

INVESTMENT HIGHLIGHTS

- 100% ownership of the high grade Mt Morgans Gold Project, Laverton District in WA
- Ore Reserve of 136,000oz at 6.2g/t Au
- Mineral Resources of 840,000oz at 3.1g/t Au (inclusive of reserves).
- Multiple high grade targets to be drilled, testing below existing resources as well as large scale conceptual targets.
- Minimum ore reserve target of 500,000 ounces.
- \$18.5M in cash as at 31 December 2012.

BOARD OF DIRECTORS

Rohan Williams
Non-Executive Chairman

Paul Payne
Managing Director

Barry Patterson
Non-executive Director

Robert Reynolds
Non-executive Director

ASX code: "DCN"

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HIGH GRADE DRILLING RESULTS CONTINUE AT WESTRALIA

Dacian Gold Limited ("Dacian") is pleased to announce new high grade drill results from its broad spaced diamond drilling program testing for resource extensions at the south end of the Westralia BIF-hosted gold deposit, located within its 100% owned Mt Morgans Gold Project, 40km west of Laverton in the North Eastern Goldfields of Western Australia.

- A new significant intersection of **17.08m @ 7.5g/t gold** from 218.7m was returned from drill hole 13MMRD003. The result is in addition to the 5m @ 6.8g/t gold from 202m reported in the same hole on 5 March 2013.
- Drill hole 13MMRD002 intersected **0.63m @ 32.7g/t gold** from 375.6m at the targeted BIF horizon testing in between two 300m spaced historic holes that previously intersected 3.85m @ 6.9g/t and 2m @ 5.8g/t gold.
- Drill hole 13MMRD005 tested the BIF target zone 150m along strike and to the south of 13MMRD003 and 170m up-dip of the historic 3.85m @ 6.9g/t, and returned 2.61m @ 2.0g/t from 204.4m and 1m @ 5.1g/t from 219m.
- Drilling has now confirmed the existence of high grade gold mineralisation in excess of 450m below the existing resource boundary at Westralia, and remains open at depth.

Managing Director Paul Payne commented "These very broad spaced diamond drill intersections confirm our view that Westralia is not only a very large mineralised position, but that it also has the potential to host substantial high grade shoots close to existing underground development. We have commenced planning selected infill holes to define the shoot extent. This will be done in parallel with further first pass testing of the target horizon to the north of our initial drilling."

Westralia

Gold mineralisation at Westralia occurs within a well-defined banded iron formation (BIF) horizon. Sparse drilling beneath the southern end of the Westralia pit carried out during 1990s had returned high grade gold intersections within an area measuring 1,000m along strike and 600m down-dip (see Figure 1). Dacian has commenced broad infilling of this large target area with an initial series of 7 diamond holes at approximately 200m centres (shown on Figure 1).

