

QUARTERLY ACTIVITIES REPORT TO 30 JUNE 2014

HIGHLIGHTS

EXPLORATION

- Two new, previously unreported, high grade gold intersections from within the upper extent of the current 610,000 ounce Mineral Resource at Westralia include:
 - 8.1m @ 4.6 g/t Au from 146m
 - 5.1m @ 5.3 g/t Au from 179m
- Major geological review and reinterpretation of the Jupiter prospect identifies a significant new exploration drill target on the Cornwall Shear Zone.
- New intersections from the Cornwall Shear Zone at Heffernans confirm open pit potential at Jupiter and include:
 - 18m @ 3.3 g/t Au from 100m
 - 16m @ 3.0 g/t Au from 92m
 - 12m @ 2.3 g/t Au from 75m
 - 15m @ 1.8 g/t Au from 53m
 - 39m @ 1.1 g/t Au from 120m
- Shallow intersections returned above the Cornwall Shear Zone include:
 - 2m @ 9.9 g/t Au from 29m
 - 3m @ 7.3 g/t Au from 82m
 - 2m @ 5.7 g/t Au from 13m
 - 6m @ 2.4 g/t Au from 22m
 - 15m @ 1.6 g/t Au from 11m

CORPORATE

- The company remains well funded with \$11.0 million in cash as at 30 June 2014.

BOARD OF DIRECTORS

Rohan Williams

Executive Chairman

Barry Patterson

Non-Executive Director

Robert Reynolds

Non-Executive Director

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EXPLORATION

June Quarter Overview

Exploration work completed in the June Quarter within Dacian's 100% owned Mt Morgans Project included:

- a major geological review and reinterpretation at the Jupiter project leading to a 56 hole, 7,000m RC drill program of which 25 RC holes for 3,327m were completed.
- planning a major 8,300m framework diamond drilling program testing a 3km strike of the highly prospective Westralia BIF to a depth of approximately 700m. Prospect locations are shown in Figure 1.

The Company's current drilling strategy is:

- 1) Determine the resource limits of the recently discovered Millionaires Shoot at Westralia. Westralia is currently estimated to contain 3.2Mt @ 5.9 g/t for 610,000 ounces of gold.
- 2) Confirm the size of the Westralia mineralised system.
- 3) Test mineralised extent of the newly defined +2km Cornwall Shear Zone at Jupiter – a Wallaby look-a-like.
- 4) Confirm the size of Jupiter mineralised system.

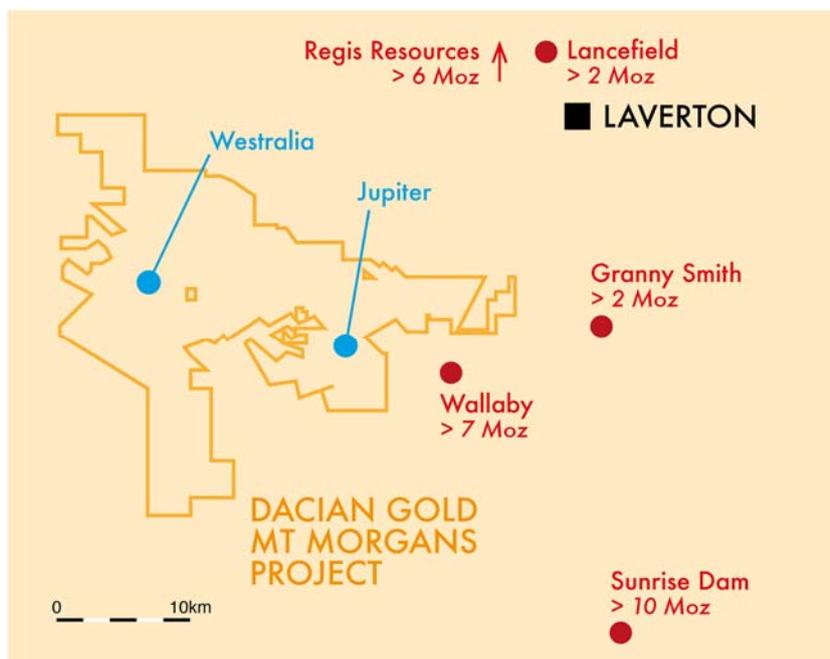


Figure 1: Regional Location Map showing the position of Dacian's Westralia and Jupiter Projects



Jupiter Geological Review

During the quarter, the Company completed a major geological review and reinterpretation of its Jupiter project. The geological review combined the Company's detailed surface mapping and drill hole logging with previous explorers' drilling results. As a consequence of this review, Dacian has identified a hitherto previously unknown 2km long north-south, gently east-dipping mineralised structure, it has called the Cornwall Shear Zone (CSZ). It was apparent from the reinterpretation and identification of the CSZ that much of the historic drilling over the previous 20 years had failed to test the CSZ. It was further noted that it is where the CSZ cuts the sub-vertical syenite bodies, as seen at Jupiter, when mined in the mid-1990s, that significant ore is developed within the syenite. Figure 2 below is a cross section through the mined Jupiter pit showing the strong development of gold ore where the CSZ cuts the syenite.

