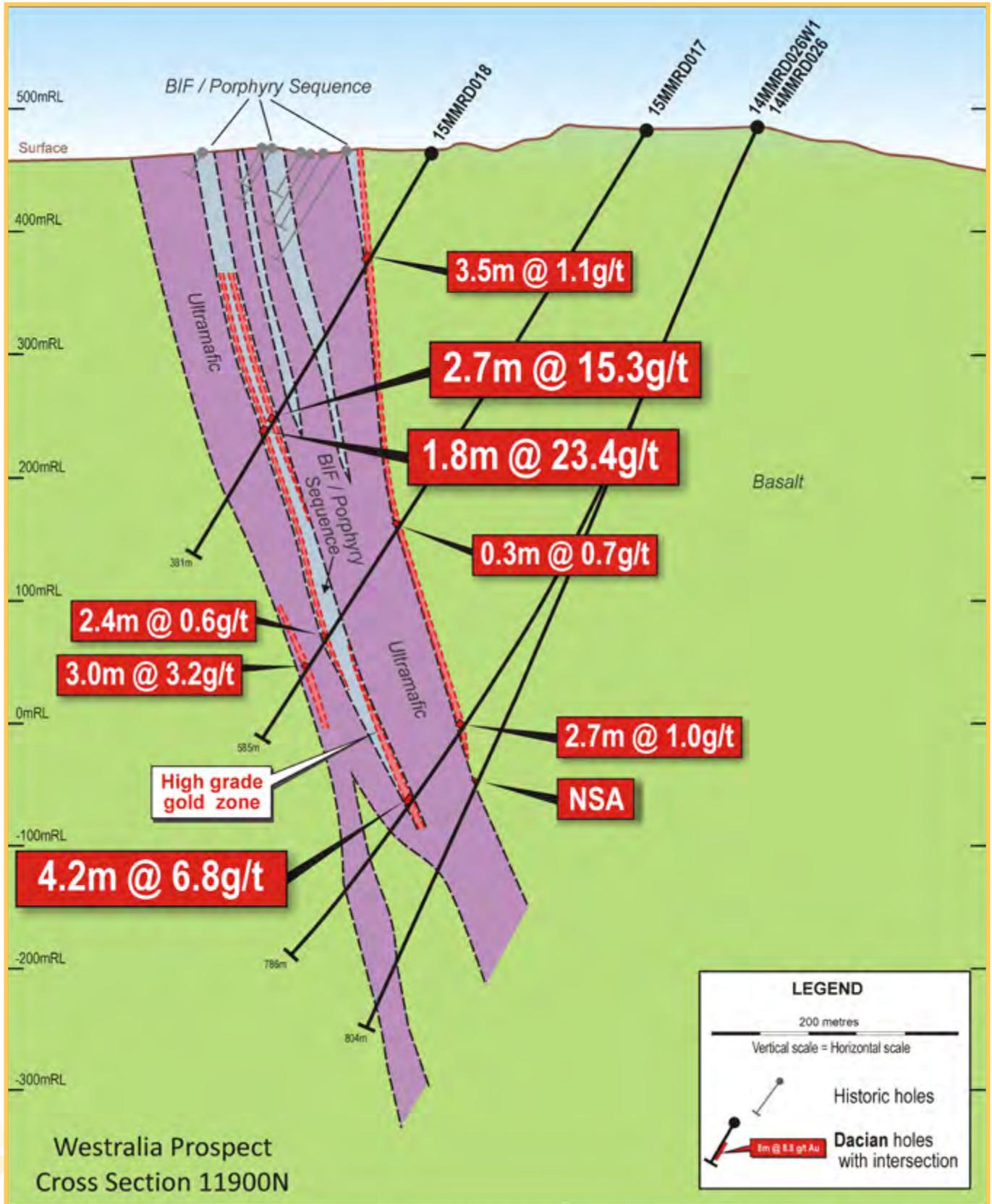


Figure 7: Section 11900N (Mine Grid) with results from the FY2015 diamond drill holes.

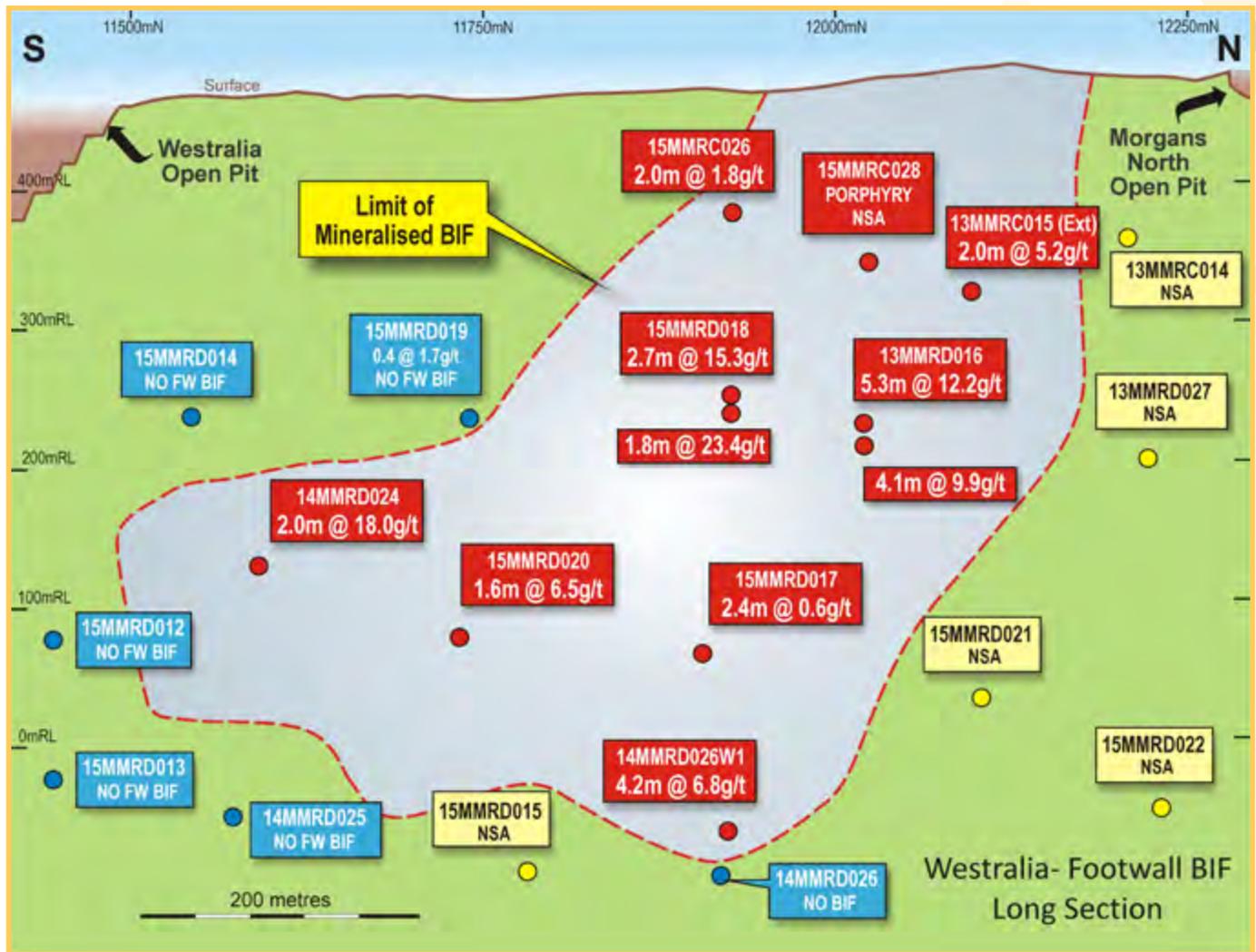


Figure 8: Long section of the high grade Footwall BIF unit located between the Westralia and Morgan North open pits. All drilling is shown and all holes have been drilled by the Company. Note the high proportion of high grade drill results from within the mineralised footwall BIF (grey area).

Figure 8 above shows the extent of the new Footwall BIF discovery as measuring 700m in strike and 400m dip extent; and lying between 200m and 600m below the surface.

Resource definition drilling on the Footwall BIF is a priority for Dacian in FY2016.

Westralia Mineral Resource

Three updates to the Westralia Mineral Resource were completed during the FY2015 (see ASX releases dated 24 February 2015, 3 August 2015 and 16 September 2015). An overall increase of 250%, or 910,000 ounces, above the previous mineral resource was achieved during the year. The resource increase is on the back of Dacian having drilled 83 holes for 32,666m over 3km of strike of BIF, with the deepest hole being 936m. The new Mineral Resource at Westralia is 9.3Mt at 5.1g/t for 1.52Moz (Table 4).

The 1.5Moz resource estimate covers a continuously mineralised 2.8km strike length of mineralised BIF and comprises:

- the existing Westralia resource of 610,000oz to the south
- the inclusion of the new discovery of the high grade Footwall BIF unit between Westralia and Morgans North which totals 1.2Mt at 9.1g/t Au for 344,000 ounces; and
- the inclusion of the previously reported and updated Morgans North Mineral Resource.

REVIEW OF OPERATIONS

Table 4 below is a summary of the updated Westralia Prospect Mineral Resource:

Westralia Deposit
September 2015 Mineral Resource Estimate (2.0g/t Au Cut-off)

Type	Measured			Indicated			Inferred			Total		
	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces
Oxide				0.05	3.8	6,400	0.002	3.4	200	0.05	3.8	6,600
Transitional				0.08	3.5	9,000	0.07	2.6	5,400	0.15	3.1	14,400
Fresh	0.2	4.6	35,000	1.8	4.7	277,600	7.0	5.3	1,186,000	9.1	5.1	1,498,600
Total	0.2	4.6	35,000	2.0	4.7	293,000	7.1	5.2	1,191,600	9.3	5.1	1,519,600

Note: Totals may differ due to rounding Mineral Resources reported on a dry basis

Table 4: September 2015 Westralia Prospect Mineral Resource.

Figure 9 below shows the new Westralia resource in relation to the existing open pit and underground mine.



Figure 9: Long section of the 1.5 million ounce Westralia Mineral Resource, mine workings and drill holes. The image represents a south (left) to north (right) long section. The resource exhibits continuous mineralisation over a distance of 2.8km, and remains open at depth.

JUPITER

Introduction

The Jupiter Prospect occurs in the eastern half of the MMGP being approximately 20km east-south-east of the Westralia Prospect. The Jupiter Prospect lies within the Jupiter Corridor which is defined as a 2km long north-south trend containing three main syenite bodies, which from south to north, are termed Ganymede, Heffernans and the Doublejay (Jupiter pit). Several smaller syenite dykes and intrusive bodies are found proximal to the three main syenites, and all are contained within the Jupiter Corridor.

Approximately 150,000 ounces of gold was produced from Jupiter Open Pit (comprising of the Jenny and Joanne pits) during the period 1994-1996.

Post the completion of mining activities in 1996, the remnant resources remaining at Jupiter were 800kt at 2.8 g/t for 73,000 ounces (above a 1.5 g/t lower cut-off grade). All remaining resources were situated below the base of what is now termed the Doublejay pits.

Very limited exploration continued at Jupiter post the cessation of mining activities in 1996. Only two drill holes were drilled at Jupiter in the 10 year period from 2000 to 2010. This was the last physical exploration completed at Jupiter until Dacian commenced drilling in September 2013. Since then Dacian has drilled 142 holes for 26,270m.

Dacian discovered high grade mineralisation at Heffernans in November 2013. Subsequent drilling, detailed geological mapping and interpretation led to the identification of the north-south striking, shallow east-dipping Cornwall Shear Zone (CSZ) as the principal controlling structure for mineralisation at Heffernans. It also became apparent that the +2km long CSZ was the key control for gold mined in the Jupiter open pit (now termed Doublejay) during the mid-1990s. Several subordinate, parallel, shallow east-dipping structures were identified both in the hangingwall above, and in the footwall below, the CSZ at Heffernans. Heffernans is a significant outcropping discovery made by Dacian and forms a 25m high hill.

Knowledge gained from the detailed geological study and interpretation of mineralisation at Heffernans has been used in re-interpreting the drilling results and mineralisation associated with the mined Doublejay open pit, and its surrounds.



REVIEW OF OPERATIONS

Exploration Activity

The Company has had considerable success in the Jupiter Corridor, with over 1 million ounces discovered since exploration started in late 2013 (see Figure 10). During FY2015, Dacian drilled 11,891m of RC and 3,079m of diamond drilling.