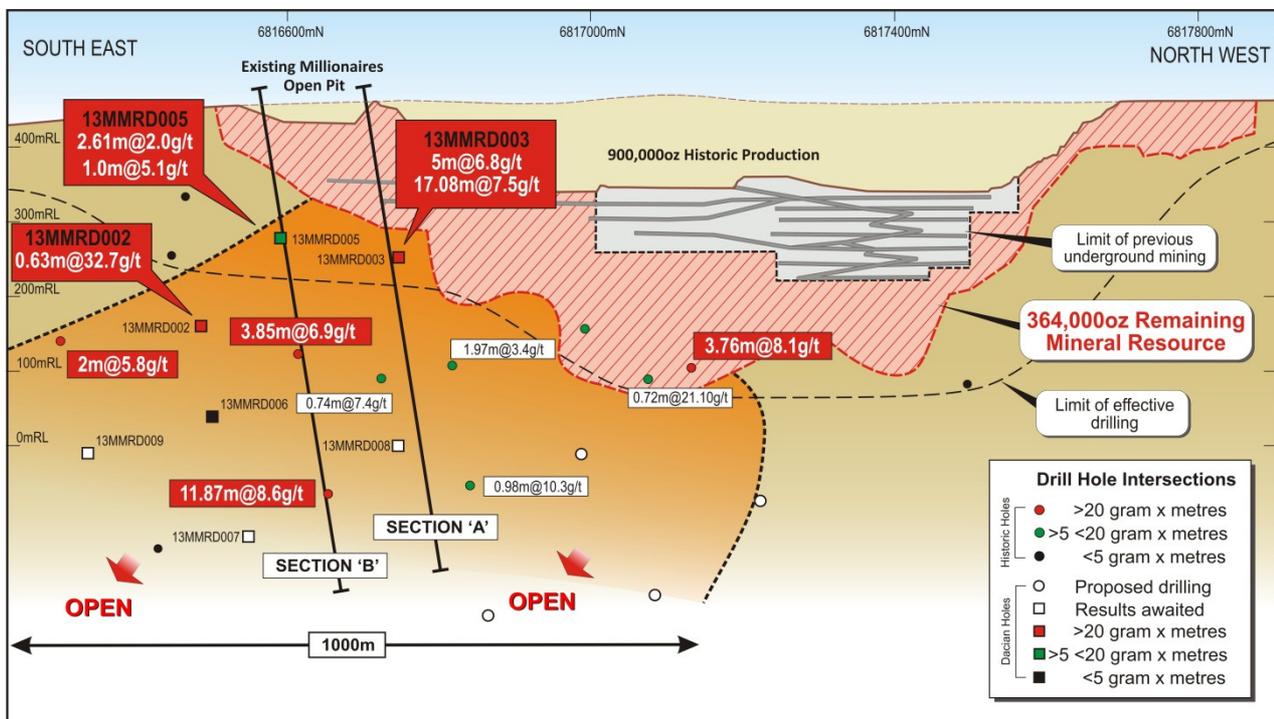


Figure 1: Westralia Long Section Showing Historical Intersections and Dacian Drill Holes

The first three drill holes completed by Dacian: 13MMRD002, 13MMRD003 and 13MMRD005 have all returned high grade gold mineralisation from the targeted BIF horizon with the best result of **17.08m @ 7.5g/t** from 218.7m and **5m @ 6.8g/t** from 202m (reported to the ASX on 5 March 2013) in 13MMRD003; and **0.63m @ 32.07g/t** from 375.6m in 13MMRD002. 13MMRD005 returned **2.61m @ 2.0g/t** from 204.45m and **1m @ 5.1g/t** from 219m. All recently completed drill results are shown on Figure 1 and detailed in Table 1.

Figure 2 and Figure 3 are cross sections showing the location of the recent Dacian drilling together with previously completed drilling. Importantly the cross sections show the significant extensions of the now drill-defined mineralisation below the existing resource boundary. Figure 3 for example shows high grade gold mineralisation extending for over 450m below the Westralia resource boundary, with the deepest (previously drilled) hole intersecting **11.87m @ 8.6g/t** (including **3.11m @ 26.7g/t**), with mineralisation remaining open at depth.

Figure 2 shows the proximity of existing underground development to the 17.08m @ 7.5g/t intersection in 13MMRD003.

Dacian is highly encouraged at the large extent of high grade gold mineralisation defined by both its own recent drilling and that completed by previous operators; and believes there is excellent potential to continue to grow the Westralia resource beyond its current 364,000 ounce inventory.