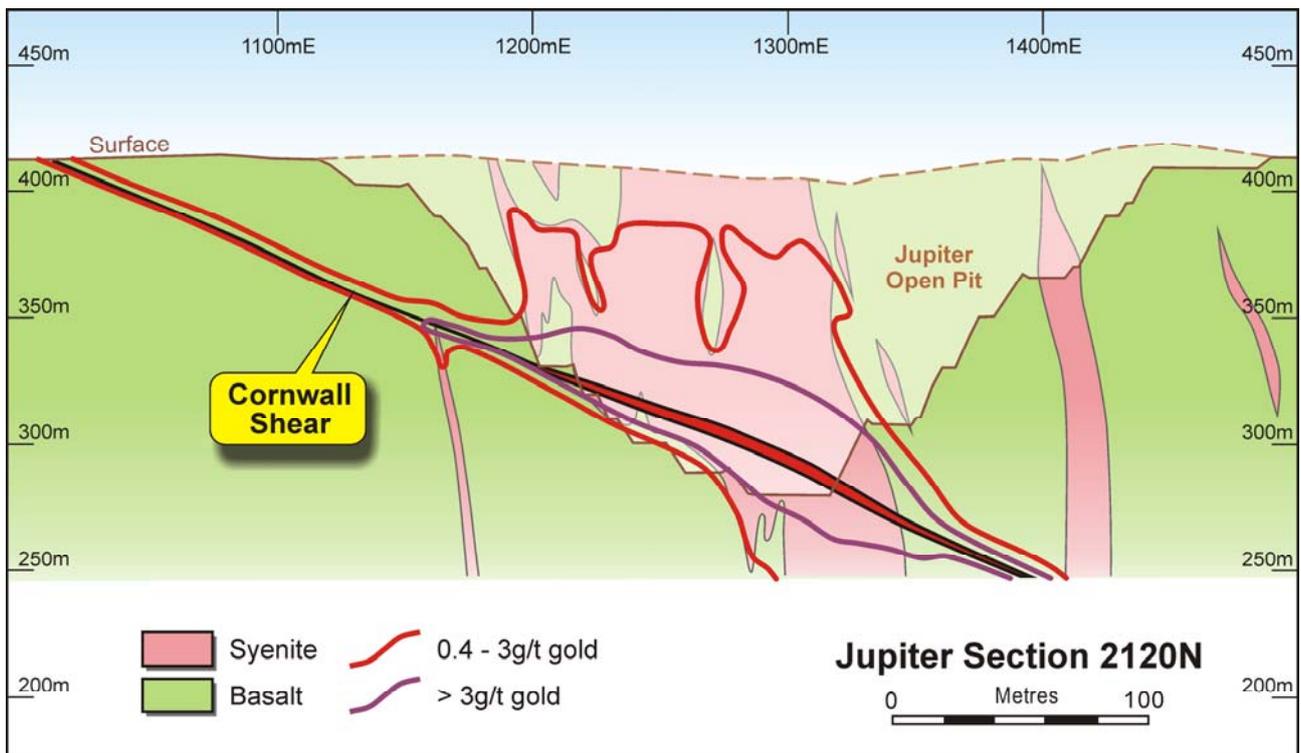


Figure 2: Representation of the significant thickness of gold ore development when the Cornwall Shear Zone passes through the syenite at Jupiter. Note vertical scale of ore thickness.



Part of the compilation work completed in the geological review of the Jupiter project was identifying the distribution of previous drilling results within the 2km long Jupiter Corridor. Figure 3 shows the distribution of previous drilling results and it is apparent there is a significant level of high grade mineralisation along the entire 2km length.

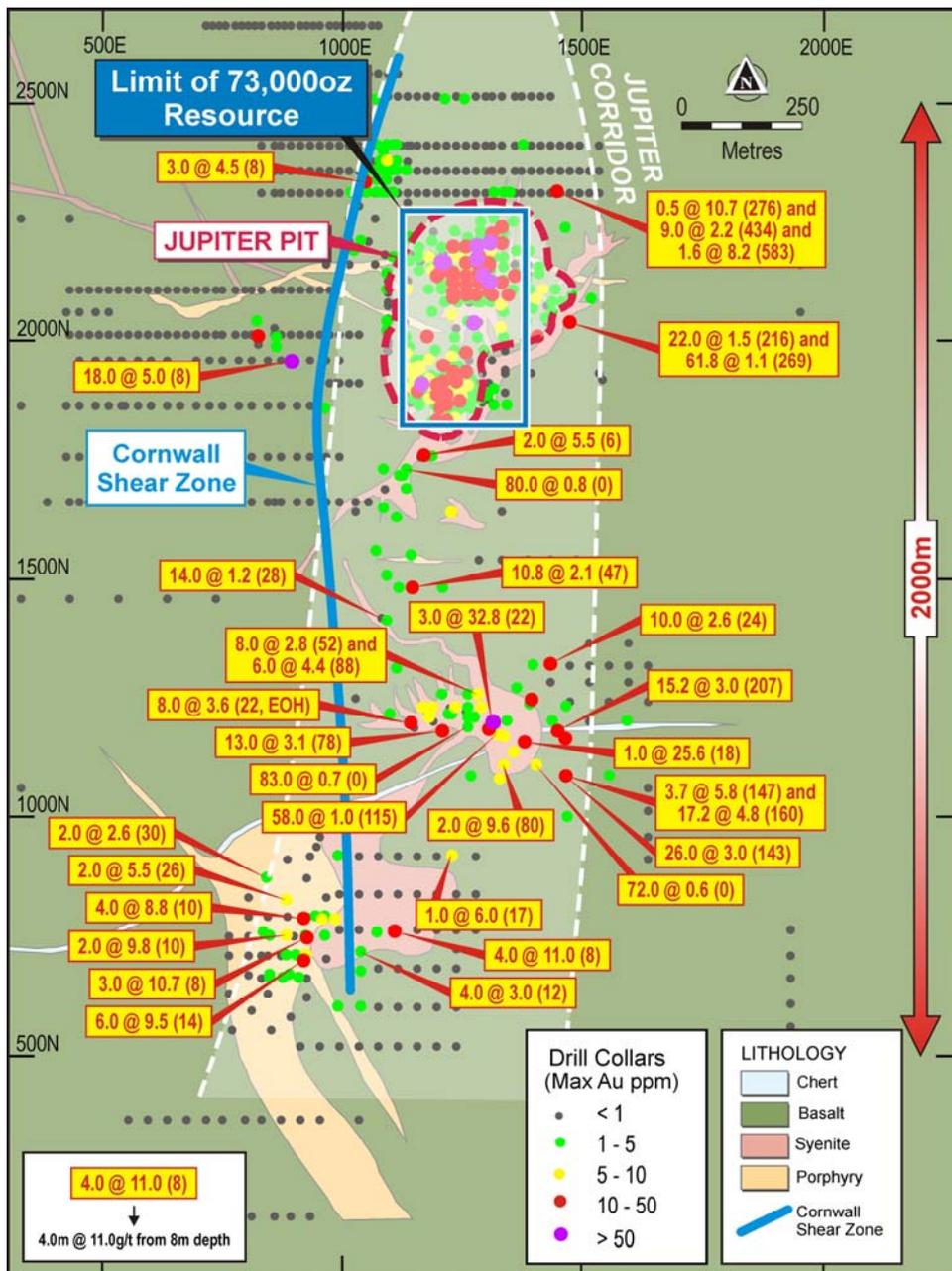


Figure 3: Distribution of high grade drilling results along the 2km long Jupiter Corridor. None of the drill results shown are included in the 73,000 ounce Jupiter mineral resource. Note the blue line is the surface expression of the Cornwall Shear Zone.

Note that none of the drill results shown in Figure 3 is included in any resource estimate for Jupiter. The existing resource at Jupiter stands at 0.8Mt @ 2.8 g/t for 73 Koz which represents mineralisation beneath the Jupiter pit only. It is clear there exists a significant exploration opportunity for material resource growth at Jupiter.

A visual inspection of the drill core from the deepest drill hole completed at Jupiter was also undertaken during the quarter. The drill hole, JURCD0011, was drilled in 2004 to a depth of 757m. The hole was oriented beneath the 140m deep Jupiter pit and intersected:

- 0.5m @ 10.7 g/t from 276m
- 9.0m @ 2.2 g/t from 434m, and
- 1.6m @ 8.2 g/t from 583m

The diamond drill core was oriented core and therefore allowed Company geologists to confirm the orientations of each of the intersections in the drill hole. Significantly, each of the high grade JURCD0011 intersections referred above are confirmed to lie on shallow east-dipping structures. This orientation is identical to the Cornwall Shear Zone structure and thus provides the Company with confirmation that the Jupiter geological setting comprises several stacked shallow east-dipping mineralised shear zones and is analogous to stacked lode ore system seen at Wallaby, located only 8km to the south-east. Figure 4 below is a schematic geological model showing the stacked east-dipping shear zones confirmed by the intersections seen in the 2004 JURCD0011 diamond drill hole.

Also identified during the June quarter Jupiter geological review is the presence of a significant magnetic anomaly located only 150m south east of the Jupiter pit. The magnetic anomaly, which has never been drill tested, measures approximately 300m long and has been modelled by geophysical consultants to lie approximately 200m below the surface; and is shown in Figure 5. The Company's interpretation of the magnetic anomaly is that it may represent a buried syenite as the surface exposure of the area overlying the magnetic anomaly is unmagnetic basalt outcrop. Diamond drilling of the magnetic anomaly will be undertaken in August.