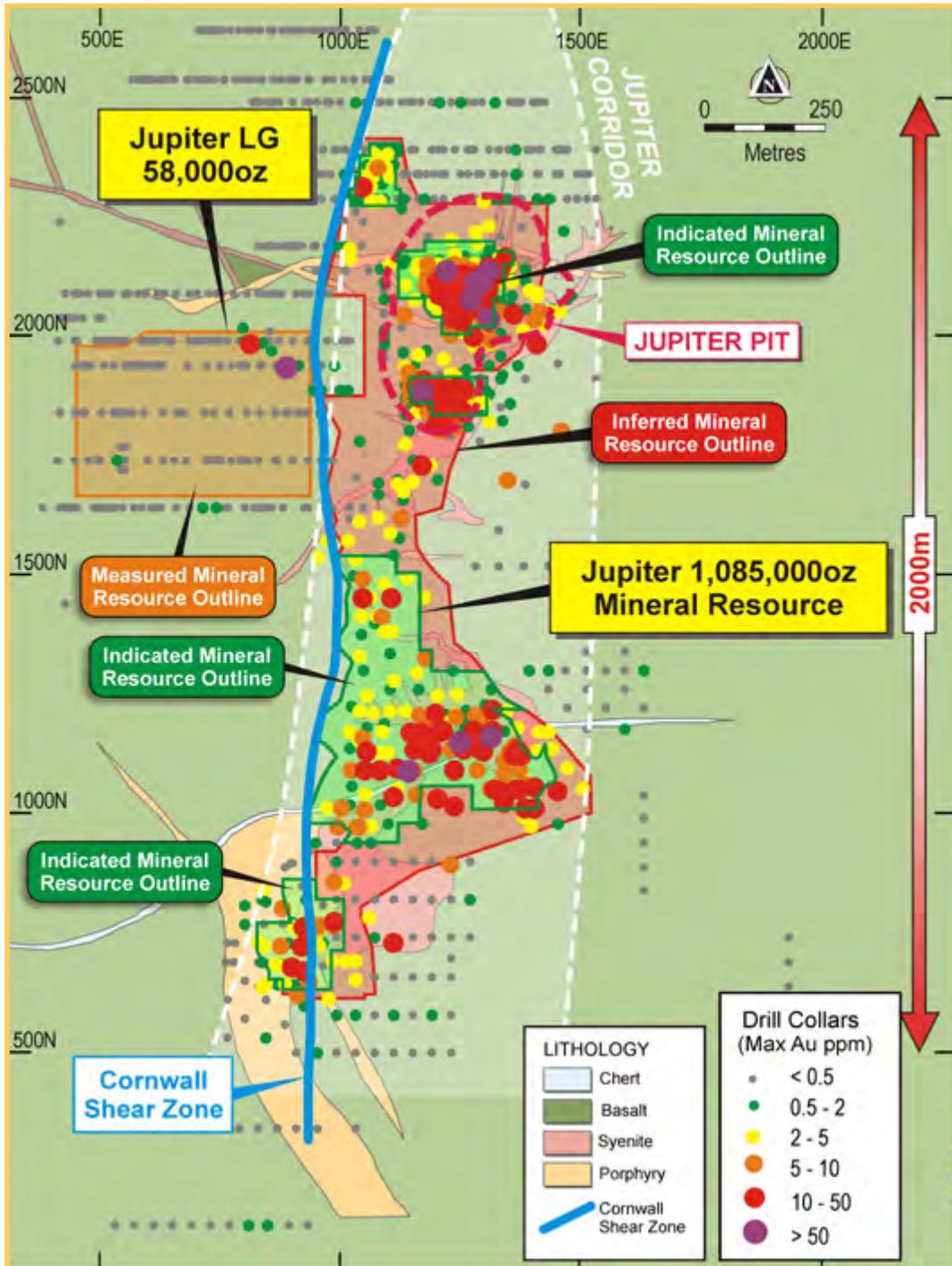


Figure 10: Local geological setting of the Jupiter Prospect. Note the north-south alignment of the Jupiter Corridor and the Cornwall Shear Zone (blue). The Jupiter Prospect Mineral Resource is shown in plan view and colour-coded green for Indicated Resource and red for Inferred Resource.

Heffernans

In February 2015, the Company embarked on a 43 hole, 6,800m RC drilling program aimed at completing a 40m x 40m infill drill pattern on the CSZ, and centred around the Heffernans syenite. This definition drilling was to determine the mineralisation limits over a footprint measuring 350m x 550m.

The drilling intersected the CSZ mineralisation over a 600m dip-extent to a vertical depth of 200m below the surface. It also confirmed several sub-parallel, high grade flat-east dipping lodes are present in both the footwall and the hangingwall to the CSZ; with several showing good thickness. Significant results from the drilling completed throughout the year are tabulated below (Table 5).

HOLE ID	INTERSECTION (M @ G/T GOLD)	DOWNHOLE DEPTH (M)	HOLE ID	INTERSECTION (M @ G/T GOLD)	DOWNHOLE DEPTH (M)
14JURC003	13m @ 1.3g/t	148	15JURC023	18m @ 1.2g/t	119
14JURC024	112m @ 1.1g/t	161	15JURC023	4m @ 4.2g/t	35
14JURC024	12m @ 2.3g/t	161	15JURC023	13m @ 1.2g/t	222
14JURC024	18m @ 1.4g/t	219	15JURC027	31m @ 1.7g/t	228
14JURC031	26m @ 1.2g/t	176	15JURC027	11m @ 2.8g/t	228
15GARC003	7m @ 2.9g/t	122	15JURC028	33m @ 2.8g/t	86
15GARC005	10m @ 1.6g/t	79	15JURC028	17m @ 4.7g/t	86
15GARC006	8m @ 2.3g/t	91	15JURC030	54m @ 1.3g/t	107
15JUDD043	7m @ 2g/t	36	15JURC030	29m @ 1.4g/t	107
15JUDD044	31.6m @ 1.5g/t	123	15JURC030	13m @ 2.1g/t	122
15JUDD044	12.05m @ 3.6g/t	91	15JURC031	18m @ 1.8g/t	145
15JUDD044	17.4m @ 2.2g/t	123	15JURC031	8m @ 3.2g/t	147
15JUDD044	6.05m @ 4.7g/t	97	15JURC035	5m @ 10.2g/t	30
15JUDD044	3.5m @ 6.8g/t	69.5	15JURC049	19m @ 1.2g/t	265
15JUDD044	3m @ 4.8g/t	91	15JURC049	7m @ 2.1g/t	115
15JUDD047	39.9m @ 2.6g/t	88.8	15JURC050	12m @ 3.7g/t	288
15JUDD047	26.95m @ 3.3g/t	92.25	15JURC050	13m @ 3g/t	141
15JUDD053	12.7m @ 1.6g/t	135.65	15JURC056	27m @ 1.3g/t	169
15JUDD059	9.75m @ 2.3g/t	47.15	15JURC056	6m @ 4.1g/t	57
15JURC017	27m @ 1g/t	109	15JURC056	5m @ 2.9g/t	187
15JURC017	16m @ 1.3g/t	116	15JURC057	22m @ 1.5g/t	212
15JURC017	2m @ 10.2g/t	90	15JURC057	12m @ 1.7g/t	222
15JURC017	4m @ 3.8g/t	52	15JURD014	30.5m @ 1.5g/t	122
15JURC018	6m @ 10g/t	201	15JURD015	14m @ 2.4g/t	145.5
15JURC018	3m @ 19.3g/t	204	15JURD015	5.85m @ 3.2g/t	124
15JURC018	30m @ 1.4g/t	158	15JURD015	1m @ 18.1g/t	103
15JURC018	16m @ 1.3g/t	158	15JURD016	17m @ 1.6g/t	482.95
15JURC018	3m @ 5.1g/t	178	15JURD016	7.75m @ 1.9g/t	510.75
15JURC021	79m @ 1.9g/t	128	15JURD022	14m @ 4.6g/t	202
15JURC021	12m @ 6.5g/t	152	15JURD022	4m @ 14.1g/t	307
15JURC021	7m @ 8g/t	74	15JURD022	16.8m @ 2.6g/t	259.7
15JURC021	11m @ 2.2g/t	130	15JURD045	15m @ 1.6g/t	80
15JURC021	9m @ 2.6g/t	187	15JURD045	8.8m @ 2g/t	177.3
15JURC023	26m @ 1.4g/t	13	15JURD052	27.15m @ 1.6g/t	127
15JURC023	16m @ 1.5g/t	146	15JURD052	5.65m @ 3.3g/t	148.5

Table 5: Significant drill intersections returned from the Jupiter project during FY2015

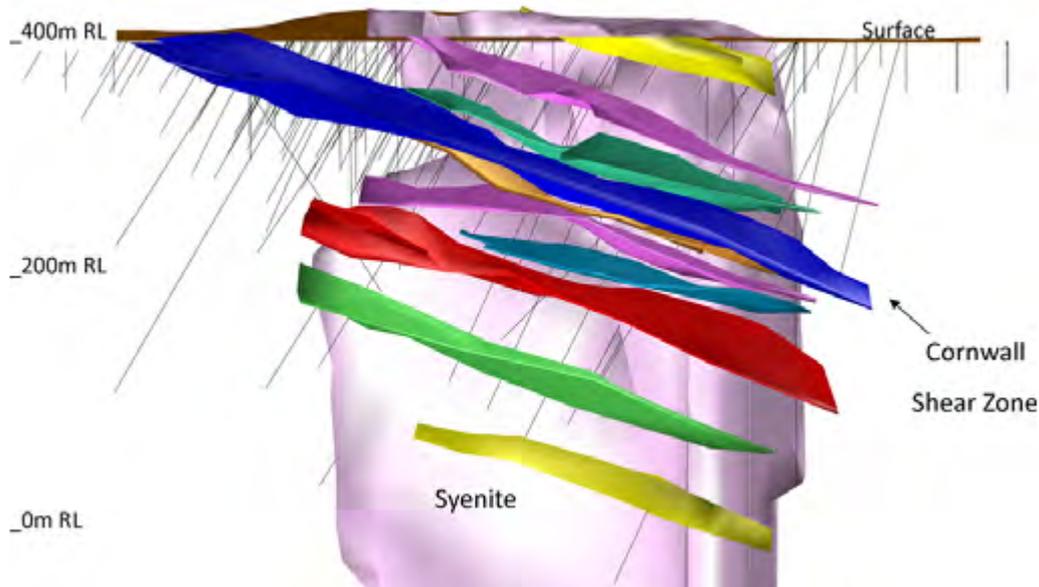


Figure 12: Isometric cross-sectional view (looking north) of the high grade lodes developed principally in the Heffernans syenite (light purple colour) and associated drilling. The dominantly mineralised Cornwall Shear Zone which outcrops to the west (left hand side of image) is coloured blue.

Doublejay

Dacian simplified the reporting nomenclature of the different elements that comprise the Jupiter Prospect. To that end, the Mineral Resource that lies below the previously named Jenny and Joanne pits (which collectively were called the Jupiter open pit); were renamed the Doublejay Mineral Resource.

Figure 13 below is an isometric cross-sectional view of the Doublejay gold deposit geological wireframes showing individual high grade, shallow east-dipping lodes developed outside and below the mined Jupiter open pit.

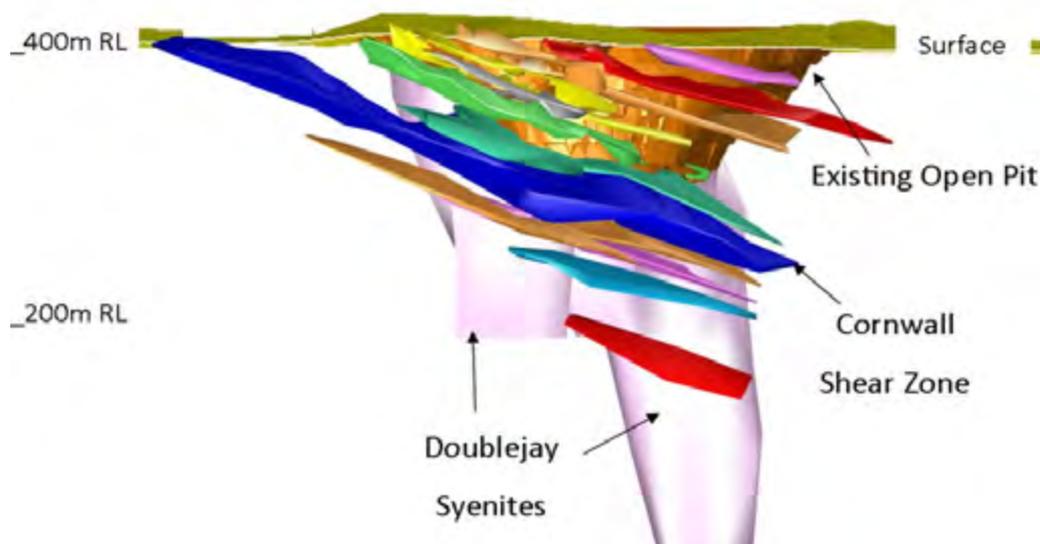


Figure 13: Isometric cross-sectional view (looking north) of the high grade lodes developed within in the Doublejay syenite (light purple colour) and outside the historic Jupiter open pit. The dominantly mineralised Cornwall Shear Zone which outcrops to the west (left hand side of image) is coloured blue.