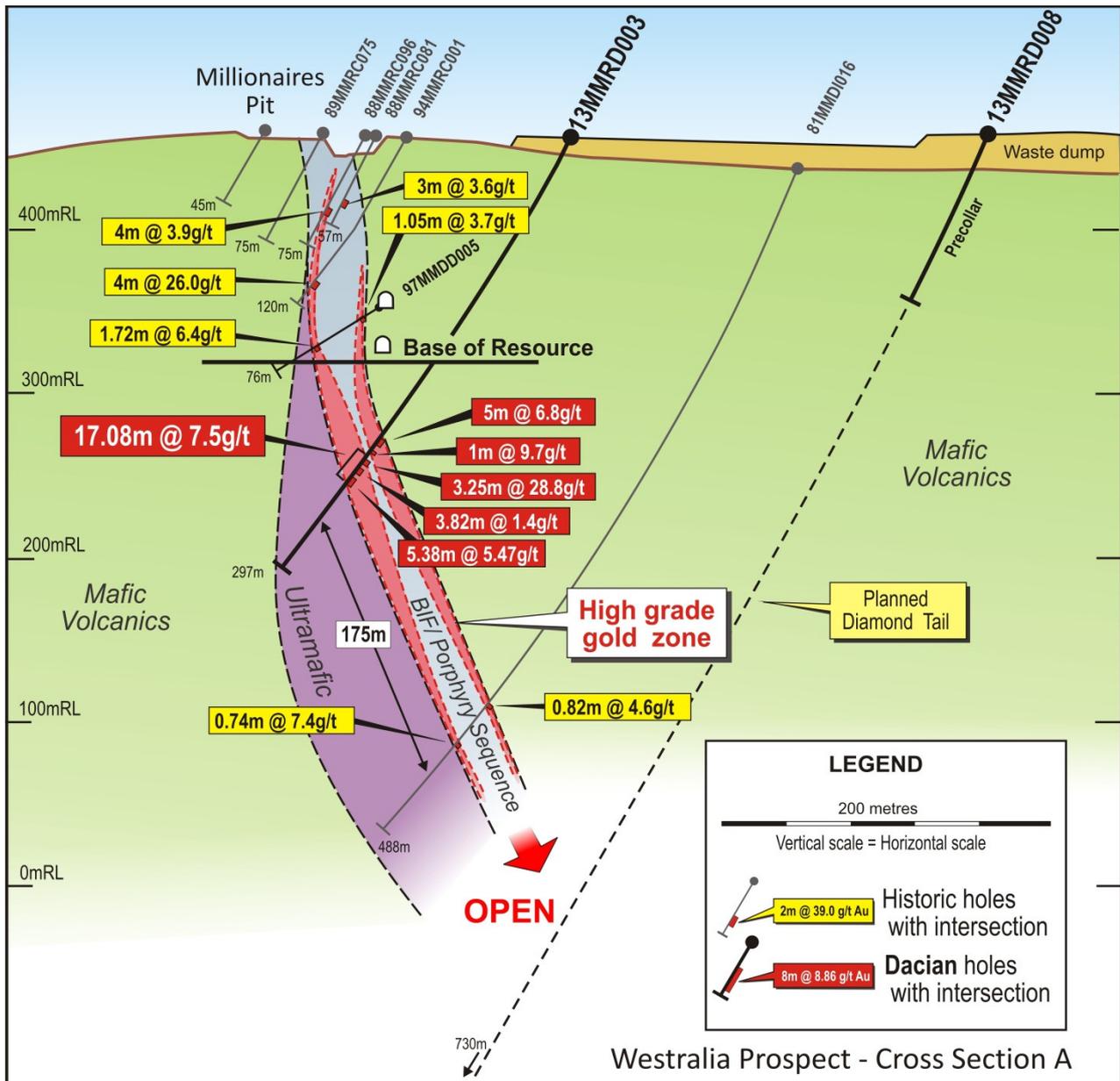


Figure 2: Cross section A showing the location of high grade gold mineralisation intersected in 13MMRD003 below the existing Westralia resource boundary and workings. See Figure 1 for location of cross section A.