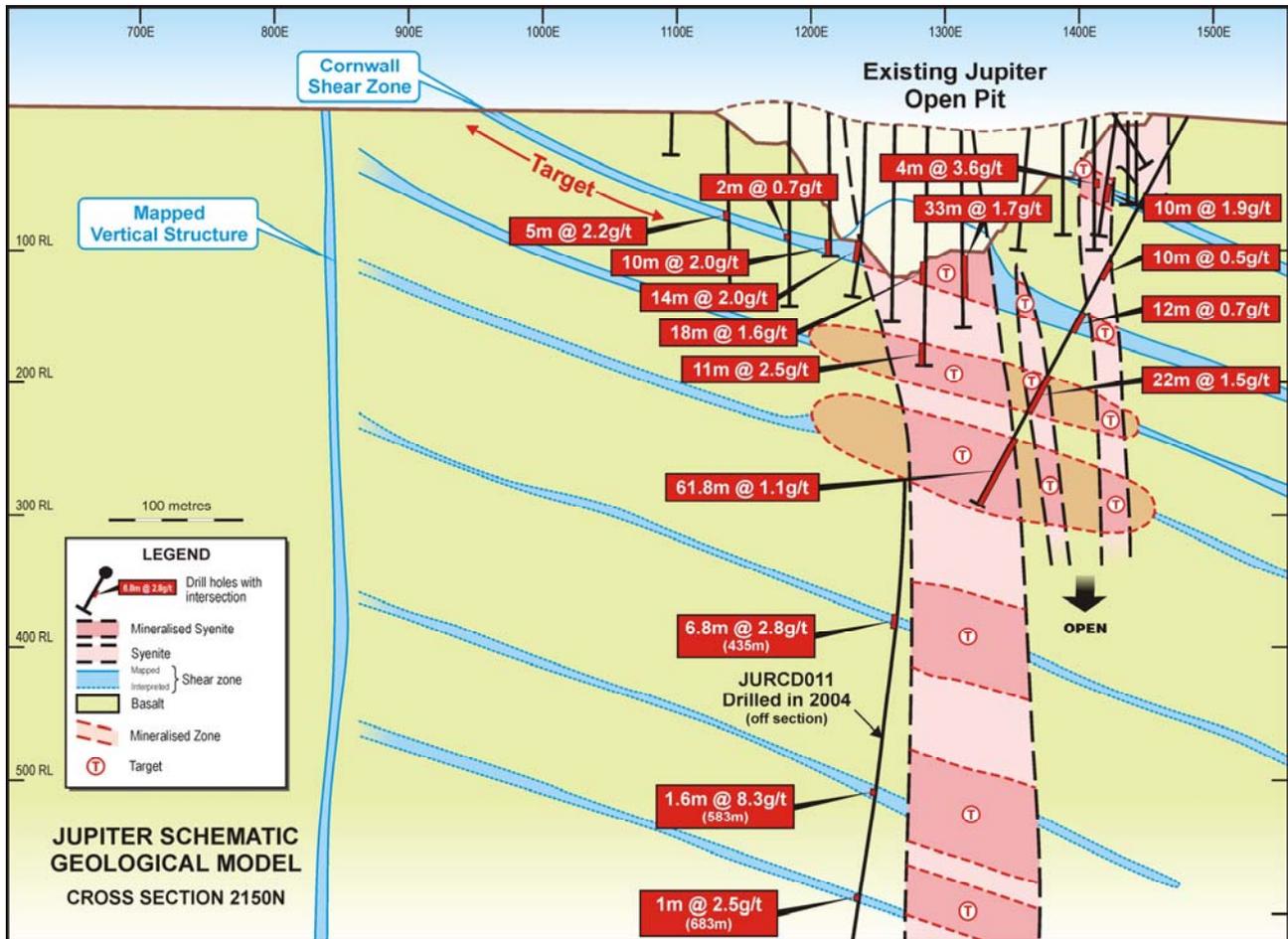


Figure 4: Schematic geological model of Jupiter Project. Note the stacked nature of mineralised shallow east-dipping structures (in blue) confirmed by (i) location and nature of the Cornwall Shear Zone and its control of mineralisation at the Jupiter pit, (ii) identification of gold mineralisation on similar dipping structures beneath the Jupiter pit, and (iii) identification of mineralised shallow east-dipping structures in the deeper 2004 JURCD0011 drill hole (drilled off section).

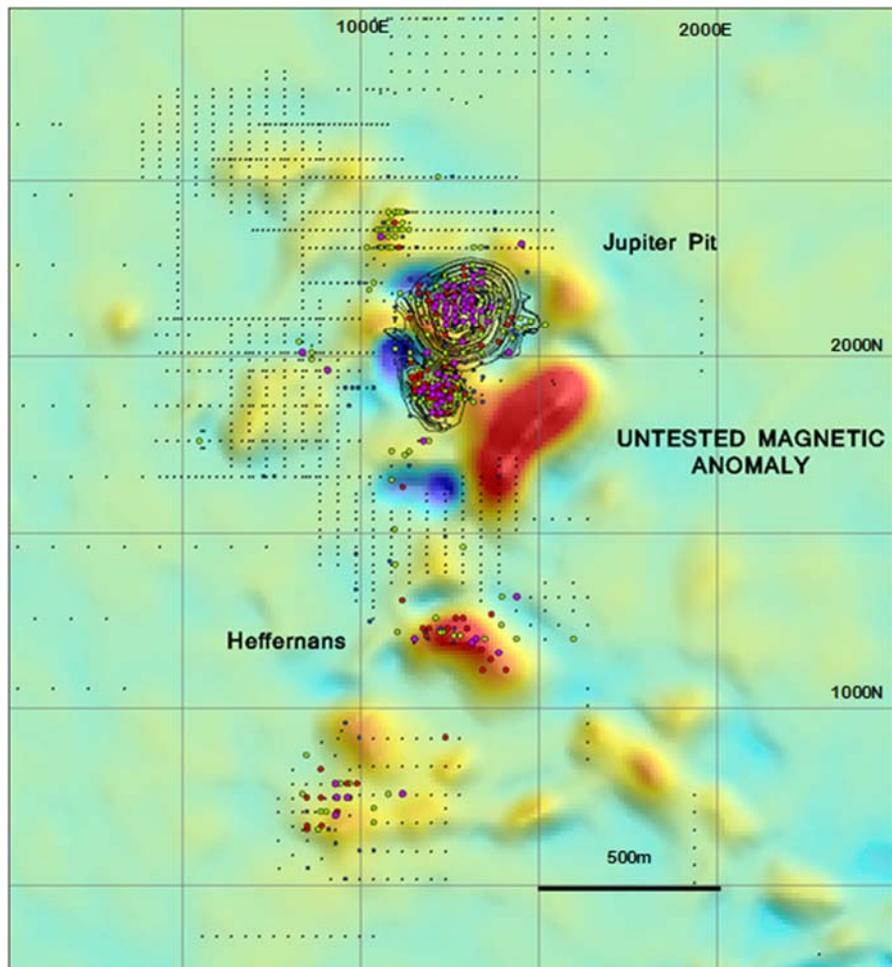


Figure 5: Untested magnetic anomaly located 150m south-east of Jupiter pit.