The Company believes that there is significant exploration potential at Doublejay with up dip mineralisation on the Cornwall Shear Zone that requires further drilling and definition of footwall lodes below the existing open pit floor.

REVIEW OF OPERATIONS

Ganymede

In September 2015, the Company completed an 8 hole RC drill program for 1,132m at Ganymede. The drilling was aimed at completing a 40m x 50m infill drill pattern on the Cornwall Shear Zone (CSZ) and the interpreted CSZ-parallel footwall lodes. The Company discovered the CSZ and several sub-parallel, shallow east-dipping footwall mineralised structures with the Ganymede syenite and the surrounding basalt.

Numerous one to ten metre wide intersections were returned from the drilling and confirmed continuous mineralisation over a strike distance of 1.8km was present at the Jupiter Prospect.

Further drilling is required to improve the confidence of the Mineral Resource as a focus for mining studies in FY2016.

It is the Company's view that the Jupiter Prospect still retains excellent opportunity to further increase the resource base. Accordingly it will be a key focus for FY2016 exploration activities, with planned exploration to test:

- Where the CSZ intersects the syenite at Doublejay. Dacian believes the mining completed in 1996 on the southern lobe of the historic Jupiter pit is limited to mineralisation in the hangingwall of the CSZ, and the CSZ has not been mined.
- Where the CSZ intersects the large, high intensity magnetic anomaly immediately south-east of the Jupiter pit.
- Where the CSZ intersects the larger of the syenite dykes between Doublejay and Heffernans.
- Where the CSZ is located nearer surface, up-dip of the historic Jupiter open pit.

Jupiter Prospect Mineral Resources

Three resource updates were completed during the reporting period (see ASX releases 7 May 2015, 30 July 2015 and 16 September, 2015). The 1.085 Moz Jupiter Prospect Mineral Resource (see Table 6 below) extends over a strike distance of 1.8km centrally located within the Jupiter Corridor (see Figure 10), with potential to increase the mineralised strike extent south of Ganymede.

Jupiter Prospect
September 2015 Mineral Resource Estimate (0.5g/t Au Cut-off)

Type	Indicated			Inferred			Total		
	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces
Oxide	0.6	1.7	34,300	0.5	1.3	22,600	1.2	1.5	56,900
Transitional	2.1	1.2	79,300	1.2	1.1	44,100	3.3	1.2	123,400
Fresh	10.4	1.5	490,900	11.7	1.1	413,700	22.1	1.3	904,600
Total	13.1	1.4	604,600	13.5	1.1	480,400	26.6	1.3	1,084,900

Table 6: September 2015 Jupiter Prospect Mineral Resource

The increase in the Jupiter Prospect Mineral Resource to 1.085 million ounces is principally due to the inclusion of the maiden Heffernans Mineral Resource estimate and subsequent update on the 29 July 2015. The Heffernans Mineral Resource estimate is 656,000 ounces as shown below in Table 7.

Heffernans Deposit - CIL
July 2015 Mineral Resource Estimate (0.5g/t Au Cut-off)

Type	Indicated			Inferred			Total		
	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces
Oxide	0.5	1.4	21,200	0.2	1.6	12,800	0.7	1.5	34,000
Transitional	1.0	1.2	39,800	0.2	1.4	7,400	1.2	1.2	47,200
Fresh	7.9	1.6	393,600	5.1	1.1	181,300	12.9	1.4	574,900
Total	9.4	1.5	454,700	5.5	1.1	201,400	14.8	1.4	656,100

Table 7: Heffernans Mineral Resource.

Ganymede also reported its maiden Mineral Resource during the reporting period with 2.8Mt at 1.2g/t Au for 108,400 ounces released to the ASX on 10 September 2015 (see also Table 8 below).

Ganymede Deposit
September 2015 Mineral Resource Estimate (0.5g/t Au Cut-off)

Type	Indicated			Inferred			Total		
	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces
Oxide	0.15	2.6	12,100	0.0	2.2	1,900	0.2	2.5	14,100
Transitional	0.4	1.2	14,600	0.1	1.0	2,600	0.5	1.2	17,200
Fresh	0.5	1.2	18,700	1.7	1.1	58,400	2.2	1.1	77,100
Total	1.0	1.4	45,400	1.8	1.1	63,000	2.8	1.2	108,400

Table 8: September 2015 Ganymede Mineral Resource.

Jupiter Prospect Low Grade Stockpile

Additional to the reported resource in the Jupiter Corridor, Dacian reported a Mineral Resource for the low grade stockpile of 3.5Mt @ 0.5 g/t for 58,000 ounces. This low grade stockpile is classified as Measured Mineral Resource and is the dump leach pad that was used to produce gold from low grade ore (<1.5g/t) mined from the Jupiter open pit in the 1990s (Figure 10).



REVIEW OF OPERATIONS

Transvaal

The Transvaal gold mine is located 2km north-east of the Westralia Prospect. Mining by open pit methods occurred between 1992 and 1995 prior to three years of underground mining commencing in 1996. At the cessation of all mining, 1.64Mt at 3.3g/t for 175,000 ounces was mined and treated at the Mount Morgans CIP/CIL plant.

Dacian engaged a third party consultant to complete a detailed review of the previous estimate followed by a detailed geological and historic mining review.

A geological reinterpretation of the distribution of the high grade zones at Transvaal was the focus for a re-estimate of the underground Transvaal Prospect Mineral Resource of 1.25Mt at 5.2g/t for 210,000 ounces (see ASX release dated 16 September 2015) and is shown below in Table 9.

Transvaal Deposit
September 2015 Mineral Resource Estimate (2g/t Au Cut-off)

Type	Measured			Indicated			Inferred			Total		
	Tonnes t	Au g/t	Au Ounces	Tonnes t	Au g/t	Au Ounces	Tonnes t	Au g/t	Au Ounces	Tonnes t	Au g/t	Au Ounces
Transitional Fresh	367,000	5.8	68,000	15,000	3.1	1,500	5,000	4.5	700	20,000	3.4	2,200
Total	367,000	5.8	68,000	404,000	5.3	69,300	482,000	4.7	72,600	1,253,000	5.2	209,900

Table 9: September 2015 Transvaal Prospect Mineral Resource.

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 announcements have not been materially modified. In the case of estimates of Mineral Resources, the Company confirms that all material assumptions and technical parameters underpinning in the relevant market announcement continue to apply and have not materially changed.

2015 MINERAL RESOURCES & ORE RESERVES STATEMENT (DCN: 100%)

MOUNT MORGANS GOLD PROJECT MINERAL RESOURCES AS AT 15 SEPTEMBER 2015

Deposit	Cut-off Au g/t	Measured			Indicated			Inferred			Total Mineral Resource		
		Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz
King Street*	0.5	-	-	-	-	-	-	532,000	2.0	33,000	532,000	2.0	33,000
Jupiter	0.5	-	-	-	13,066,000	1.4	605,000	13,484,000	1.1	480,000	26,550,000	1.3	1,085,000
Jupiter LG Stockpile	0.5	3,494,000	0.5	58,000	-	-	-	-	-	-	3,494,000	0.5	58,000
Westralia	2.0	235,000	4.6	35,000	1,961,000	4.7	293,000	7,074,000	5.2	1,192,000	9,269,000	5.1	1,520,000
Craic*	0.5	-	-	-	69,000	8.2	18,000	120,000	7.1	27,000	189,000	7.5	46,000
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
Ramomie	2.0	-	-	-	156,000	4.1	21,000	285,000	3.9	36,000	442,000	4.0	57,000
Total		4,096,000	1.2	161,000	15,656,000	2.0	1,060,000	21,978,000	2.6	1,842,000	41,730,000	2.2	3,008,000

* JORC 2004 Mineral Resource

Total Mineral Resources stated in the 2014 Mineral Resources and Ore Reserves Statement (MROR) for the Mount Morgans Gold Project was 9,180,000 tonnes at 4.0 g/t for 1,168,000 ounces (refer 2014 Annual Report).

The change between the 2014 and 2015 MROR Statement was due to a number of revised Mineral Resource estimates occurring at the Company's 100% owned Westralia, Jupiter, Ramornie and Transvaal deposits, and the amalgamation of the upgraded Morgans North deposit into the expanded Westralia deposit.

The Westralia Mineral Resource has increased from 3,213,000 tonnes at 5.9 g/t for 610,000 ounces to 9,269,000 tonnes at 5.1 g/t for 1,520,000 ounces (refer ASX releases 24 February 2015, 3 August 2015 and 16 September 2015).

The Jupiter Mineral Resource has increased from 811,000 tonnes at 2.8 g/t for 73,000 ounces, to 26,550,000 tonnes at 1.3g/t for 1,085,000 ounces and 3,494,000 tonnes at 0.5 g/t for 58,000 ounces. This Mineral Resource for Jupiter includes the maiden resources reported at the Heffernans and Ganymede deposits which occur in the Jupiter Corridor (refer ASX releases 11 May 2015, 29 July 2015 and 16 September 2015).

The original Transvaal Mineral Resource of 3,650,000 tonnes at 2.8 g/t for 327,000 ounces has been replaced with a revised estimate of 1,253,000 tonnes at 5.2 g/t for 210,000 ounces due to re-interpretation of the higher grade lodes and using a higher cut-off (refer ASX release 16 September 2015).

The Ramornie Mineral Resource estimate of 326,000 tonnes at 3.3 g/t for 34,000 ounces has increased to 442,000 tonnes at 4.0 g/t for 57,000 ounces (refer ASX release 24 February 2015).

Since 30 June 2015 the Mineral Resource estimates for the Mount Morgans Gold Project have increased from 31,080,000 tonnes at 2.1 g/t for 2,143,000 ounces to 41,730,000 tonnes at 2.2 g/t for 3,008,000 ounces following revisions to Mineral Resource estimates for the Westralia, Jupiter and Transvaal deposits.

2015 MINERAL RESOURCES & ORE RESERVES STATEMENT (DCN: 100%) (continued)

MOUNT MORGANS GOLD PROJECT ORE RESERVES AS AT 15 SEPTEMBER 2015

Deposit	Cut-off	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
Total		-	-	-	28,000	9.2	8,000	28,000	9.2	8,000

* JORC 2004 Ore Reserve

The Ore Reserve for Transvaal of 651,000 tonnes at 6.1 g/t for 128,000 ounces reported in the 2014 MROR Statement is no longer reported by the Company following a revision to the Mineral Resource estimate for the deposit (refer ASX release 16 September 2015).

There is no change to the previously reported Ore Reserve for the Craic deposit.

Since 30 June 2015 the Ore Reserve estimates for the Mount Morgans Gold Project have decreased from 679,000 tonnes at 6.2 g/t for 136,000 ounces to 28,000 tonnes at 9.2 g/t for 8,000 ounces following a revision to the underlying Mineral Resource estimate for the Transvaal deposit.

The Company confirms that all material assumptions and technical parameters pursuant to the Mineral Resource and Ore Reserve estimates at the time of the relevant market announcements continue to apply and have not materially changed.

Governance

Dacian Gold maintains strong governance and internal controls in respect of its estimates of Mineral Resources and Ore Reserves and the estimation process.

Dacian ensures its sampling techniques, data collection, data veracity and the application of the collected data is at a high level of industry standard. Contract RC and diamond drilling with QA/QC controls approved by Dacian are used routinely. All completed holes are subject to downhole gyro surveys and collar coordinates surveyed with DGPS. All drill holes are logged by Dacian geologists. Diamond core is oriented and photographed. Dacian employs field QC procedures, including addition of standards, blanks and duplicates ahead of assaying which is undertaken using industry standards including fire assay at Bureau Veritas laboratories in Perth and Kalgoorlie.

Assay data is continually validated and stored in DataShed. Geological models and wireframes are built using careful geological documentation and interpretations, all of which are validated by peer review. Resource estimation is undertaken by independent consultants and reported under JORC 2012. Estimation techniques are industry standard and include block modelling using Ordinary Kriging. Application of other parameters including cut off grades, top cuts and classification are all dependent on the style and nature of mineralisation being assessed.

Ore reserve estimation is overseen by in house mining engineers using third party consultants to complete feasibility studies in mining, metallurgical, geotechnical, environmental and social matters. Results are verified by independent third party ore reserve specialist consultancies.

Competent Person Statement

The Mineral Resources and Ore Reserves Statement is based on, and fairly represents, information and supporting documentation prepared by the respective competent persons named below.

The Mineral Resources Statement as a whole has been approved by Mr Rohan Williams. Mr Williams is a holder of shares and options in, and is the Executive Chairman and a full-time employee of, the Company, and is a Member of the Australasian Institute of Mining and Metallurgy. Mr Williams has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity currently being undertaken 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 has approved the Mineral Resources and Ore Reserves Statement as a whole and consents to its inclusion in the Annual Report in the form and context in which it appears.

