

## QUARTERLY ACTIVITIES REPORT TO 31 MARCH 2014

### HIGHLIGHTS

#### EXPLORATION

- Four new, previously unreported, high grade gold intersections from up to 150m outside the current 610,000 ounce Mineral Resource at Westralia include:
  - 2.0m @ 66.1 g/t Au from 147m
  - 10.0m @ 11.3 g/t Au from 125m
  - 5.6m @ 3.8 g/t Au from 365m
  - 1.1m @ 10.6 g/t Au from 550m
- High grade gold mineralisation has been intersected over a vertical distance of approximately 500m in five broadly spaced holes on section 10160N on Millionaires Shoot at Westralia, and remains open at depth.
- New, previously unreported, intersections at Heffernan's Zone and the Link Zone at Jupiter confirm near surface gold mineralisation, and include:
  - 6.0m @ 2.9 g/t Au from 0m
  - 13.0m @ 3.1 g/t Au from 78m
  - 6.0m @ 2.5 g/t Au from 56m
  - 58.0m @ 1.0 g/t Au from 115m

#### CORPORATE

- The company remains well funded with \$12.2M in cash as at 31 March 2014.
- Rohan Williams was appointed to the role of Executive Chairman following the departure of Paul Payne.

#### BOARD OF DIRECTORS

**Rohan Williams**

Executive Chairman

**Barry Patterson**

Non-Executive Director

**Robert Reynolds**

Non-Executive Director

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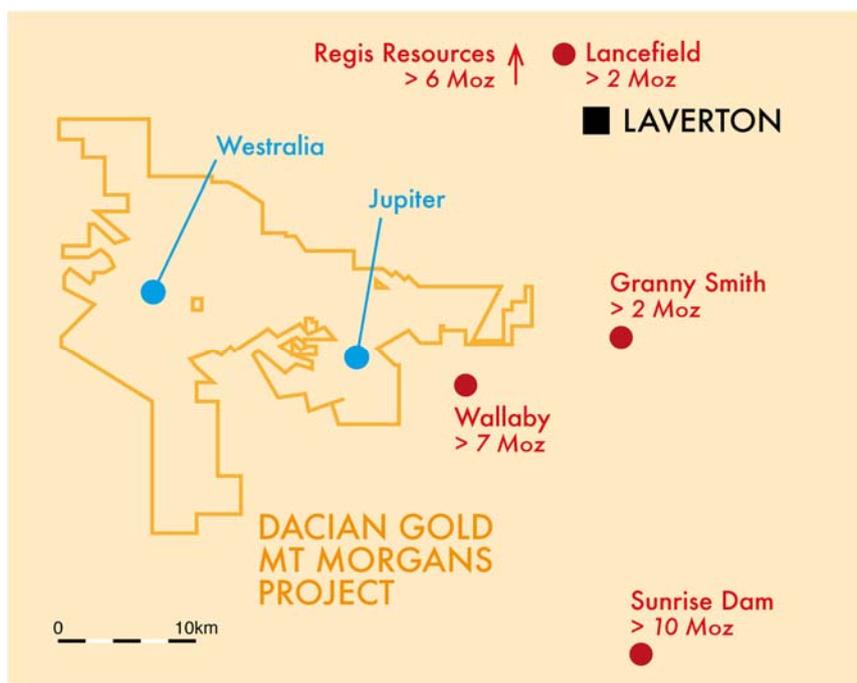
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## EXPLORATION

### March Quarter Overview

Exploration work completed in the March Quarter within Dacian's 100% owned Mt Morgans Project included the drilling of eight diamond drill holes for 2,758m at the Westralia prospect; and 10 RC holes for 1,509m of drilling at the Jupiter prospect. Prospect locations are shown in Figure 1.