Jupiter Drilling Results for June Quarter

The identification of the CSZ over a distance of 2km has provided the Company with a major new exploration drill target that was the subject of RC drilling through the June quarter, and continued into the September quarter. The targets, which are focused on near surface, open pit opportunities are described as where:

- i. the CSZ cuts mapped syenite at Heffernans, and
- ii. the CSZ is developed close to the surface.

Significant drill results are tabulated below (see Dacian announcement to the ASX on 23 July 2014 for full details). True thickness of the intersections from the drill holes reported below is close to down-hole thickness given the high angle intersection between the drill hole and the targeted mineralised surface.

- 14JURC035 18m @ 3.3 g/t gold from 100m
- 14JURC030 16m @ 3.0 g/t gold from 92m
- 14JURC039 12m @ 2.3 g/t gold from 75m
- 14JURC030 9m @ 2.0 g/t gold from 67m
- 14JURC029 15m @ 1.8 g/t gold from 53m
- 14JURC036 39m @ 1.1 g/t gold from 120m
- Including 23m @ 1.3 g/t gold from 127m
- 14JURC038 6m @ 1.5 g/t gold from 45m

In addition to the thicker high grade mineralisation discovered where the CSZ intersects the Heffernans syenite, intersections within the syenite above the CSZ, and where the CSZ is developed away from the syenite, near the surface include:

- 14JURC034 2m @ 9.9 g/t gold from 29m
- 14JURC035 3m @ 7.3 g/t gold from 82m
- 14JURC031 2m @ 5.7 g/t gold from 13m
- 14JURC036 2m @ 4.3 g/t gold from 43m
- 14JURC036 6m @ 2.4 g/t gold from 22m
- 14JURC039 15m @ 1.6 g/t gold from 11m
- 14JURC035 13m @ 1.2 g/t gold from 43m

Figure 6 below of cross section 1160N shows intersections of the CSZ, both within the syenite and up-dip away from the syenite toward the surface; as well as above the CSZ wholly within the syenite.

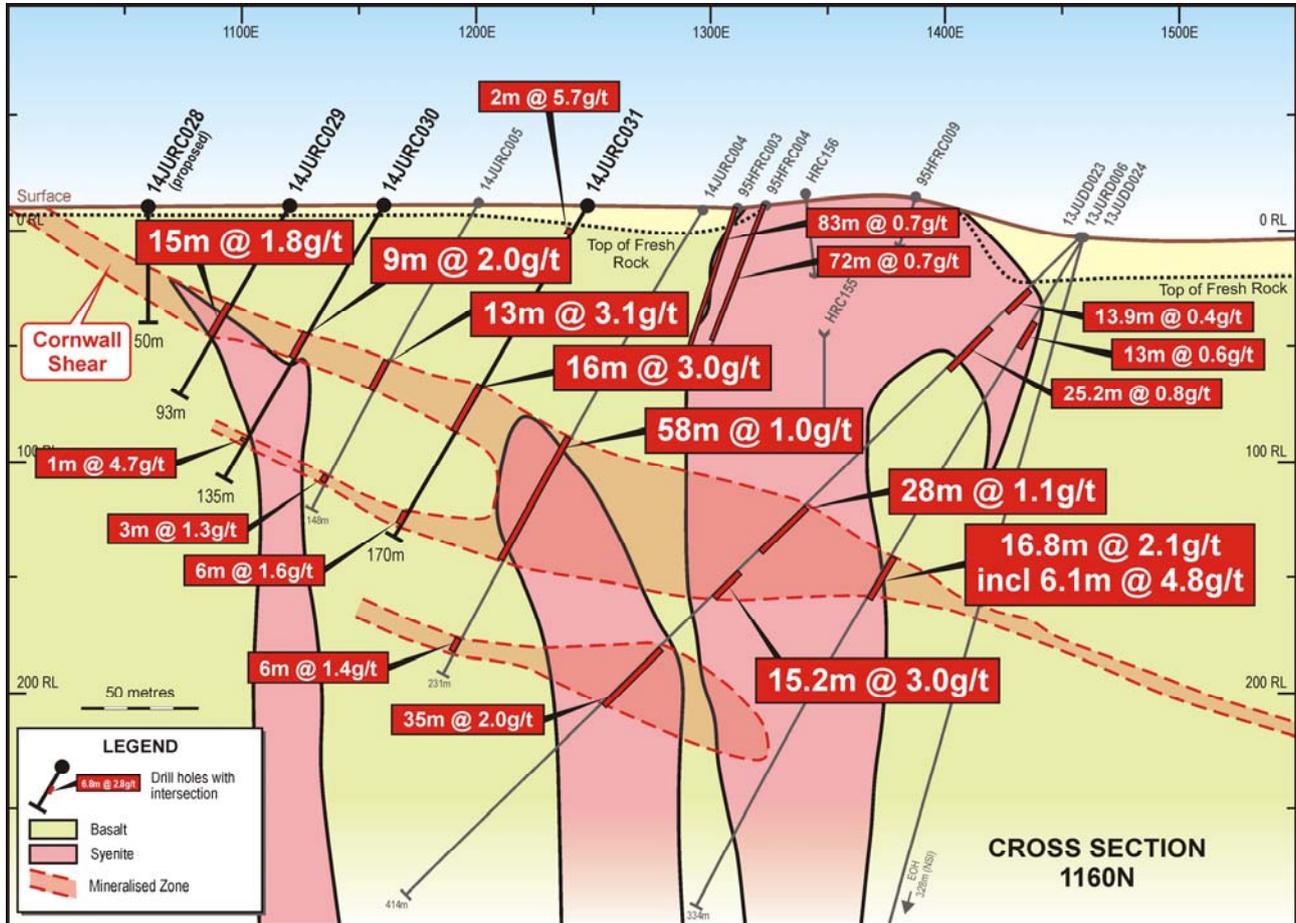


Figure 6: Cross section 1160N through Heffernans showing good continuity of thick high grade mineralisation along the CSZ from the surface. Note drill holes completed in the June quarter program (previously reported in ASX announcement 23 July 2014) are shown in bold (14JURC029–031).

Westralia

Gold mineralisation at Westralia occurs within a well-defined banded iron formation (BIF) unit from which approximately 900koz at 4.5 g/t gold was produced up to 1998. When added to the current 2013 Resource estimate, the pre-mined resource at Westralia is over 1.5 million ounces at a grade of 5.1 g/t. Much of this pre-mined resource occurs over a horizontal strike distance of 1.5km and lies within 500m of the surface. Globally, the deposit has an endowment level of around 3,000 ounces per vertical metre (OVM), making

it a highly mineralised gold deposit of significance in the WA gold fields. Dacian believes that Westralia has excellent prospectivity for depth extensions of high grade mineralisation; and the recently defined 326,000 ounce, 7.6 g/t Resource at the new Millionaires Shoot supports this contention.