The information in this report that relates to the Mineral Resource is based on information compiled by Mr Rohan Williams who is a director and full time employee of Dacian Gold Limited and a Member of The Australasian Institute of Mining and Metallurgy. 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 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 his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources (other than Westralia, Jupiter, Ramornie and Transvaal), Exploration Targets and Exploration Results is based on information compiled by Mr Rohan Williams, 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 Mineral Resource estimates for Westralia, Jupiter, Ramornie and Transvaal (not including Jupiter low-grade stockpile) is based on information compiled by Mr Shaun Searle, a Senior Consultant Geologist and full time employee at RungePincockMinarco and a Member of Australian Institute of Geoscientists.

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.

DIRECTORS' REPORT

The Directors present the financial statements of Dacian Gold Limited for the year ended 30 June 2015. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

Directors

The following persons were directors of Dacian Gold Limited during or since the end of the year and up to the date of this report, were in office for this entire period unless stated otherwise:



Rohan Williams BSc (Hons), MAusIMM
Executive Chairman

Mr Williams was founding CEO and Managing Director of Avoca Resources Ltd, and led that company from its \$7 million exploration IPO in 2002 until its merger with Anatolia Minerals in 2011 to form Alacer Gold Corp, which valued Avoca at \$1 billion. At the time of the merger, Avoca Resources Ltd was the third largest ASX listed Australian gold producer.

Serving as the merged group's Chief Strategic Officer until the end of 2011, Mr Williams resigned as a Non-Executive Director of Alacer Gold Corp on 10 September 2013.

Prior to his time with Avoca Resources Ltd, Mr Williams worked with WMC Resources Limited where he held Chief Geologist positions at St Ives Gold Mines and the Norseman Gold Operation. He has 27 years of experience, including over 19 years in the world class Kalgoorlie-Norseman gold belt.

Mr Williams also serves on the Board of the Telethon Kids Institute.

On 14 March 2014 Mr Williams became Executive Chairman of the Company. Prior to this date Mr Williams undertook the Chairman's role on a Non-Executive basis.

Other than as stated above Mr Williams has not served as a director of any other listed companies, in the 3 years immediately before the end of 2015 financial year.



Robert Reynolds MAICD, MAusIMM
Non-Executive Director

Mr Reynolds was the Non-Executive Chairman of Avoca Resources Ltd from 2002 until it merged with Anatolia Minerals to form Alacer Gold Corp in 2011, and has extensive experience in mineral exploration, development and mining operations. Mr Reynolds was Non-Executive Chairman of Alacer Gold Corp until 23 August 2011.

With over 35 years commercial experience in the mining sector, Mr Reynolds has worked on mining projects in a number of locations including Australia, Africa and across the Oceania region.

Mr Reynolds was a long term Director of Delta Gold Limited and was a Director of Extonne Gold Mines Limited when it was acquired by Yamana Gold for CAD\$414 million on 22 August 2012. Mr Reynolds also currently holds Directorships with Canadian companies Rugby Mining Limited and Exeter Resource Corporation and ASX listed companies Convergent Minerals Limited, Chesser Resources Limited and Global Geoscience Limited.

Other than as stated above Mr Reynolds has not served as a director of any other listed companies, in the 3 years immediately before the end of 2015 financial year.



Barry Patterson ASMM, MAusIMM, FAICD

Non-Executive Director

Mr Patterson is a mining engineer with over 50 years of experience in the mining industry and is a co-founder, and Non-Executive Director, of ASX listed GR Engineering Limited.

Mr Patterson was also a founding shareholder of leading engineering services provider JR Engineering, which became Roche Mining after being taken over by Downer EDI in 2002. He also co-founded contract mining companies Eltin, Australian Mine Management and National Mine Management.

Mr Patterson has served as a director of a number of public companies across a range of industries. He was formerly the non-executive chairman of Sonic Healthcare Limited for 11 years, during which time the company's market capitalisation increased from \$20 million to \$4 billion, and Silex Systems Limited.

Other than as stated above Mr Patterson has not served as a director of any other listed companies, in the 3 years immediately before the end of 2015 financial year.



Kevin Hart B.Comm, FCA

Company Secretary

Mr Hart is a Chartered Accountant and was appointed to the position of Company Secretary on 27 November 2012. He has over 25 years experience in accounting and the management and administration of public listed entities in the mining and exploration industry.

He is currently a partner in an advisory firm, Endeavour Corporate, which specialises in the provision of company secretarial and accounting services to ASX listed entities.

DIRECTORS' REPORT

Interests in the Shares and Options of the Company

The following relevant interests in shares and options of the Company were held by the directors as at the date of this report:

Director	Number of fully paid ordinary shares	Number of options over ordinary shares
Rohan Williams	5,200,000	5,000,000
Robert Reynolds	2,100,000	300,000
Barry Patterson	4,100,000	300,000

The directors' interests in the options over ordinary shares in the above table include no options that are currently vested and exercisable. Further details of the vesting conditions applicable to these options are disclosed in the remuneration report section of this directors' report.

Securities

No ordinary shares were issued by the Company during or since the end of the financial year as a result of the exercise of options.

There are no unpaid amounts on the shares issued.

At the date of this report unissued ordinary shares of the Company under option are:

Number of Options	Exercise Price	Expiry Date
6,150,000	84 cents each	9 October 2017
1,000,000	57 cents each	28 February 2019
1,000,000	65 cents each	24 September 2019
2,000,000	46 cents each	17 November 2019

Dividends

No dividends have been paid or declared since the start of the financial year and the directors do not recommend the payment of a dividend in respect of the financial year.

Principal Activities

The principal activity of the Company during the financial year was mineral exploration at its wholly owned Mt Morgans Gold Project in Western Australia.

There have been no significant changes in the nature of these activities during the financial year.

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the Company during the financial year, not otherwise disclosed in this report.

Review of Operations

Operating results and financial position

The net loss after income tax for the financial year was \$8,048,428 (30 June 2014: \$5,620,640), included in this loss for the financial year is an amount of \$6,501,354 (30 June 2014: \$4,283,158) in respect of exploration and evaluation costs not capitalised, and increases to provisions for rehabilitation liabilities of \$670,669 (2014: \$36,231).

At the end of the financial year the Company had \$4,624,894 (30 June 2014: \$10,948,885) in cash and at call deposits. Capitalised mineral exploration and evaluation expenditure is \$8,131,847 (30 June 2014: \$8,131,847).

Summary of Activities

During the 2015 financial year the Company has maintained its high level of exploration activity, primarily focused on the Westralia and Jupiter deposits at the Mt Morgans Gold Project. In addition the Company has commenced pre-feasibility studies at Jupiter and Westralia with an initial scoping study (Mt Morgans Scoping Study) in respect of the Jupiter and Westralia prospects to be published. The Mt Morgans Scoping Study is assessing the co-development of an open pit mining complex at Jupiter and a high grade underground mine at Westralia, both feeding a site based purpose built mill.

The Company has incurred exploration and feasibility costs of over \$6.5 million during the 2015 financial year, which has included completing in excess of 35,500 metres of drilling, comprising over 20,000 metres of diamond core drilling and over 15,500 metres of RC drilling.

Diamond drilling for 2015 also provided drill core for metallurgical testing in respect of the pre-feasibility study. All initial metallurgical test work at Jupiter has been consistent with the Company's expectations as it continues to advance the Mt Morgan's pre-feasibility study.

As a result of the extensive exploration programs undertaken during the 2015 financial year, the Company has significantly extended the mineralised zones at both Westralia and at Jupiter, resulting in a number of resource upgrades at both deposits, including the maiden Heffernans resource at Jupiter. Refer to ASX announcement dated 11 May 2015 for details of the Company's resource and reserve base as at 30 June 2015.

Since the end of the financial year the Company has maintained its high level of exploration activity, with further increases to the Jupiter and Westralia resources.

The Company incurred exploration costs of \$6,501,354 during the 12 months ended 30 June 2015 (30 June 2014: \$4,283,158).

Further details of the Company's activities including significant drill results returned for the 2015 financial year are included in the Review of Operations in the Annual Report.

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 announcements have not been materially modified. In the case of estimates of Mineral Resources, the Company confirms that all material assumptions and technical parameters underpinning in the relevant market announcement continue to apply and have not materially changed.

DIRECTORS' REPORT

Events Subsequent to the Reporting Date

There has not arisen in the interval between the end of the reporting period and the date of this report, any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company to affect substantially the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

Likely Developments and Expected Results

The Company intends to continue to undertake appropriate exploration and evaluation activities sufficient to maintain tenure of its prospective mineral properties, until such time that informed decisions can be made in order to commercially exploit or relinquish such properties.

Environmental Regulation and Performance

The Company holds various exploration licences to regulate its exploration activities in Australia. These licences include conditions and regulations with respect to the rehabilitation of areas disturbed during the course of its exploration activities.

So far as the Directors are aware, all exploration activities have been undertaken in compliance with all relevant environmental regulations.

Officer's Indemnities and Insurance

During the year the Company paid an insurance premium to insure certain officers of the Company. The officers of the Company covered by the insurance policy include the Directors named in this report.

The Directors and Officers Liability insurance provides cover against all costs and expenses that may be incurred in defending civil or criminal proceedings that fall within the scope of the indemnity and that may be brought against the officers in their capacity as officers of the Company. The insurance policy does not contain details of the premium paid in respect of individual officers of the Company. Disclosure of the nature of the liability cover and the amount of the premium is subject to a confidentiality clause under the insurance policy.

The Company has not provided any insurance for an auditor of the Company.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the Corporations Act 2001.

Non-audit Services

During the year Grant Thornton the Company's auditor, has not performed any other services in addition to their statutory duties:

	2015	2014
	\$	\$
<i>Total remuneration paid to auditors during the financial year:</i>		
Audit and review of the Company's financial statements	32,978	31,355
Other services	-	-
Total	32,978	31,355

The Board considers any non-audit services provided during the year by the auditor and satisfies itself that the provision of any non-audit services during the year by the auditor is compatible with, and does not compromise, the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services are reviewed by the Board to ensure they do not impact the impartiality and objectivity of the auditor; and
- the non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they do not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

DIRECTORS' REPORT

Remuneration Report (Audited)

Remuneration paid to Directors and Officers of the Company is set by reference to such payments made by other ASX listed companies of a similar size and operating in the mineral exploration industry. In addition reference is made to the specific skills and experience of the Directors and Officers.

Details of the nature and amount of remuneration of each Director, and other Key Management Personnel if applicable, are disclosed annually in the Company's Annual Report.

Remuneration Committee

The Board has adopted a formal Remuneration Committee Charter which provides a framework for the consideration of remuneration matters.

The Company does not have a separate remuneration committee and as such all remuneration matters are considered by the Board as a whole, with no Member deliberating or considering such matter in respect of their own remuneration.

In the absence of a separate Remuneration Committee, the Board is responsible for:

1. Setting remuneration packages for Executive Directors, Non-Executive Directors and other Key Management Personnel; and
2. Implementing employee incentive and equity based plans and making awards pursuant to those plans.

Non-Executive Remuneration

The Company's policy is to remunerate Non-Executive Directors, at rates comparable to other ASX listed companies in the same industry, for their time, commitment and responsibilities.

Non- Executive Remuneration is not linked to the performance of the Company, however to align Directors' interests with shareholders' interests, remuneration may be provided to Non-Executive Directors in the form of equity based long term incentives.

1. Fees payable to Non-Executive Directors are set within the aggregate amount approved by shareholders at the Company's Annual General Meeting;
2. Non-Executive Directors' fees are payable in the form of cash and superannuation benefits;
3. Non-Executive superannuation benefits are limited to statutory superannuation entitlements; and
4. Participation in equity based remuneration schemes by Non-Executive Directors is subject to consideration and approval by the Company's shareholders.

The maximum Non-Executive Directors fees, payable in aggregate are currently set at \$500,000 per annum.

Executive Director and Other Key Management Personnel Remuneration

Executive remuneration consists of base salary, plus other performance incentives to ensure that:

1. Remuneration packages incorporate a balance between fixed and incentive pay, reflecting short and long term performance objectives appropriate to the Company's circumstances and objectives; and
2. A proportion of remuneration is structured in a manner to link reward to corporate and individual performances.
3. Executives are offered a competitive level of base salary at market rates (based on comparable ASX listed companies) and are reviewed regularly to ensure market competitiveness.

To date the Company has not engaged external remuneration consultants to advise the Board on remuneration matters.

Remuneration Report (Continued)

Incentive Plans

The Company provides long term incentives to Directors and Employees pursuant to the Dacian Gold Limited Employee Option Plan, which was last approved by shareholders on 9 October 2012.

The Board, acting in remuneration matters:

1. Ensures that incentive plans are designed around appropriate and realistic performance targets and provide rewards when those targets are achieved;
2. Reviews and improves existing incentive plans established for employees; and
3. Approves the administration of the incentive plans, including receiving recommendations for, and the consideration and approval of grants pursuant to such incentive plans.