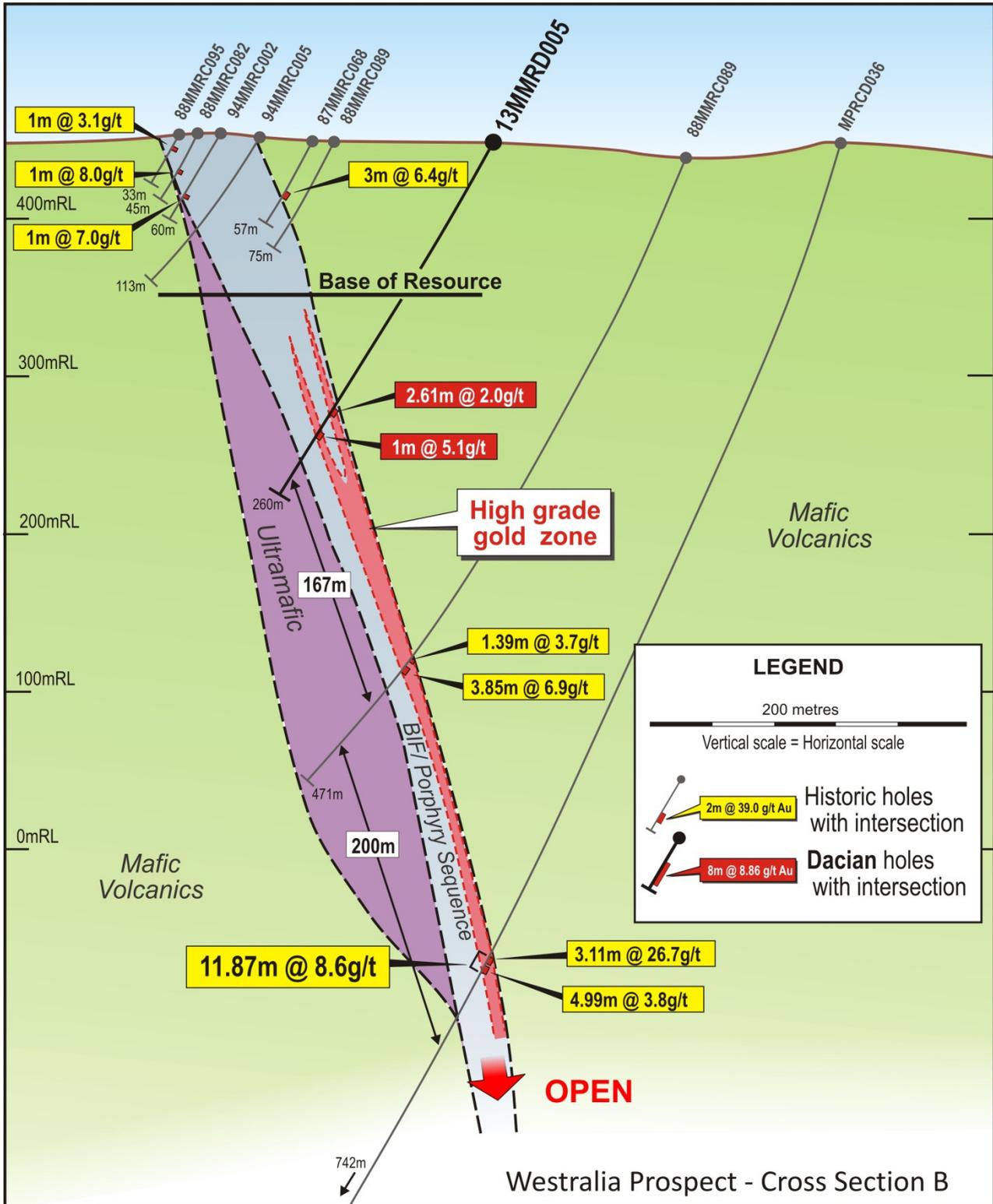


Figure 3: Cross section B showing the extent of drill-defined high grade gold mineralisation intersected over 450m below the existing Westralia resource boundary. See Figure 1 for location of cross section B.

Ongoing Exploration Programs

The final two holes in the initial seven hole program at Westralia are currently being completed. Planning for selected infill drilling around the recent high grade intersections has commenced with drilling anticipated to recommence in April. If results from the infill drilling confirm the continuity of mineralisation, Mineral Resource upgrade studies will commence later in 2013.

In addition to the planned infill drilling, first pass broad spaced diamond drilling will commence below the central part of the Westralia deposit (see Figure 1 for proposed drill hole locations), also in April/May.

Dacian's exploration strategy at Mt Morgans is aimed at delivering on the company's corporate objective of defining at least 500,000 ounces of Ore Reserves at Mt Morgans. Dacian considers mining an Ore Reserve of at least 500,000 ounces of gold is reasonably likely to provide sufficient returns to justify the investment capital required to construct an ore processing facility at Mt Morgans.

For further information, please contact:

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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 JORC Code compliant Mineral Resources of 842,000 ounces at an average grade of 3.1g/t gold, including JORC Code compliant Ore Reserves of 136,000 ounces at an average grade of 6.2g/t gold. In addition, the Company has identified multiple exploration targets and resource extension opportunities. If proven, they will enable growth of the Mt Morgans' existing Mineral Resource and Ore Reserve base.

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

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Mineral Resources and Ore Reserves

A summary of the Mineral Resources and Ore Reserves at the Mt Morgans Project is shown below.

Mt Morgans Gold Project Mineral Resources as at 31 October 2012

| Deposit | Cutoff Grade Au g/t | Measured | | | Indicated | | | Inferred | | | Total | | |
|--------------|---------------------|------------------|------------|----------------|------------------|------------|----------------|------------------|------------|----------------|------------------|------------|----------------|
| | | Tonnes | Au g/t | Au Oz |
| King Street | 0.5 | | | | | | | 532,000 | 2.0 | 33,000 | 532,000 | 2.0 | 33,000 |
| Jupiter | 1.5 | | | | | | | 811,000 | 2.8 | 73,000 | 811,000 | 2.8 | 73,000 |
| Westralia | 0.5 | 646,000 | 3.9 | 80,000 | 1,385,000 | 2.9 | 129,000 | 1,300,000 | 3.7 | 155,000 | 3,331,000 | 3.4 | 364,000 |
| Craic | 0.5 | | | | 69,000 | 8.2 | 18,000 | 120,000 | 7.1 | 27,000 | 189,000 | 7.5 | 46,000 |
| Transvaal | 0.5 | 1,549,000 | 3.2 | 159,000 | 1,176,000 | 2.7 | 102,000 | 926,000 | 2.2 | 66,000 | 3,650,000 | 2.8 | 327,000 |
| Total | | 2,194,000 | 3.4 | 239,000 | 2,629,000 | 2.9 | 249,000 | 3,689,000 | 3.0 | 354,000 | 8,513,000 | 3.1 | 842,000 |