During the June 2014 quarter, the final three drill holes returned results at Westralia. These holes were drilled within the upper extents of the resource boundary limits of the Westralia Resource (610,000 ounces of gold at 5.9 g/t; see Dacian's 19 December 2013 ASX release). The drilling confirms shallow up-plunge high grade nature of gold mineralisation at around 330RL (i.e. approximately 120m below the surface) mineralisation with the following results reported (see also Table 1 for full results as well as Appendix I with drill hole associated JORC information):

- 14MMRD009 5.1m @ 5.3 g/t gold from 179m
- 14MMRD007 8.1m @ 4.6 g/t gold from 146m
- 14MMRD008 1.1m @ 2.9 g/t gold from 199m

All holes returned during the June 2014 quarter are shown in long section in Figure 7; along with previously released drill hole intersections that comprise the Millionaires Shoot.

In August, the Company will embark on an 8,300m major framework diamond drilling program along the Westralia banded iron formation (BIF). The 13 hole program will test a 3km of strike length of BIF with the aim of confirming the size of the Westralia mineralised system (Figure 8). The deepest hole underneath the Millionaires Shoot will test 800m below surface and 200m down plunge of the previously reported historic hole, MPRCD0036, which intersected 11.9m at 8.6 g/t.

The Company's geologists believe a significant opportunity exists for depth extensions of the Westralia high grade mineralisation below a broad flexure observed in the BIF and described in Figure 8 as an interpreted flattening zone.

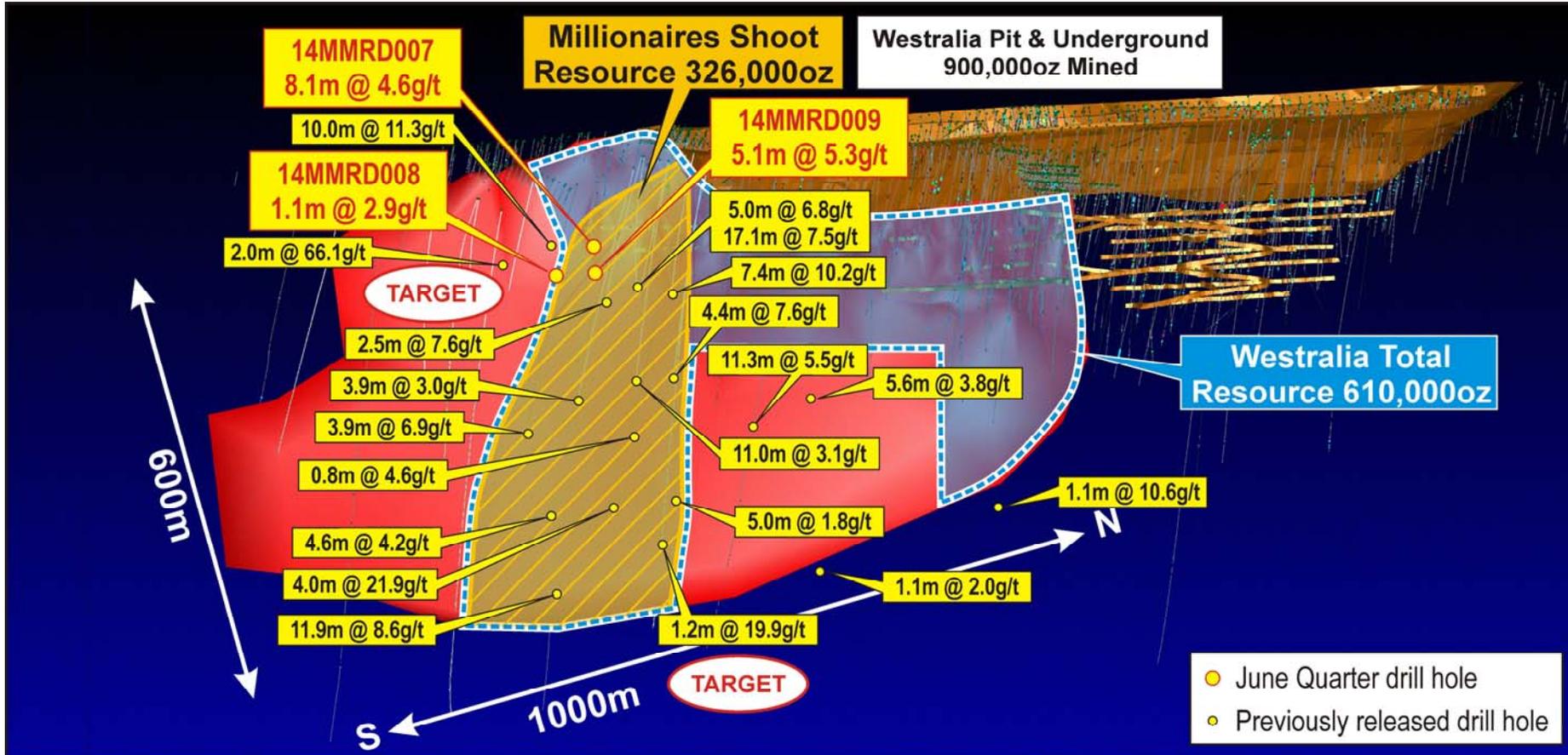


Figure 7: Long section of Westralia showing high grade intersections returned during June 2014 quarter (14MMRD prefix). Note all intersections were from within the existing Resource boundary. Also shown are previously released results and target areas.