Engagement of Non-Executive Directors

Non-Executive Directors conduct their duties under the following terms:

1. A Non-Executive Director may resign from his/her position and thus terminate their contract on written notice to the Company; and
2. A Non-Executive Director may, following resolution of the Company's shareholders, be removed before the expiration of their period of office (if applicable). Payment is made in lieu of any notice period if termination is initiated by the Company, except where termination is initiated for serious misconduct.

In consideration of the services provided by Mr Robert Reynolds and Mr Barry Patterson as Non-Executive Directors, the Company will pay them \$40,000 plus statutory superannuation per annum.

In consideration of the services provided by Mr Rohan Williams as Non-Executive Chairman, until appointed as Executive Chairman on 14 March 2014, the Company paid him \$60,000 plus statutory superannuation per annum.

Messrs Reynolds and Patterson are also entitled to fees for other amounts as the Board determines where they perform special duties or otherwise perform extra services or make special exertions on behalf of the Company.

During the financial year ended 30 June 2015, the Company incurred no costs in respect of additional services provided by directors.

Engagement of Executive Directors

The Company has agreed terms with Mr Rohan Williams in relation to his role as Executive Chairman, effective 14 March 2014. The terms, which are summarised below, are included in a formal executive services agreement.

In respect of his engagement as Executive Chairman, commencing 14 March 2014, Mr Williams will receive a base salary of \$437,000 per annum inclusive of statutory superannuation (Total Fixed Remuneration, TFR). Any increase in salary is subject to the discretion of the Board.

Mr Williams may also receive a short term performance based reward in the form of a cash bonus up to, 40% of the TFR. The performance criteria, assessment and timing of which are determined at the discretion of the Board.

Mr Williams has, following shareholder approval, been granted 2 million options and may participate in the Dacian Gold Limited Employee Option Plan and other long term incentive plans adopted by the Board.

DIRECTORS' REPORT

Remuneration Report (Continued)

Short Term Incentive Payments

The Board may, at its sole discretion, set the Key Performance Indicators (KPIs) for the Executive Directors or other Executive Officers. The KPIs are chosen to align the reward of the individual Executives to the strategy and performance of the Company.

Performance objectives, which may be financial or non-financial, or a combination of both, are determined by the Board.

No Short Term incentives are payable to Executives where it is considered that the actual performance has fallen below the minimum requirement.

No performance evaluation in respect of the year ended 30 June 2015 has taken place in accordance with this process, and accordingly no short term incentive payments have been paid or are payable to Executives in respect of the financial year ended 30 June 2015.

The Executive Chairman sets the KPIs for other members of staff, monitors actual performance and may recommend payment of short term bonuses to certain employees to the Board for approval.

Shareholding Qualifications

The Directors are not required to hold any shares in Dacian Gold under the terms of the Company's constitution.

Consequences of Company Performance on Shareholder Wealth

In considering the Company's performance and benefits for shareholder wealth, the Board provide the following indices in respect of the current financial year and previous financial years:

	2015	2014	2013	2012
Loss for the year attributable to shareholders	\$8,048,428	\$5,620,640	\$5,806,907	\$481,217
Closing share price at 30 June	\$0.43	\$0.35	\$0.17	n/a

As an exploration company the Board does not consider the loss attributable to shareholders as one of the performance indicators when implementing Short Term Incentive Payments. The Board considers that the success of exploration and feasibility programs, safety and environmental performance, the securing of funding arrangements and responsible management of cash resources and the Company's other assets are more appropriate performance indicators to assess the performance of management.

The Company was incorporated on 23 November 2011 and was admitted to the official list of the Australian Securities Exchange on 9 November 2012.

Remuneration Report (Continued)

Remuneration Disclosures

Current Directors and Key Management Personnel of the Company have been identified as:

Mr Rohan Williams	Executive Chairman (Non-Executive Chairman until 14 March 2014)
Mr Barry Patterson	Non-Executive Director
Mr Robert Reynolds	Non-Executive Director

Former Directors and Key Management Personnel of the Company have been identified as:

Mr Paul Payne	Managing Director (resigned 14 March 2014)
---------------	--

The details of the remuneration of each Director and member of Key Management Personnel of the Company is as follows:

30 June 2015	Short Term		Post Employment	Other Long Term		
	Base Salary and consulting fees	Short Term Incentive	Superannuation Contributions	Value of Options (i)	Total	Value of Options as Proportion of Remuneration
	\$	\$	\$	\$	\$	%
<i>Current Directors and Key Management Personnel:</i>						
Rohan Williams	403,000	-	35,000	162,737	600,737	27.1%
Barry Patterson	40,000	-	3,800	5,243	49,043	10.7%
Robert Reynolds	40,000	-	3,800	5,243	49,043	10.7%
Total	483,000	-	42,600	173,223	698,823	

The fair value of options is calculated at the date of grant using the Black Scholes option pricing model and allocated to each reporting period evenly over the period from grant date to vesting date. The value disclosed in the above tables is the portion of the fair value of the options recognised in the reporting period.

DIRECTORS' REPORT

Remuneration Report (Continued)

Remuneration Disclosures (Continued)

30 June 2014	Short Term		Post Employment	Other Long Term		
	Base Salary and consulting fees	Short Term Incentive	Superannuation Contributions	Value of Options (i)	Total	Value of Options as Proportion of Remuneration
	\$	\$	\$	\$	\$	%
<i>Current Directors and Key Management Personnel:</i>						
Rohan Williams	167,341	-	15,479	156,445	339,265	46.1%
Barry Patterson	40,000	-	3,700	20,970	64,670	32.4%
Robert Reynolds	40,000	-	3,700	20,970	64,670	32.4%
<i>Former Directors and Key Management Personnel:</i>						
Paul Payne (ii)	512,562	-	23,667	-	536,229	nil
Total	759,903	-	46,546	198,385	1,004,834	

- (i) The fair value of options is calculated at the date of grant using the Black Scholes option pricing model and allocated to each reporting period evenly over the period from grant date to vesting date. The value disclosed in the above tables is the portion of the fair value of the options recognised in the reporting period.
- (ii) Included in the 2014 remuneration paid to Mr Paul Payne, an amount of \$320,002 related to termination benefits and unused annual leave paid on termination of his executive services agreement.

Details of Performance Related Remuneration

There have been no Short Term Incentive payments made to Directors or Key Management Personnel of the Company during the financial years ended 30 June 2014 or 30 June 2015.

Remuneration Report (Continued)

Options Granted as Remuneration

2015

During the 2015 financial year there were 2 million options over unissued shares issued to the Company's Executive Chairman Mr Rohan Williams, pursuant to the terms of his executive services agreement and following shareholder approval of the issue at the Company's 2014 annual general meeting. Details of the options issued to Mr Williams are as follows:

Grant Date	Exercise price per Option	Expiry Date	Number of Options Granted	Vesting Date	Total Value of Options Granted
18 November 2014	46 cents each	17 November 2019	2,000,000	18 November 2016	\$201,320

2014

There were no options over unissued shares issued Directors or Key Management Personnel of the Company during the financial year ended 30 June 2014.

The following 5,000,000 un-vested options issued to Mr Paul Payne in a prior financial year were cancelled on his resignation as Managing Director of the Company on 14 March 2014.

Number of Options	Exercise Price	Vesting Date	Option Expiry Date	Cancellation Date
2,500,000	84 cents each	24 months from the date the Company listed on ASX	5 years from the grant date	14 March 2014
1,250,000	84 cents each	36 months from the grant date	5 years from the grant date	14 March 2014
1,250,000	84 cents each	42 months from the grant date	5 years from the grant date	14 March 2014

Exercise of Options Granted as Remuneration

There were no ordinary shares issued on the exercise of options previously granted as remuneration to Directors or Key Management Personnel of the Company during either the financial years ended 30 June 2014 or 30 June 2015.

DIRECTORS' REPORT

Remuneration Report (Continued)

Equity instrument disclosures relating to key management personnel

Option holdings

Key Management Personnel have the following interests in unlisted options over unissued shares of the Company.

2015 Name	Balance at start of the year	Received during the year as remuneration	Other changes during the year	Balance at the end of the year	Vested and exercisable at the end of the year
R Williams	3,000,000	2,000,000	-	5,000,000	1,000,000
R Reynolds	300,000	-	-	300,000	300,000
B Patterson	300,000	-	-	300,000	300,000

Share holdings

The number of shares in the Company held during the financial year by key management personnel of the Company, including their related parties are set out below. There were no shares granted during the reporting period as compensation.

2015 Name	Balance at start of the year	Acquisitions pursuant to share placements	Other changes during the year	Balance at the end of the year
R Williams	5,200,000	-	-	5,200,000
R Reynolds	2,100,000	-	-	2,100,000
B Patterson	4,100,000	-	-	4,100,000

Loans made to key management personnel

No loans were made to key personnel, including personally related entities during the reporting period.

Other transactions with key management personnel

During the financial year ended 30 June 2015 there have been no other transactions with, and are no amounts owing to or owed by Key Management Personnel.

There were no other transactions with key management personnel.

End of Remuneration Report

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under Section 307C of the Corporations Act is set out on the following page.

This report is made in accordance with a resolution of the Directors.

DATED at Perth this 25th day of September 2015.



Rohan Williams
Executive Chairman

AUDITOR'S INDEPENDENCE DECLARATION



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Auditor's Independence Declaration To the Directors of Dacian Gold Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Dacian Gold Limited for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in blue ink that reads "Grant Thornton".

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

A handwritten signature in blue ink that reads "C A Becker".

C A Becker
Partner - Audit & Assurance

Perth, 25 September 2015

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**STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME**
FOR THE YEAR ENDED 30 JUNE 2015

	Note	30 June 2015 \$	30 June 2014 \$
Revenue	3	301,561	492,579
Total Revenue		301,561	492,579
Employee expenses	3	(563,361)	(863,508)
Share based employee expense	17	(295,179)	(283,196)
Depreciation and amortisation expenses	10	(215,319)	(233,496)
Corporate expenses		(136,151)	(131,583)
Occupancy expenses		(80,816)	(78,765)
Marketing expenses		(62,065)	(43,481)
Financing expenses		(3,539)	(9,042)
Exploration costs expensed and written off	11	(7,172,023)	(4,319,389)
Administration and other expenses		(154,031)	(150,759)
Loss before income tax		(8,380,923)	(5,620,640)
Income tax benefit/(expense)	4	332,495	-
Net loss for the period attributable to the members of the parent entity		(8,048,428)	(5,620,640)
Other comprehensive Income		-	-
Total comprehensive result for the period attributable to the members of the parent entity	17	(8,048,428)	(5,620,640)
Loss per share			
Basic and diluted loss per share (cents)	5	(8.4)	(5.9)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2015

	Note	30 June 2015 \$	30 June 2014 \$
Current assets			
Cash and cash equivalents	7	4,624,894	10,948,885
Trade and other receivables	8	418,034	41,268
Total current assets		5,042,928	10,990,153
Non-current assets			
Other financial assets	9	34,211	16,335
Property, plant and equipment	10	396,225	546,074
Exploration and evaluation assets	11	8,131,847	8,131,847
Total non-current assets		8,562,283	8,694,256
Total assets		13,605,211	19,684,409
Current liabilities			
Borrowings	12	18,265	31,310
Trade and other payables	13	1,437,632	380,156
Total current liabilities		1,455,897	411,466
Non-current liabilities			
Borrowings	12	-	18,265
Provisions	14	1,914,600	1,243,931
Total non-current liabilities		1,914,600	1,262,196
Total liabilities		3,370,497	1,673,662
Net assets		10,234,714	18,010,747
Equity			
Issued capital	15	29,204,822	29,227,606
Share based payments reserve	17	774,886	479,707
Accumulated losses	17	(19,744,994)	(11,696,566)
Total equity		10,234,714	18,010,747

The above statement of financial position should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2015

	Issued capital \$	Accumulated losses \$	Share based payments reserve \$	Total \$
At 1 July 2013	29,227,606	(6,288,125)	408,710	23,348,191
Total comprehensive result for the period:				
Loss for the period	-	(5,620,640)	-	(5,620,640)
Movement in share based payments reserve in respect of options vesting	-	-	283,196	283,196
Transfer to accumulated losses on cancellation of options	-	212,199	(212,199)	-
At 30 June 2014	29,227,606	(11,696,566)	479,707	18,010,747
At 1 July 2014	29,227,606	(11,696,566)	479,707	18,010,747
Total comprehensive result for the period:				
Loss for the period	-	(8,048,428)	-	(8,048,428)
Costs incurred on release of securities from escrow	(22,784)	-	-	(22,784)
Movement in share based payments reserve in respect of options vesting	-	-	295,179	295,179
At 30 June 2015	29,204,822	(19,744,994)	774,886	10,234,714

The above statement of changes in equity should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2015

	Note	30 June 2015 \$	30 June 2014 \$
Cash flows from operating activities			
Interest received		243,506	546,742
Other income		69,730	11,910
Interest paid		(3,539)	(9,042)
Payments for exploration and evaluation		(5,527,770)	(4,439,898)
Payments to suppliers and employees		(968,478)	(1,211,930)
Net cash used in operating activities	7	(6,186,551)	(5,102,218)
Cash flows from investing activities			
Proceeds on redemption of bonds and security deposits		16,335	1,227,700
Payments for bonds and security deposits		(34,211)	-
Payments for plant and equipment		(65,470)	(213,569)
Net cash used in investing activities		(83,346)	1,014,131
Cash flows from financing activities			
Repayment of borrowings		(31,310)	(31,310)
Payments on release of securities from escrow		(22,784)	-
Net cash used in financing activities		(54,094)	(31,310)
Net increase/(decrease) in cash held		(6,323,991)	(4,119,397)
Cash at the beginning of the period	7	10,948,885	15,068,282
Cash at the end of the period	7	4,624,894	10,948,885

The above statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

Note 1 Summary of Significant Accounting Policies

(a) Basis of preparation of financial report

These financial statements are general purpose financial statements, which have been prepared in accordance with requirements of the Corporations Act 2001 and comply with other requirements of the law.