Mt Morgans Gold Project Ore Reserves as at 31 October 2012

| Deposit | Cutoff Grade Au g/t | Proved | | | Probable | | | Total | | |
|--------------|---------------------|----------------|------------|---------------|----------------|------------|---------------|----------------|------------|----------------|
| | | Tonnes | Au g/t | Au Oz | Tonnes | Au g/t | Au Oz | Tonnes | Au g/t | Au Oz |
| Craic | 3.9 | | | - | 28,000 | 9.2 | 8,000 | 28,000 | 9.2 | 8,000 |
| Transvaal | 3.4 | 380,000 | 6.2 | 76,000 | 271,000 | 6.0 | 52,000 | 651,000 | 6.1 | 128,000 |
| Total | | 380,000 | 6.2 | 76,000 | 299,000 | 6.3 | 61,000 | 679,000 | 6.2 | 136,000 |

Competent Person Statement

The information in this report that relates to Mineral Resources and exploration results is based on information compiled by Mr Paul Payne, 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 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 Payne 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 a Competent Persons as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Payne 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.

Table 1: Westralia Deposit Exploration Drilling Results 2013

| Collar Location and Orientation | | | | | | | | | Intersection > 0.5ppm Au | | | |
|---------------------------------|-----------|------|---------|-----------|-----|-------------|-----|---------------|-------------------------------|---------------|--------------|-------------|
| Prospect | Hole | Type | X | Y | Z | Total Depth | Dip | Azimuth | From (m) | To (m) | Length (m) | Au (ppm) |
| Westralia | 13MMRD002 | RCD | 409,905 | 6,816,540 | 443 | 469 | -60 | 245 | 375.61 | 376.24 | 0.63 | 32.7 |
| Westralia | 13MMRD003 | RCD | 409,627 | 6,816,749 | 443 | 297 | -60 | 248 | 202 | 207 | 5 | 6.8 |
| | | | | | | | | and | 214 | 215 | 1 | 9.7 |
| | | | | | | | | and | 218.71 | 235.79 | 17.08 | 7.5 |
| | | | | | | | | including | 218.71 | 221.96 | 3.25 | 28.9 |
| | | | | | | | | and including | 224 | 227.82 | 3.80 | 1.4 |
| | | | | | | | | and including | 230.41 | 235.79 | 5.38 | 5.5 |
| Westralia | 13MMRC004 | RCD | 410,005 | 6,816,585 | 443 | 96 | -55 | 246 | Abandoned due to deviation | | | |
| Westralia | 13MMRD005 | RCD | 409,721 | 6,816,634 | 443 | 320 | -55 | 237 | 204.45 | 207.06 | 2.61 | 2.0 |
| | | | | | | | | and | 219 | 220 | 1.00 | 5.1 |
| Westralia | 13MMRD006 | RCD | 410,005 | 6,816,585 | 443 | 471 | -56 | 231 | 443.75 | 444.52 | 0.77 | 0.6 |
| Westralia | 13MMRD007 | RCD | 410,096 | 6,816,641 | 443 | 52 | -65 | 241 | Core completed awaiting assay | | | |
| Westralia | 13MMRD008 | RCD | 410,096 | 6,816,641 | 443 | 54 | -65 | 241 | Precollar awaiting tail | | | |
| Westralia | 13MMRD009 | RCD | 410,116 | 6,816,450 | 443 | 60 | -60 | 245 | Diamond drilling in progress | | | |

RC samples were collected at 1m intervals using a riffle splitter. The core samples were half NQ core and were based on geological boundaries with a minimum sample length of 0.25m. Reported intersections are based on intervals >0.5g/t Au and can include up to 4m of internal dilution. All samples were analysed at the Bureau Veritas Perth laboratory using a 40g fire assay. All holes have been surveyed using hand held GPS.

True thickness of intersections is interpreted to represent 75% of down-hole intersections.