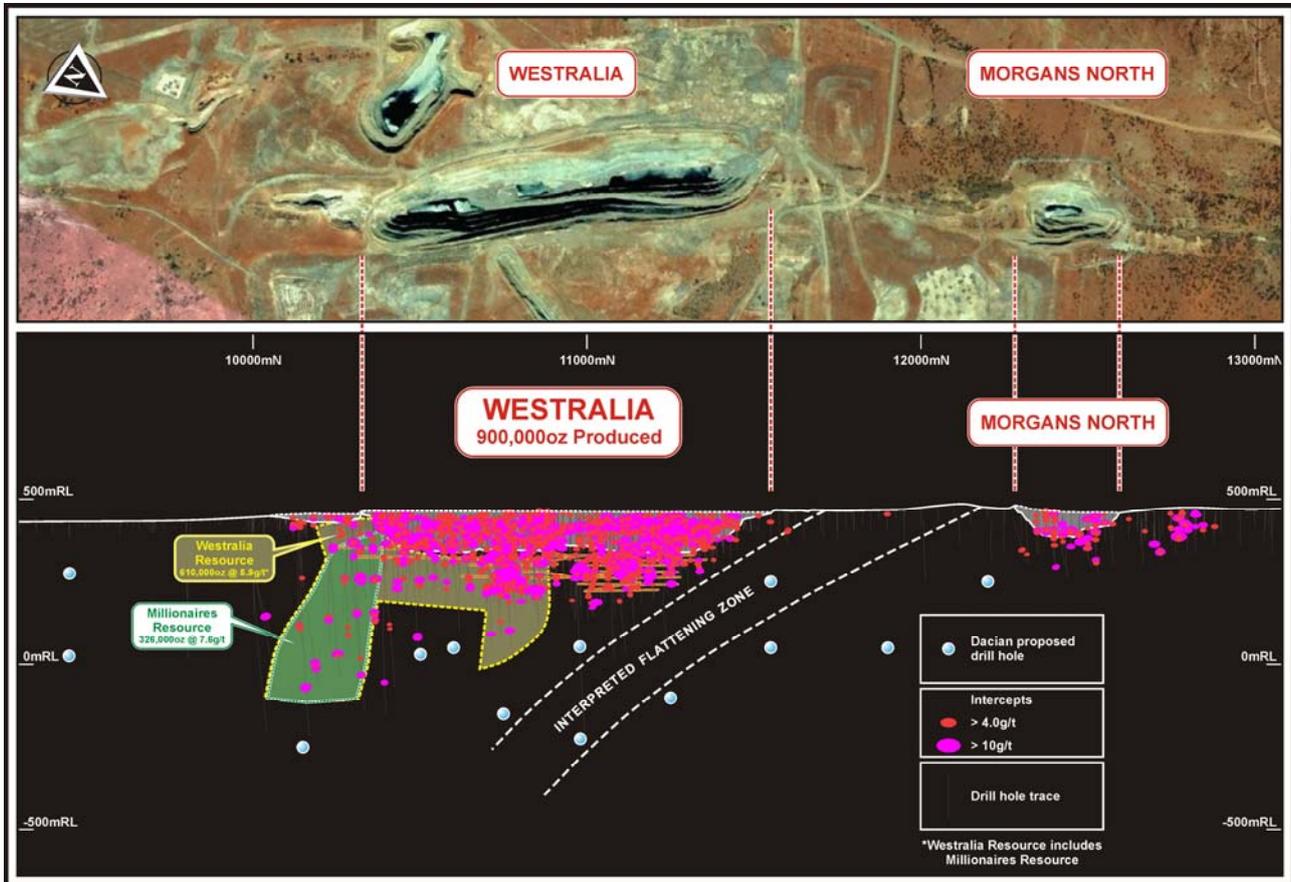


Figure 8: Long section of Westralia showing the extent of the 900,000oz mined to date, the current resource boundary and the proposed pierce points of the upcoming major framework diamond drilling program.

Gold mineralisation at Westralia is associated with pyrrhotite and pyrite replacement of magnetite within zones of alteration of the BIF. It is apparent that gold is developed within the zones of strong sulphide development; and Dacian has planned to conduct down-hole electro-magnetics as a means of targeting accumulations of gold-bearing sulphide material at depth. The Company will also complete a large fixed loop electromagnetic survey over the entire 6km length of the Westralia BIF in the upcoming months.

Planned work for the September Quarter

As previously noted, Dacian's exploration strategy at Mt Morgans is aimed at delivering on the company's corporate objective of defining at least 600,000 ounces of Ore Reserves at Mt Morgans. Dacian considers mining an Ore Reserve of at least 600,000 ounces of gold is reasonably likely to provide sufficient returns to justify the investment capital required to construct an ore processing facility at the project. In order to meet the Company



objective, Dacian will, in FY2015, increase its exploration activity on Westralia and Jupiter. The Company has planned to drill 40,000m of RC and diamond drilling over the next 12 months. The aim of the aggressive drilling programs is to determine for both Westralia and Jupiter:

- i. the limits of recently discovered mineralisation / shoots as seen at Millionaires (at Westralia) and along the Cornwall Shear Zone (at Jupiter), and
- ii. understand the size of the ore systems at Westralia and Jupiter.

Exploration activity during the September quarter at Jupiter will focus on completing the 56 hole, 7,000m RC drilling program that started in June (see also ASX announcement released on 23 July 2014 entitled "Initial Drilling Confirms Open Pit Potential at Jupiter"). In addition the untested magnetic anomaly shown in Figure 5 above will be drill tested with diamond drilling.

Exploration activity during the September quarter at Westralia will focus on commencing a 13 hole, 8,300m diamond drill program testing for repeats of the Westralia mineralisation along the 3km strike of the Westralia – Morgans Nth BIF trend. Drilling will be conducted with two diamond drill rigs, both on double shift.

Significant exploration results from the high level of drilling to be conducted during the September quarter will be released to the market as they become available.

CORPORATE

- As at 30 June 2014, the Company had cash reserves of \$11 million.
- Shares on issue are 96.1 million with no change from the previous quarter. Of these, 24 million remain in escrow until 14 November, 2014.
- Total number of unlisted options is 7.15 million.

For and on behalf of the Board

Rohan Williams
Executive Chairman

Table 1: Results of Previously Unreleased Drilling during the June 2014 Quarter

Drilling Results from Westralia												
Collar Location and Orientation								Intersection > 1 ppm Au				
Hole	Type	X	Y	Z	Total Depth	Dip	Azimuth	From (m)	To (m)	Length (m)	Au (ppm)	
14MMRD007	RCD	409,614	6,816,693	448	264	-60	240	145.60	153.70	8.10	4.6	
								including	145.60	147.75	2.15	11.5
									225.90	227.00	1.10	2.4
									232.75	234.00	1.25	1.6
14MMRD008	RCD	409,671	6,816,677	451	306	-60	240	199.00	200.05	1.05	2.9	
									213.00	214.60	1.60	1.4
14MMRD009	RCD	409,642	6,816,709	450	321	-60	240	178.90	184.00	5.10	5.3	
								including	178.90	179.80	0.90	8.2
									183.20	184.00	0.80	24.3
									189.70	191.90	2.20	2.5
									197.45	207.50	10.05	1.5
									198.90	202.00	3.10	2.6
	204.70	207.50	2.80	2.2								

About Dacian Gold Limited

Dacian Gold Limited is a well-funded, Western Australian focused gold exploration and development company, headquartered in Perth. In November 2012, the company raised \$20 million in its IPO to explore its 100% owned Mt Morgans gold project, located in the Laverton District of Western Australia's North Eastern Goldfields.

The Mt Morgans Project hosts high grade Mineral Resources of 1.2 million ounces at an average grade of 4.0 g/t gold, including Ore Reserves of 136,000 ounces at an average grade of 6.2 g/t gold. In addition, the Company has identified multiple exploration targets and resource extension opportunities. If proven, they will enable growth of the Mt Morgans' existing Mineral Resource and Ore Reserve base. See Appendix II for full details including Competent Persons statements

Dacian Gold has a strong Board and Management team which includes Rohan Williams as Executive Chairman; Robert Reynolds (formerly non-executive Chairman of Avoca Resources Ltd) and Barry Patterson (co-founder and non-executive Director of GR Engineering Ltd) as non-executive directors.

Dacian's exploration strategy at Mt Morgans is aimed at delivering on the company's corporate

objective of defining at least 600,000 ounces of Ore Reserves at Mt Morgans. Dacian considers mining an Ore Reserve of at least 600,000 ounces of gold is reasonably likely to provide sufficient

returns to justify the investment capital required to construct an ore processing facility at the project.

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

Rohan Williams

Executive Chairman

Dacian Gold Limited +61 8 9226 4622 or rohan.williams@daciangold.com.au

APPENDIX I – JORC TABLE 1

The following Table and Sections are provided to ensure compliance with the JORC Code (2012) edition requirements for the reporting of exploration results on the Mt Morgans Project which includes both Westralia and Jupiter.