The accounting policies below have been consistently applied to all of the years presented unless otherwise stated.

The financial statements have been prepared on a historical cost basis, except for available for sale investments and derivative financial instruments which have been measured at fair value. Cost is based on the fair values of consideration given in exchange for assets.

The financial statements are presented in Australian dollars.

These financial statements have been prepared on the going concern basis.

The financial report of the Company was authorised for issue in accordance with a resolution of Directors on 24th September 2015.

Statement of Compliance

The financial report of Dacian Gold Limited complies with Australian Accounting Standards, which include Australian Equivalents to International Financial Reporting Standards (AIFRS), in their entirety. Compliance with AIFRS ensures that the financial report also complies with International Financial Reporting Standards (IFRS) in their entirety. Dacian Gold Limited is a for profit entity for the purpose of preparing the financial statements

Going Concern Basis for Preparation of Financial Statements

These financial statements have been prepared on the going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As at 30 June 2015, the Company has net current assets of \$3,587,031 (2014: \$10,578,687). These net current assets are considered sufficient by the Directors to meet all current minimum exploration expenditure commitments, settle all debts as and when they become due as well as operating cash outflows of the Company. In addition, the Board are confident of raising sufficient capital to fund the short term exploration and feasibility programs as well fund the working capital requirements of the Company as required.

Material accounting policies adopted in the presentation of these financial statements are presented below:

(b) Revenue

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, allowances and amounts collectable on behalf of third parties.

Interest income

Interest income is recognised on a time proportion basis and is recognised as it accrues.

(c) Income Tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to the temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

Note 1 Summary of Significant Accounting Policies (continued)

Income Tax (continued)

Deferred tax assets and liabilities are recognised for temporary timing differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantially enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to those timing differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

Amounts receivable from the Australian Tax Office in respect of research and development tax concession claims are recognised as a tax benefit in the year in which the claim is lodged with the Australian Tax Office.

(d) Other Taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

(e) Financing Costs

Net financing costs comprise interest payable on borrowings calculated using the effective interest method.

Borrowing costs are expensed as incurred and included in net financing costs.

(f) Cash and Cash Equivalents

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Note 1 Summary of Significant Accounting Policies (continued)

(g) Trade and Other Receivables

Trade receivables, which generally have 30–90 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An allowance for doubtful debts is made when there is objective evidence that the Company will not be able to collect the debts. Bad debts are written off when identified.

(h) Property, plant and Equipment

Property, plant and equipment is stated at cost, less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the asset as a replacement only if it is eligible for capitalisation. The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

Depreciation is calculated on a straight-line basis or written down value over the estimated useful life of the assets as follows:

Office equipment and software	25%-50% straight line
Fixtures and fittings	33% written down value
Plant and equipment	33% written down value
Motor Vehicles	33% written down value

(i) Impairment

The carrying values of property, plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired. The recoverable amount of property, plant and equipment is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value. An impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount. For assets measured at cost, impairment losses are recognised in profit or loss. However, for assets measured at re-valued amounts, impairment losses on land and buildings are treated as a re-valuation decrement.

(ii) De-recognition and Disposal

An item of property, plant and equipment is de-recognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is de-recognised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

Note 1 Summary of Significant Accounting Policies (continued)

Property, plant and Equipment (continued)

(iii) Exploration and Evaluation Expenditure

Exploration and evaluation costs are written off in the year they are incurred, apart from acquisition costs and those costs that are incurred on an area of interest that contains a JORC reserve.

Capitalised exploration and evaluation expenditures in relation to specific areas of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

- (1) the rights to tenure of the area of interest are current; and
- (2) at least one of the following conditions is also met:
 - (a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
 - (b) exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortised of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

(i) Impairment of Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

Note 1 Summary of Significant Accounting Policies (continued)

Impairment of Assets (continued)

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at re-valued amount (in which case the impairment loss is treated as a re-valuation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at re-valued amount, in which case the reversal is treated as a re-valuation increase.

After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(k) Trade and Other Payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services.

(l) Interest Bearing Liabilities

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised

(m) Share Based Payments

Equity Settled Transactions:

The Company provides benefits to employees (including senior executives) of the Company in the form of Options, whereby employees render services in exchange for Options (equity-settled transactions).

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of the Options is determined by using an appropriate valuation model.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the underlying Shares to which the Option relates (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the Option (the vesting period).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

Note 1 Summary of Significant Accounting Policies (continued)

Share Based Payments (continued)

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects:

- (i) the extent to which the vesting period has expired; and
- (ii) the Company's best estimate of the number of equity instruments that will ultimately vest.

No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The income statement charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for Options that do not ultimately vest, except for Options where vesting is only conditional upon a market condition.

If the terms of an Option are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the Option, or is otherwise beneficial to the employee, as measured at the date of modification.

If an Option is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled Option and designated as a replacement award on the date that it is granted, the cancelled Option and new awards are treated as if they were a modification of the Option, as described in the previous paragraph.

(n) Share Capital

Shares are classified as equity. Incremental costs directly attributable to the issue of Shares pursuant to the Offer or Options are shown in equity as a deduction, net of tax, from the proceeds of issue.

(o) Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Accounting for capitalised mineral exploration and evaluation expenditure

The Company's accounting policy is stated at 1(h). A regular review is undertaken of each area of interest to determine the reasonableness of the continuing carrying forward of costs in relation to that area of interest.

Mine restoration provisions estimates

The calculation of rehabilitation and closure provisions (and corresponding capitalised closure cost assets where necessary) rely on estimates of costs required to rehabilitate and restore disturbed land to its original condition. These estimates are regularly reviewed and adjusted in order to ensure that the most up to date data is used to calculate these balances.

Significant judgements is required in determining the provision for mine rehabilitation as there are many transactions and other factors that will affect the ultimate costs required to rehabilitate the mine site. Factors that will affect this liability include future development, changes in technology, price increases, changes in interest rates and changes in legislation.

Note 1 Summary of Significant Accounting Policies (continued)

Critical accounting estimates and judgements (continued)

Measurement of share based payments

The Company records charges for share based payments. For option based share based payments, management estimate certain factors used in the option pricing model. These factors include volatility and exercise date of options. If these estimates vary the share based payment expense would have been different.

(p) Adoption of new and revised accounting standards

In the financial year ended 30 June 2015, the Company has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2014. It has been determined by the Company that, there is no impact, material or otherwise, of the new and revised standards and interpretations on its business and therefore no change is necessary to Company accounting policies.

The Company has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the financial year ended 30 June 2015. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to Company accounting policies.

Note 2 Segment Information

The Company has identified its operating segments based on the internal reports that are reviewed and used by the board of directors in assessing performance and determining the allocation of resources.

Reportable segments disclosed are based on aggregating operating segments, where the segments have similar characteristics. The Company's sole activity is mineral exploration wholly within Australia, therefore it has aggregated all operating segments into the one reportable segment being mineral exploration.

The reportable segment is represented by the primary statements forming these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

Year ended 30 June 2015	Year ended 30 June 2014
\$	\$

Note 3 Revenue and Expenses

Loss for the year includes the following specific income and expenses:

Gain on disposal of assets	909	-
Other income	69,730	-
Interest income	230,922	480,669
Legal expenses	3,198	8,381
Insurance	35,057	36,987
Office rent	30,495	57,751
Employee expenses:		
Salaries and wages	1,442,864	1,367,160
Director fees and consulting expenses	80,000	120,000
Defined contribution superannuation	133,115	114,249
Consultant expenses	-	3,750
Other employment expenses	104,231	80,751
Less: allocated to exploration project costs	(1,196,849)	(822,402)
	563,361	863,508

Note 4 Income Tax

a) Income tax expense

Current income tax:

Current income tax charge (benefit)	(2,195,264)	(1,635,867)
Current income tax not recognised	2,195,264	1,635,867
Research and development tax concession	(332,495)	-

Deferred income tax:

Relating to origination and reversal of timing differences	2,125,563	1,595,638
Deferred income tax benefit not recognised	(2,125,563)	(1,595,638)

Income tax expense/(benefit) reported in the income statement	(332,495)	-
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The Research and tax concession benefit relates to an application made in respect of qualifying expenditure incurred during the 2014 financial year. This amount has not been received from the Australian Taxation Office at the time of signing this report.

Year ended 30 June 2015 \$	Year ended 30 June 2014 \$
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Note 4 Income Tax (continued)

b) Reconciliation of income tax expense to prima facie tax payable

Loss from continuing operations before income tax expense	(8,380,923)	(5,620,640)
Tax at the Australian rate of 30% (2014 – 30%)	(2,514,277)	(1,686,192)
<i>Tax effect of permanent differences:</i>		
Non-deductible share based payment	88,554	84,959
Research and development tax concession	(332,495)	-
Capital raising costs claimed	(80,716)	(79,349)
<i>Tax effect of other differences:</i>		
Net deferred tax asset benefit not brought to account	2,506,439	1,680,582
Tax (benefit)/expense	(332,495)	-

c) Deferred tax – Balance Sheet

Liabilities

Prepaid expenses	(2,016)	(1,145)
Accrued income	-	(3,775)
Capitalised exploration expenditure	(2,439,554)	(431,996)
	(2,441,570)	(436,916)

Assets

Revenue losses available to offset against future taxable income	7,436,385	3,439,444
Rehabilitation provision	574,380	373,179
Employee leave provisions	20,815	10,965
Accrued expenses	18,000	20,527
Deductible equity raising costs	162,799	238,047
	8,212,379	4,082,162
Net deferred tax asset/(liability)	5,770,809	3,645,246

Deferred tax assets have been recognised to the extent that they extinguish deferred tax liabilities of the Company as at the reporting date.

Net deferred tax assets have not been recognised, in either reporting period, in respect of amounts in excess of deferred tax liabilities.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

Year ended 30 June 2015 \$	Year ended 30 June 2014 \$
-------------------------------------	-------------------------------------

Note 4 Income Tax (continued)

d) Deferred tax – Income Statement

Liabilities

(Increase)/decrease in prepaid expenses	(871)	(1,145)
(Increase)/decrease in accrued income	3,775	19,822
(Increase)/decrease in capitalised exploration expenditure	(2,007,558)	-

Assets

Increase/(decrease) in revenue losses available to offset against future taxable income	3,996,941	1,630,273
Increase/(decrease) in rehabilitation provision	201,201	10,869
Increase/(decrease) in employee leave provisions	9,850	3,981
Increase/(decrease) in accruals	(2,527)	11,187
Increase/(decrease) in deductible equity raising costs	(75,248)	(79,349)
Deferred tax benefit/(expense) not recognised	2,125,563	1,595,638

The deferred tax benefit of tax losses not brought to account will only be obtained if:

- (i) The Company derives future assessable income of a nature and an amount sufficient to enable the benefit from the tax losses to be realised;
- (ii) The Company continues to comply with the conditions for deductibility imposed by tax legislation; and
- (iii) No changes in tax legislation adversely affect the Company realising the benefit from the deduction of the losses.

All unused tax losses of \$24,787,951 (2014: \$11,464,813) were incurred by Australian entities.

Year ended
30 June
2015

Year ended
30 June
2014

Note 5 Earnings per Share

	Cents	Cents
a) Basic earnings per share		
Loss attributable to ordinary equity holders of the Company	(8.4)	(5.9)
b) Diluted earnings per share		
Loss attributable to ordinary equity holders of the Company	(8.4)	(5.9)
c) Loss used in calculation of basic and diluted loss per share		
Loss after tax from continuing operations	\$ (8,048,428)	\$ (5,620,640)
d) Weighted average number of shares used as the denominator		
Weighted average number of shares used as the denominator in calculating basic and dilutive loss per share	No. 96,100,000	No. 96,100,000

At 30 June 2015 the Company has on issue 10,150,000 (2014: 7,150,000) unlisted options over ordinary shares that are not considered to be dilutive.

Note 6 Dividends

No dividends were paid or proposed during the financial year ended 30 June 2014 or 30 June 2015.

The Company has no franking credits available as at 30 June 2014 or 30 June 2015.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

30 June 2015	30 June 2014
\$	\$

Note 7 Cash and Cash Equivalents

Cash at bank ¹	4,594,144	2,918,885
Deposits at call ²	30,750	8,030,000
	4,624,894	10,948,885

¹ Cash at bank earns interest at floating rates based on daily deposit rates.

² Short term deposits depending upon the immediate cash requirements of the Company, and earn interest at the respective short term interest rates.

At 30 June 2014 or 30 June 2015 the Company had no undrawn committed borrowing facilities.

Reconciliation to the Statement of Cash Flows:

For the purposes of the Statement of Cash Flows, cash and cash equivalents comprise cash on hand and at bank and investments in money market instruments, net of any outstanding bank overdrafts.

Cash and cash equivalents as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

Cash and cash equivalents	4,624,894	10,948,885
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Non-cash financing and investing activities:

There have been no non-cash financing and investing activities for the year ended 30 June 2015 (30 June 2014: Nil).

Cash balances not available for use:

Included in cash and cash equivalents as at 30 June 2015 is an amount of \$30,750 on deposit in respect of the Company's corporate credit card facility (30 June 2014: \$30,000).

Other than the above, there are no amounts included in cash and cash equivalents not available for use as at 30 June 2014 or 30 June 2015.

30 June 2015	30 June 2014
\$	\$

Note 7 Cash and Cash Equivalents (continued)

Reconciliation of loss after tax to net cash outflow from operating activities:

<i>Loss from ordinary activities after income tax</i>	(8,048,428)	(5,620,640)
Depreciation	215,319	233,496
Share based payments expense	295,179	283,196
<i>Movement in assets and liabilities:</i>		
(Increase)/decrease in prepaid expenses	(2,905)	(3,815)
(Increase)/decrease in accrued income	(319,911)	66,073
(Increase)/decrease in other receivables	(53,950)	46,922
Increase/(decrease) in rehabilitation provision	670,669	36,231
Increase/(decrease) in employee leave provisions	32,832	13,272
Increase/(decrease) in trade and other payables	1,024,644	(156,953)
Net cash flow from operating activities	(6,186,551)	(5,102,218)

Note 8 Trade and Other Receivables

Current assets

R&D Concession tax benefit receivable	332,495	-
Accrued income	-	12,584
Other receivables	85,539	28,684
	418,034	41,268

The R&D concession receivable relates to an application made in respect of qualifying expenditure incurred during the 2014 financial year. This amount has not been received from the Australian Taxation Office at the date of signing this report.

Accrued income \$12,584 in the 2014 financial year relates to interest earned but unpaid on un-matured short term cash deposits held as at the end of the reporting period.

The Company has no trading activity and as such has no trading receivables. The Company does not consider any of its current receivables to be subject to impairment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

	30 June 2015	30 June 2014
	\$	\$

Note 9 Other Financial Assets

Non-current assets

Security Bonds and Deposits:

Balance at the start of the financial year	16,335	1,244,035
Bonds redeemed during the financial year	(16,335)	(1,227,700)
Bonds paid during the financial year	34,211	-
	34,211	16,335

Other financial assets at 30 June 2015 represent a security deposit of \$34,211 in respect of the Company's lease of its Perth administration and registered office.

Note 10 Property, Plant and Equipment

Carrying values

Office and computer equipment:

Cost	182,904	157,741
Depreciation	(124,892)	(66,154)
	58,012	91,587

Plant and equipment:

Cost	629,427	629,427
Depreciation	(396,170)	(281,282)
	233,257	348,145

Fixtures and fittings:

Cost	70,082	29,775
Depreciation	(26,516)	(15,060)
	43,566	14,715

Motor vehicles:

Cost ¹	161,753	161,753
Depreciation	(100,363)	(70,126)
	61,390	91,627

	396,225	546,074
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Reconciliation of movements

Office and computer equipment:

Opening net book value	91,587	75,987
Additions	25,163	64,214
Depreciation	(58,738)	(48,614)
	58,012	91,587

**30 June
2015**
\$

30 June
2014
\$

Note 10 Property, Plant and Equipment (continued)

Reconciliation of movements (continued)

Plant and equipment:

Opening net book value	348,145	334,013
Additions	-	146,636
Depreciation	(114,888)	(132,504)
	233,257	348,145

Fixtures and Fitting:

Opening net book value	14,715	21,746
Additions	40,307	218
Depreciation	(11,456)	(7,249)
	43,566	14,715

Motor Vehicles:

Opening net book value	91,627	136,756
Additions	-	-
Depreciation	(30,237)	(45,129)
	61,390	91,627
	396,225	546,074

¹ Included in the net book value of motor vehicles as at 30 June 2015 of \$61,390 (2014: \$91,627) are assets secured under finance leases amounting to \$49,098 (2014: \$73,280).

Details of finance lease liabilities are included at note 12 and note 20b.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

30 June 2015	30 June 2014
\$	\$

Note 11 Deferred Exploration and Evaluation Expenditure

Deferred exploration costs at the start of the financial year	8,131,847	8,131,847
Exploration and evaluation costs incurred	6,501,354	4,283,158
Movement in provision for rehabilitation costs ¹	670,669	36,231
Exploration and evaluation costs expensed and written off	(7,172,023)	(4,319,389)
	8,131,847	8,131,847

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phase is dependent upon the successful development or commercial exploitation of the respective areas.

- ¹ The Company renews its estimate for likely rehabilitation costs on an annual basis, and recognises the change in the resulting provision as an exploration expense in the Statement of Profit or Loss and Other Comprehensive Income. Refer Note 14 for details of the provision at the balance sheet date.

Note 12 Borrowings

Current liabilities		
Finance lease due within 12 months	18,265	31,310
Non-current liabilities		
Finance leases due after 12 months	-	18,265

Included in borrowings are amounts of \$18,265 owing in respect of finance lease liabilities in respect of the acquisition of motor vehicles included as assets of the Company as at 30 June 2015 (30 June 2014: \$49,575).

See note 19 for financial instrument disclosures relating to borrowings.

Borrowings are secured over assets of the Company with a net book value of \$49,098 (30 June 2014: \$73,280).

See note 10 for details.

There are no other financing facilities available to the Company as at 30 June 2015 (30 June 2014: Nil).

**30 June
2015**
\$

30 June
2014
\$

Note 13 Trade and other payables

Current liabilities

Trade and other payables

1,308,248

275,183

Accrued expenses

60,000

68,422

Employee leave liabilities

69,384

36,551

1,437,632

380,156

Trade payables are non-interest bearing and normally settled on 30 day terms. See note 19 for financial instrument disclosures relating to trade and other payables.

Note 14 Provisions

Non-current liabilities

Rehabilitation provision

1,914,600

1,243,931

The rehabilitation provision relates to the estimated obligations in relation to the environmental rectification works at the Mt Morgans Gold Project.

Reconciliation of movements in Rehabilitation Provision:

Balance at the start of the financial year

1,243,931

1,207,700

Increase/(decrease) in rehabilitation provision during the financial year (Note 11)

670,669

36,231

Balance at the end of the financial year

1,914,600

1,243,931

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

Note 15 Issued Capital

(a) Ordinary shares

The Company is a public company limited by shares. The Company was incorporated in Perth, Western Australia. The Company's shares are limited whereby the liability of its members is limited to the amount (if any) unpaid on the shares respectively held by them.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value. There is no limit to the authorised share capital of the Company.

	2015	2014	2015	2014
	No.	No.	\$	\$
(b) Share capital				
Issued share capital	96,100,000	96,100,000	29,204,822	29,227,606
(c) Share movements during the year				
Balance at the start of the financial year	96,100,000	96,100,000	29,227,606	29,227,606
Less share issue costs	-	-	(22,784)	-
Balance at the end of the financial year	96,100,000	96,100,000	29,204,822	29,227,606

ⁱ share issue costs for the 2015 financial year relate to costs incurred on the release of securities from escrow.

(d) Option plan

Information relating to the Dacian Gold Limited Employee Option Plan is set out in note 18

**30 June
2015
No**

30 June
2014
No

Note 16 Options

Options on issue at the start of the financial year

7,150,000 11,150,000

Options issued

3,000,000 1,000,000

Options cancelled

- (5,000,000)

10,150,000 7,150,000

(a) Options issued during the year

During the financial year the Company issued 3,000,000 options over unissued shares (2014: 1,000,000), as follows:

Options issued to:	Number of options	Exercise price	Expiry date
Employees pursuant to the Dacian Gold Limited Employee Option Plan	1,000,000	65 cents	24 September 2019
A director of the Company pursuant to the terms of his executive services contract and following shareholder approval	2,000,000	46 cents	17 November 2019

Refer Note 18 for share based payments disclosures.

(b) Options exercised during the year

During the financial year the Company issued no shares on the exercise of options (2014: Nil).

(c) Options cancelled during the year

During the year no options (2014: 5,000,000) were cancelled upon termination of employment.

(d) Options on issue at the balance date

The number of options outstanding over unissued ordinary shares at 30 June 2015 is 10,150,000 (2014: 7,150,000).

The terms of these options are as follows:

Number of options outstanding	Exercise price	Expiry date
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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

Note 16 Options (continued)

(e) Subsequent to the balance date

No options have been granted subsequent to the balance date and to the date of signing this report.

No options have been exercised subsequent to the balance date to the date of signing this report.

Reconciliation of movement of options over unissued shares during the period including weighted average exercise price (WAEP)

	2015		2014	
	No.	WAEP (cents)	No.	WAEP (cents)
Options outstanding at the start of the year	7,150,000	80.2	11,150,000	84.0
Options granted during the year	3,000,000	52.3	1,000,000	57.0
Options expiring unexercised during the year	-	-	(5,000,000)	84.0
Options outstanding at the end of the year	10,150,000	72.0	7,150,000	80.2

Weighted average contractual life

The weighted average contractual life for un-exercised options is 30 months (2014: 46 months).

Note 17 Accumulated Losses and Reserves

	2015		2014	
	Accumulated losses	Share based payments reserve (i)	Accumulated losses	Share based payments reserve (i)
	\$	\$	\$	\$
Balance at the beginning of the year	(11,696,566)	479,707	(6,288,125)	408,710
Loss for the period	(8,048,428)	-	(5,620,640)	-
Transfer to accumulated losses on cancellation of options	-	-	212,199	(212,199)
Share based payments for the period	-	295,179	-	283,196
Balance at the end of the year	(19,744,994)	774,886	(11,696,566)	479,707

(i) The share based payments reserve is used to recognise the fair value of options issued but not exercised.

Note 18 Share Based Payments

During the financial year 1,000,000 options over unissued shares were issued pursuant to the Company's Employee Share Option Plan and 2,000,000 options issued following shareholder approval. These options have been valued and included in the financial statements over the periods that they vest.

Basis and assumptions used in the valuation of options.

The options issued during the year were valued using the Black-Scholes option valuation methodology.

Date granted	Number of options granted	Exercise price (cents)	Expiry date	Risk free interest rate used	Volatility applied	Value per Option (cents)
25 September 2014	1,000,000	65	24 September 2019	3.07%	78%	12.82
18 November 2014	2,000,000	46	17 November 2019	2.80%	75%	10.07

Historical volatility has been used as the basis for determining expected share price volatility, as it is assumed that this is an indicator of future tender, which may not eventuate. A discount of 30% in respect of a lack of marketability has been applied to the Black-Scholes option valuation to reflect the non-negotiability and non-transferability of the unlisted options granted.

Dacian Gold Limited Employee Option Plan

The establishment of the Dacian Gold Limited Employee Option Plan ("the Plan") was last approved by a resolution of the shareholders of the Company on 9 October 2012. All eligible Directors, executive officers and employees of Dacian Gold Limited who have been continuously employed by the Company are eligible to participate in the Plan.

The Plan allows the Company to issue free options to eligible persons. The options can be granted free of charge and are exercisable at a fixed price in accordance with the Plan. Options issued under the Plan have vesting periods prior to exercise, except under certain circumstances whereby options may be capable of exercise prior to the expiry of the vesting period.

During the financial year ended 30 June 2015, 1,000,000 options over unissued shares were issued to an employee, pursuant to the terms of the Dacian Gold Limited Employee Share Option Plan.

Note 19 Financial Instruments

The Company has exposure to a variety of risks arising from its use of financial instruments. This note presents information about the Company's exposure to the specific risks, and the policies and processes for measuring and managing those risks. The Board of Directors has the overall responsibility for the risk management framework and has adopted a Risk Management Policy.