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> • <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> • <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> • <i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i> 	<ul style="list-style-type: none"> • Dacian utilised RC and diamond drilling. Holes were generally angled towards grid west to optimally intersect the targeted mineralised zones. • Dacian core was sampled as half core at 1m intervals or to geological contacts • To ensure representative sampling, half core samples were always taken from the same side of the core. • At Jupiter the full length of each hole was sampled and at Westralia the core was selectively sampled. • Dacian RC drilling was sampled at 1m intervals via an on-board cone splitter. • Minor 4m composite samples were taken via a scoop and submitted for analysis. • Historical RC samples were collected at 1m, 2m and 4m intervals using riffle splitters. • Dacian samples were submitted to a contract laboratory for crushing and pulverising to produce a 40g charge for fire assay.
Drilling techniques	<ul style="list-style-type: none"> • <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i> 	<ul style="list-style-type: none"> • Diamond drilling was carried out with NQ2 sized equipment with standard tube. • Drill core was orientated using a Reflex orientation tool. • For RC holes, a 5¼” face sampling bit was used • Diamond tails are drilled from RC pre-collars up to 180m depth.



Criteria	JORC Code explanation	Commentary
Drill sample recovery	<ul style="list-style-type: none"> • <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> • <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> • <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i> 	<ul style="list-style-type: none"> • Recoveries from historical drilling are unknown. • Recoveries from Dacian core drilling were measured and recorded in the database and recovery was generally 100% in fresh rock with minor core loss in oxide. • In Dacian drilling no relationship exists between sample recovery and grade.
Logging	<ul style="list-style-type: none"> • <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> • <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> • <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> • All diamond drill holes were logged for recovery, RQD, geology and structure. RC drilling was logged for various geological attributes. • For Dacian drilling, diamond core was photographed both wet and dry. • All drill holes were logged in full.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> • Dacian core was cut in half using an automatic core saw at either 1m intervals or to geological contacts. • To ensure representivity, all core samples were collected from the same side of the core. • Historical RC samples were collected at the rig using riffle splitters. Samples were generally dry. • Dacian RC samples were collected via on-board cone splitters. All samples were dry. • For RC drilling, sample quality was maintained by monitoring sample volume and by cleaning splitters on a regular basis. • Field duplicates were taken at 1 in 25 for RC drilling. • Sample preparation was conducted by a contract laboratory. After drying, the sample is subject to a primary crush, then pulverised to that 90% passing 75µm. • For historic drilling detailed information on the QAQC programs used was not available. • Sample sizes are considered appropriate to correctly represent the gold mineralisation based on: the style of mineralisation, the thickness and consistency of the



Criteria	JORC Code explanation	Commentary
		intersections, the sampling methodology and assay value ranges for Au.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> • <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> • For Dacian drilling, the analytical technique used was a 40g fire assay with Pb collection, with an ICP-AAS finish. This is a full digestion technique. Samples were analysed at Bureau Veritas Laboratories in Kalgoorlie, Western Australia. • For Dacian drilling, sieve analysis was carried out by the laboratory to ensure the grind size of 90% passing 75µm was being attained. • For Dacian drilling, QAQC procedures involved the use of certified reference materials (1 in 20) and blanks (1 in 50). Results were assessed as each laboratory batch was received and were acceptable in all cases • No QAQC data has been reviewed for historic drilling although mine production has largely validated drilling results. • Laboratory QAQC includes the use of internal standards using certified reference material, blanks, splits and replicates. • Certified reference materials demonstrate that sample assay values are accurate. • At both Jupiter and Westralia, umpire laboratory testwork was completed in January 2014 over mineralised intersections with good correlation of results.
Verification of sampling & assaying	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • At Jupiter and Westralia, significant intersections were visually field verified by company geologists. • At Westralia, significant intersections from seven Dacian holes were re-assayed by screen fire assay with good repeatability of results • No twin holes were drilled. • Primary data was collected into either an Excel spread sheet or GEOBANK software and then imported into a Data Shed database. • Assay values that were below detection limit were adjusted to equal half of the detection limit value.



Criteria	JORC Code explanation	Commentary
Location of data points	<ul style="list-style-type: none"> • Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> • Historic drill hole collar coordinates were tied to a local grid with subsequent conversion to MGA94 Zone 51. • Mine workings support the locations of historic drilling. • All Dacian hole collars were surveyed in MGA94 Zone 51 grid using differential GPS. • Dacian holes at Jupiter were downhole surveyed either with multi-shot EMS or Reflex multi-shot tool. • Dacian holes at Westralia were downhole surveyed by Gyro Australia using a north seeking gyro tool. • Topographic surface prepared from detailed ground and mine surveys.
Data spacing and distribution	<ul style="list-style-type: none"> • Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied. 	<ul style="list-style-type: none"> • At Jupiter, the nominal hole spacing of Dacian drilling is approximately 40–80m. • At Westralia, the Dacian drilling has a nominal spacing of approximately 40–80m along strike and 40–200m down dip. • The reported drilling in March – July 2014 has not been used to prepare Mineral Resource estimates for either deposit.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> • At Westralia, drill holes are angled to 245°, which is approximately perpendicular to the orientation of the well-defined mineralisation. • At Jupiter, most holes are angled to the west so that intersections are orthogonal to the expected trend of mineralisation. • No orientation based sampling bias has been identified in the data.
Sample security	<ul style="list-style-type: none"> • The measures taken to ensure sample security. 	<ul style="list-style-type: none"> • Chain of custody is managed by Dacian. Samples are stored on site until collected for transport to BV Laboratories in Kalgoorlie. Dacian personnel have no contact with the samples once they are picked up for transport. Tracking sheets have been set up to track the progress of samples.
Audits or reviews	<ul style="list-style-type: none"> • The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> • A RungePincockMinarco (RPM) consultant reviewed RC and diamond core sampling techniques in October 2013 and concluded that sampling techniques are satisfactory.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area. 	<ul style="list-style-type: none"> The Westralia deposit is located within Mining Lease 39/18, which is wholly owned by Dacian and subject to a 1% third party capped production royalty. The Jupiter deposit is located within Mining Lease 39/236, which is wholly owned by Dacian and subject to a 1% capped production royalty and another tonnage based royalty. The tenements are in good standing with no known impediment to future grant of a mining permit.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> At Westralia, open pit and underground mining has occurred since the 1890's. Other companies to have explored the deposit include Whim Creek Consolidated NL, Dominion Mining, Plutonic Resources, Homestake Gold and Barrick Gold Corporation. At Jupiter, open pit mining occurred in the 1990's. Previous companies to have explored the deposit include Croesus Mining, Dominion Mining and Barrick Gold Corporation.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The Westralia gold deposit is an Achaean BIF hosted, sulphide replacement mineralisation and is located within the Yilgarn Craton of Western Australia. The Jupiter prospect is interpreted to comprise structurally controlled mesothermal gold mineralisation related to syenite intrusions within altered basalt.
Drill hole information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception 	<ul style="list-style-type: none"> For drilling not previously reported, the locations and mineralised intersections for all holes completed are summarised in Table 1 in the body of this ASX release. Refer to previous Dacian ASX releases for information regarding previous Dacian drilling. Reporting of intersection widths in Figures and summary tables is rounded to the nearest 0.1m. Actual intersection widths are listed in Table 1 of the report.



Criteria	JORC Code explanation	Commentary
	<p><i>depth</i></p> <ul style="list-style-type: none"> <i>hole length</i> <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i> 	
Data aggregation methods	<ul style="list-style-type: none"> <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</i> <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> Exploration results are reported as length weighted averages of the individual sample intervals. Zones of particularly high grade gold mineralisation have been separately reported in Table 1 in the body of this ASX release. No high grade cuts have been applied to the reporting of exploration results. At Westralia, intersections have been reported using a 1g/t lower cut-off, and can include up to 4m of internal dilution. At Jupiter, intersections have been reported using a 0.5g/t lower cut-off, and can include up to 4m of internal dilution. No metal equivalent values have been used.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i> 	<ul style="list-style-type: none"> At Westralia, drill holes are angled to 245°, which is approximately perpendicular to the orientation of the well-defined mineralised trend and true width is approximately 60–90% of down hole intersections. At Jupiter, most holes are angled to the west so that intersections are orthogonal to the expected trend of mineralisation. It is interpreted that true width is approximately 60–100% of down hole intersections.
Diagrams	<ul style="list-style-type: none"> <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> Relevant diagrams have been included within the main body of text.
Balanced Reporting	<ul style="list-style-type: none"> <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and</i> 	<ul style="list-style-type: none"> All exploration results have been reported.



Criteria	JORC Code explanation	Commentary
	<p><i>other locations used in Mineral Resource estimation.</i></p> <ul style="list-style-type: none"> • <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	
Other substantive exploration data	<ul style="list-style-type: none"> • <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> • All interpretations for both Westralia and Jupiter mineralisation are consistent with observations made and information gained during previous mining at the project.
Further work	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • At Jupiter, further broad spaced drilling is planned to define the structural controls and mineralisation potential of the Jupiter Corridor. • At Westralia, further results are pending and broad spaced drilling is planned to extend the known mineralisation. The results will determine what further work is required. • Refer to diagrams in the body of this release.

Appendix II Mineral Resources and Ore Reserves

Mount Morgans Gold Project Mineral Resources													
Deposit	Cut-off Grade Au g/t	Measured			Indicated			Inferred			Total Mineral Resource		
		Tonnes kt	Au g/t	Au '000's	Tonnes kt	Au g/t	Au '000's	Tonnes kt	Au g/t	Au '000's	Tonnes kt	Au g/t	Au '000's
King St	0.5							532	2.0	33	532	2.0	33
Jupiter	1.5							811	2.8	73	811	2.8	73
Westralia	2	150	5.0	24	951	5.2	158	2,112	6.3	428	3,213	5.9	610
Craic	0.5				69	8.2	18	120	7.1	27	189	7.5	46
Transvaal	0.5	1,549	3.2	159	1,176	2.7	102	926	2.2	66	3,650	2.8	327
Ramornie	0.5				189	3.6	22	138	2.8	13	326	3.3	34
Morgans Nth	0.5				290	2.6	25	169	3.8	20	459	3.1	45
Total		1,699	3.4	184	2,674	3.8	324	4,808	4.3	660	9,180	4.0	1,168

Mount Morgans Gold Project Ore Reserves										
Deposit	Cut-off Grade Au g/t	Proved			Probable			Total		
		Tonnes kt	Au g/t	Au '000's Oz	Tonnes kt	Au g/t	Au '000's Oz	Tonnes kt	Au g/t	Au '000's Oz
Craic	3.9				28	9.2	8	28	9.2	8
Transvaal	3.4	380	6.2	76	271	6.0	52	651	6.1	128
Total		380	6.2	76	299	6.3	61	679	6.2	136

Competent Person Statement

Exploration

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

Mineral Resources and Ore Reserves

The information in this report that relates to Mineral Resources (other than Westralia which is reported under JORC 2012, refer ASX release of 19 December 2013) is based on information compiled by Mr Rohan Williams, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Williams holds shares and options in, and is a director and full time employee of, Dacian Gold Ltd.

Where the Company refers to the Westralia Mineral Resource in this report (referencing the release made to the ASX on 19 December 2013), it confirms that it is not aware of any new information or data that materially affects the information included in that announcement and all material assumptions and technical parameters underpinning the resource estimate with that announcement continue to apply and have not materially changed.

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.

All information relating to Mineral Resources and Ore Reserves (other than the Westralia Mineral Resource estimate, see ASX announcement dated 19 December 2013) was prepared and disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last updated.

APPENDIX III – TENEMENT SCHEDULE (with respect to tenement changes in the June quarter, refer to Appendix 5B, sections 6.1 and 6.2).

Tenement Type	Tenement	Status	Location	Ownership
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%)
E	38/2939	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
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%)



Tenement Type	Tenement	Status	Location	Ownership
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%)
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	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	Application	Mt Morgans WA	Dacian Gold Ltd (100%)



Tenement Type	Tenement	Status	Location	Ownership
P	39/5359	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5360	Granted	Mt Morgans WA	Dacian Gold Ltd (100%)
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	39/5373	Application	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	39/5376	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5377	Application	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	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5469	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5475	Application	Mt Morgans WA	Dacian Gold Ltd (100%)



Tenement Type	Tenement	Status	Location	Ownership
P	39/5476	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5477	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5478	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5479	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5480	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5481	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5490	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5491	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5492	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5493	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5494	Application	Mt Morgans WA	Dacian Gold Ltd (100%)

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

Dacian Gold Limited

ABN

61 154 262 978

Quarter ended ("current quarter")

30 June 2014

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration & evaluation	(940)	(4,439)
(b) development	-	-
(c) production	-	-
(d) administration	(331)	(1,201)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	97	547
1.5 Interest and other costs of finance paid	(1)	(9)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(1,175)	(5,102)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(34)	(214)
(d) bonds	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
(d) bonds redeemed	-	1,228
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(34)	1,014
1.13 Total operating and investing cash flows (carried forward)	(1,209)	(4,088)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,209)	(4,088)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	(8)	(31)
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	(8)	(31)
	Net increase (decrease) in cash held	(1,217)	(4,119)
1.20	Cash at beginning of quarter/year to date	12,166	15,068
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	10,949	10,949

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	280
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

- Remuneration of directors - \$131k;
- Payment of tax on termination benefits - \$149k.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,320
4.2 Development	-
4.3 Production	-
4.4 Administration	300
Total	1,620

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	2,919	11,117
5.2 Deposits at call	8,030	1,049
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	10,949	12,166

+ See chapter 19 for defined terms.

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	Nil		
6.2	Interests in mining tenements acquired or increased	Nil		

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1				
	-	-		
7.2				
7.3	96,100,000	72,100,000		
7.4				
	-	-		
7.5				
	-	-		

+ See chapter 19 for defined terms.

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)			<i>Exercise price</i>	<i>Expiry date</i>
		6,150,000	-	84 cents	9 October 2017
		1,000,000	-	57 cents	28 February 2019
7.8	Issued during quarter	-	-		
7.9	Exercised during quarter	-	-		
7.10	Expired during quarter	-	-		
7.11	Debentures (totals only)	-	-		
7.12	Unsecured notes (totals only)	-	-		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



Company secretary

Date: 29 July 2014

Print name:

Kevin Hart

+ See chapter 19 for defined terms.

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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