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from transactions with customers and investments.

Trade and other receivables

The nature of the business activity of the Company does not result in trading receivables. The receivables that the Company does experience through its normal course of business are short term and the most significant recurring by quantity is receivable from the Australian Taxation Office, the risk of non-recovery of receivables from this source is considered to be negligible.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

Note 19 Financial Instruments (continued)

Credit risk (continued)

Cash deposits

The Directors believe any risk associated with the use of predominantly only one bank is addressed through the use of at least an A-rated bank as a primary banker and by the holding of a portion of funds on deposit with alternative A-rated institutions. Except for this matter the Company currently has no significant concentrations of credit risk.

The Directors do not consider that the Company's financial assets are subject to anything more than a negligible level of credit risk, and as such no disclosures are made.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages its liquidity risk by monitoring its cash reserves and forecast spending. Management is cognisant of the future demands for liquid finance resources to finance the Company's current and future operations, and consideration is given to the liquid assets available to the Company before commitment is made to future expenditure or investment.

Liquidity risk

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
	\$	\$	\$	\$	\$	\$	\$
2015							
Trade and other payables	1,308,248	1,308,248	1,308,248	-	-	-	-
Finance lease liabilities	18,265	19,886	17,046	2,840	-	-	-
	1,326,513	1,328,134	1,325,294	2,840	-	-	-
2014							
Trade and other payables	275,183	275,183	275,183	-	-	-	-
Finance lease liabilities	49,575	53,977	17,046	17,046	19,885	-	-
	324,758	329,160	292,229	17,046	19,885	-	-

Note 19 Financial Instruments (continued)

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising any return.

Interest rate risk

The Company has significant cash assets which may be susceptible to fluctuations in changes in interest rates. Whilst the Company requires the cash assets to be sufficiently liquid to cover any planned or unforeseen future expenditure, which prevents the cash assets being committed to long term fixed interest arrangements; the Company does mitigate potential interest rate risk by entering into short to medium term fixed interest investments.

The Company does not have any direct contact with foreign exchange or equity risks other than their effect on the general economy.

At the reporting date the interest profile of the Company's interest-bearing financial instruments was:

Carrying amount (\$)

	30 June 2015	30 June 2014
Fixed rate instruments Financial assets	-	-
Variable rate instruments Financial assets	4,624,894	10,948,885

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit or loss		Equity	
	1% increase	1% decrease	1% increase	1% decrease
2015				
Variable rate instruments	46,249	(46,249)	46,249	(46,249)
2014				
Variable rate instruments	109,489	(109,489)	109,489	(109,489)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

Note 19 Financial Instruments (continued)

(d) Fair values

Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the balance sheet are as follows:

	2015		2014	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$	\$	\$	\$
Cash and cash equivalents	4,624,894	4,624,894	10,948,885	10,948,885
Trade and other receivables	418,034	418,034	41,268	41,268
Borrowings	(18,265)	(18,265)	(49,575)	(49,575)
Trade and other payables	(1,308,248)	(1,308,248)	(275,183)	(275,183)
Net financial assets	3,716,415	3,716,415	10,665,395	10,665,395

(e) Impairment losses

The Directors do not consider that any of the Company's financial assets are subject to impairment at the reporting date.

No impairment expense or reversal of impairment charge has occurred during the reporting period, other than the write off of deferred exploration assets at note 11.

	30 June 2015	30 June 2014
	\$	\$

Note 20 Commitments

(a) Operating lease commitments:

Due within 1 year	92,082	48,021
Due after 1 year but not more than 5 years	135,584	-
Due after more than 5 years	-	-
	227,666	48,021

The operating lease commitment relates to the lease of the Company's Perth office and car parking for a 36 month term from 1 December 2014. The lease includes an option to extend for an additional 3 year period following expiry of the initial lease term on 30 November 2017.

**30 June
2015**
\$

30 June
2014
\$

Note 20 Commitments (continued)

(b) Finance lease commitments:

The Company has entered into finance lease arrangements in respect of the purchase of 2 vehicles. Amounts contracted for under the finance lease agreements have been included as liabilities of the Company as at the end of the financial year, see note 12.

Details of the cash obligations in relation to the finance leases are included at note 19b.

Due within 1 year	18,265	31,310
Due after 1 year but not more than 5 years	-	18,265
Due after more than 5 years	-	-
	18,265	49,575

Finance lease liabilities are secured over the underlying assets, see note 10.

(c) Capital commitments:

The Company has no capital commitments contracted for at 30 June 2015 (30 June 2014: Nil).

(d) Exploration commitments

The Company has certain obligations for payment of tenement rent, shire rates and to perform minimum exploration work on mineral leases held. These obligations may vary over time, depending on the Company's exploration programmes and priorities. At 30 June 2015, the Company had satisfied all of its exploration commitments pursuant to the leases, which are currently approximately \$3,049,460 per annum.

Note 21 Contingencies

(a) Contingent liabilities

Other than the below there are no material contingent liabilities at the reporting date.

As the royalty noted below, was not paid on or by 31 January 2015, the Company must instead pay Macquarie Bank a royalty of 1% of gross revenue earned on 491,617 troy ounces of gold produced on the Tenements and sold to an offtaker.

Pursuant to the Smelter Return Deed, signed between the Company and Macquarie Bank Limited on 31 January 2012, the Company was to pay to Macquarie Bank Limited a royalty equal to the sum of:

- \$20 per troy ounce of gold produced from the Tenements, and sold by the Company to offtakers, up to a total of 150,000 troy ounces of gold; and
- a cash payment of \$500,000 that is due and payable at the time of the pour of the 50,000th troy ounce of gold produced from the Tenements.

(b) Contingent assets

There are no material contingent assets at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

Note 22 Related Party Disclosures

Other than the key management personnel related party disclosure in the Remuneration Report and in Note 23, there are no related party transactions to report.

Note 23 Key Management Personnel

(a) Directors and key management personnel

The following persons were directors of Dacian Gold Limited during the current and prior financial year:

Rohan Williams	Executive Chairman (Non-Executive Chairman until 14 March 2014)
Robert Reynolds	Non-Executive Director
Barry Patterson	Non-Executive Director
Paul Payne	Managing Director (Resigned 14 March 2014)

There were no other persons employed by or contracted to the Company during the financial year, having responsibility for planning, directing and controlling the activities of the Company, either directly or indirectly.

(b) Key management personnel compensation

Details of key management personnel remuneration are contained in the Audited Remuneration Report in the Directors' Report. A summary of total compensation paid to key management personnel during the year is as follows:

	2015 \$	2014 \$
Total short-term employment benefits	483,000	759,903
Total share based payments	173,223	198,385
Total post-employment benefits	42,600	46,546
	698,823	1,004,834

Note 24 Events Subsequent to the Reporting Date

There has not arisen in the interval between the end of the reporting period and the date of this report, any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company to affect substantially the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

30 June 2015	30 June 2014
-------------------------	-----------------

\$

\$

Note 25 Auditors Remuneration

Total remuneration paid to auditors during the financial year:

Audit and review of the Company's financial statements

32,978

31,355

Other services

-

-

Total

32,978

31,355

DIRECTORS' DECLARATION FOR THE YEAR ENDED 30 JUNE 2015

In the opinion of the directors of Dacian Gold Limited (the 'Company'):

- a. The accompanying financial statements and notes are in accordance with the Corporations Act 2001, including:
 - i. give a true and fair view of the Company's financial position as at 30 June 2015 and of its performance for the year then ended; and
 - ii. comply with Australian Accounting Standards, the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements.
- b. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- c. The financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

This declaration has been made after receiving the declarations required to be made to the directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2015.

This declaration is signed in accordance with a resolution of the Board of Directors.

DATED at Perth this 25th day of September 2015.



Rohan Williams
Executive Chairman

INDEPENDENT AUDITOR'S REPORT



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Independent Auditor's Report To the Members of Dacian Gold Limited

Report on the financial report

We have audited the accompanying financial report of Dacian Gold Limited (the "Company"), which comprises the statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Company.

Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. The Directors also state, in the notes to the financial report, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

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INDEPENDENT AUDITOR'S REPORT (continued)



An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's opinion

In our opinion:

- a the financial report of Dacian Gold Limited is in accordance with the Corporations Act 2001, including:
 - i giving a true and fair view of the Company's financial position as at 30 June 2015 and of its performance for the year ended on that date;
 - ii complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.

Report on the remuneration report

We have audited the remuneration report included in pages 34-40 of the directors' report for the year ended 30 June 2015. The Directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion on the remuneration report

In our opinion, the remuneration report of Dacian Gold Limited for the year ended 30 June 2015, complies with section 300A of the Corporations Act 2001.

A handwritten signature in dark ink that reads "Grant Thornton".

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

A handwritten signature in dark ink that reads "C A Becker".

C A Becker
Partner - Audit & Assurance

Perth, 25 September 2015

ASX ADDITIONAL INFORMATION

Pursuant to the Listing Requirements of the Australian Securities Exchange, the shareholder information set out below was applicable as at 6 October 2015.

A. Distribution of Equity Securities

Analysis of numbers of shareholders by size of holding:

Distribution	Number of Shareholders	Securities Held
1-1,000	29	16,171
1,001-5,000	135	431,636
5,001-10,000	140	1,199,832
10,001-100,000	301	12,230,628
More than 100,000	75	82,221,733
TOTALS	680	96,100,00

There are 11 shareholders holding less than a marketable parcel of ordinary shares.

B. Substantial Shareholders

An extract of the Company's Register of Substantial Shareholders (who hold 5% or more of the issued capital) is set out below:

Shareholder Name	Number of Shares	% of Shares
Brian Bernard Rodan	17,109,564	17.80
Vitesse Pty Ltd <The Vitesse Investment Fund A/C>	5,100,000	5.31

ASX ADDITIONAL INFORMATION

C. Twenty Largest Shareholders

Shareholder Name	Units	% of Units
REDLAND PLAINS PTY LTD <BRIAN BERNARD RODAN S/F A/C>	14,100,000	14.67
VITESSE PTY LTD <THE VITESSE INVESTMENT A/C>	5,100,000	5.31
CITICORP NOMINEES PTY LIMITED	4,940,196	5.14
CAUTIOUS PTY LTD <THE RESERVE A/C>	4,100,000	4.27
DALRAN PTY LTD <THE SMITH FAMILY A/C>	4,100,000	4.27
KINGARTH PTY LTD	4,100,000	4.27
POLLY PTY LTD <BS PATTERSON FAMILY A/C>	4,100,000	4.27
SANPOINT PTY LTD <THE FIORE FAMILY A/C>	4,100,000	4.27
SGJ INVESTMENTS PTY LTD	4,100,000	4.27
TODTONA PTY LTD	4,100,000	4.27
LYREBIRD PTY LTD <LYREBIRD SUPERANNUATION FUND A>	3,800,000	3.95
ARIKI INVESTMENTS PTY LIMITED	3,059,727	3.18
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	2,520,000	2.62
REDASO PTY LTD <REDASO FAMILY A/C>	2,100,000	2.19
ROGO INVESTMENTS PTY LIMITED	2,100,000	2.19
AUSTRALIAN CONTRACT MINING PTY LTD	1,784,564	1.86
REDLAND PLAINS PTY LTD <MAJESTIC INVESTMENT FUND A/C>	1,225,000	1.27
J P MORGAN NOMINEES AUSTRALIA LIMITED	1,001,631	1.04
MR KENNETH JOSEPH HALL <HALL PARK A/C>	1,000,000	1.04
MR GEORGE SCOTT MILLING + MRS STEPHANIE MAY MILLING <MILLING SUPER FUND A/C>	576,500	0.60
TOTAL	72,007,618	74.93

D. Voting Rights

In accordance with the Company's Constitution, voting rights in respect of ordinary shares are on a show of hands whereby each member present in person or by proxy shall have one vote and upon a poll, each share will have one vote.

E. Restricted Securities

The Company has no restricted securities.

TENEMENT SCHEDULE

AS AT 6TH OCTOBER 2015

TENEMENT TYPE	TENEMENT	STATUS	LOCATION	OWNERSHIP
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%)
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%)

TENEMENT SCHEDULE

AS AT 6TH OCTOBER 2015 (continued)

TENEMENT TYPE	TENEMENT	STATUS	LOCATION	OWNERSHIP
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	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%)
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	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5359	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5360	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)

TENEMENT TYPE	TENEMENT	STATUS	LOCATION	OWNERSHIP
P	39/5361	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5362	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
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	39/5374	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5375	Granted	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%)

TENEMENT SCHEDULE

AS AT 6TH OCTOBER 2015 (continued)

TENEMENT TYPE	TENEMENT	STATUS	LOCATION	OWNERSHIP
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	39/5490	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5491	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5492	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5493	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5494	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5498	Application	Mt Morgans WA	Dacian Gold Ltd (100%)



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