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

Broad spaced step-out drilling completed at Westralia during the quarter continued to test for the mineralisation limits of the Mineral Resource ("Resource") including that of the recently discovered Millionaires Shoot, located beneath the southern end of the historic Westralia open pit. Four of the five holes completed outside the Resource limits intersected high grade mineralisation up to 150m away from the Resource (currently estimated to contain 3.2Mt @ 5.9 g/t for 610,000 ounces of gold; see Dacian Gold Ltd's ASX release of 19 December 2013). The five diamond drill holes completed during the quarter were designed to test:

- (i) Up to 150m north of the Millionaires Shoot around the 150RL and -50RL (approximately 300-500m below the surface; note the surface is 450RL), and

- (ii) shallow up-plunge mineralisation in an area approximately 80m south of the resource boundary at around 330RL (ie approximately 120m below the surface)

Including the 11.3m @ 5.5 g/t gold intersected 100m north of the Resource boundary, and reported to the ASX in Dacian's December 2013 Quarterly report (lodged 29 January 2014), five of the six broad spaced holes testing beyond the Westralia Resource boundary have all intersected high grade mineralisation (see also Competent Person statement, Appendix II).

RC drilling at the Jupiter prospect continued the framework drilling aimed at identifying broad geologic and structural controls of the large-scale mineralised system present over a 2km strike distance at Jupiter. Five of the 10 holes drilled at Jupiter in the quarter tested for an interpreted structure called the Link Zone located between Heffernan's Zone and the Jupiter Pit. The remaining five holes tested the up-dip, near-surface positions of flat lode structures intersected within the syenite body at Heffernan's Zone. Drill intersections, detailed below, show a combination of high grade over various thicknesses to 10m; as well as broad intervals up to 50m thick grading 1 g/t gold.

In addition, time was spent by Company geologists completing detailed surface mapping in and around the Link Zone where a 300m long north-south alignment of quartz veining appears to be the up-dip position of the mineralised Link Zone structure.

The Company believes the geology and style of mineralisation identified at Jupiter is similar in appearance and orientation to that seen at the nearby >7Moz Wallaby deposit, located 8km to the east of Jupiter. The significance of this observation is that it appears the mineralising event that gave rise to Wallaby was sufficiently areally extensive as to impart a similar gold mineralisation style at Jupiter. If correct, it lends considerable support to the high level of prospectivity the Company believes exists at the Mt Morgans project.

## **Westralia Drilling**

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.

Gold mineralisation at Westralia is associated with pyrrhotite and pyrite replacement of magnetite within zones of silica and albite alteration of the BIF. It is apparent that gold is developed in zones of strong development of sulphides; and Dacian is investigating the application of down-hole TEM, as used by companies exploring for massive sulphide accumulations, as a means of targeting accumulations of gold-bearing sulphide material at depth.

Previous mining and on-site treatment of the deposit has demonstrated that the gold is free milling with good recoveries achieved historically from conventional CIL processing. Early stage metallurgical testwork of the Millionaires Shoot completed by the Company during the March 2014 quarter supports the view that the mineralisation is amenable to conventional gravity / CIL recovery seen throughout the WA goldfields. More definitive testwork is required to confirm this interpretation and will be the subject of studies during 2014.

During the March 2014 quarter, eight RC pre-collar / diamond drill holes for 2,758m were drilled at Westralia. All holes returning results during the quarter were drilled beyond the Resource boundary limits of the recently estimated Westralia Resource (610,000 ounces of gold at 5.9 g/t; see Dacian's 19 December 2013 ASX release). As described above the holes tested two specific areas where it was considered mineralisation may exist beyond the defined Resource boundary (see Figure 2):

- (i) Up to 150m north of the Millionaires Shoot around the 150RL and -50RL (approximately 300-500m below the surface; note the surface is 450RL), and
- (ii) shallow up-plunge mineralisation in an area approximately 80m south of the Resource boundary at around 330RL (ie approximately 120m below the surface)

The drilling successfully extended the defined extent of high grade gold mineralisation with the following results reported (see also Table 1 for full results as well as Appendix I with drill hole associated JORC information):

- 14MMRD005            1.95m @ 66.1 g/t gold from 147m
- 14MMRD006            10.00m @ 11.3 g/t gold from 125m

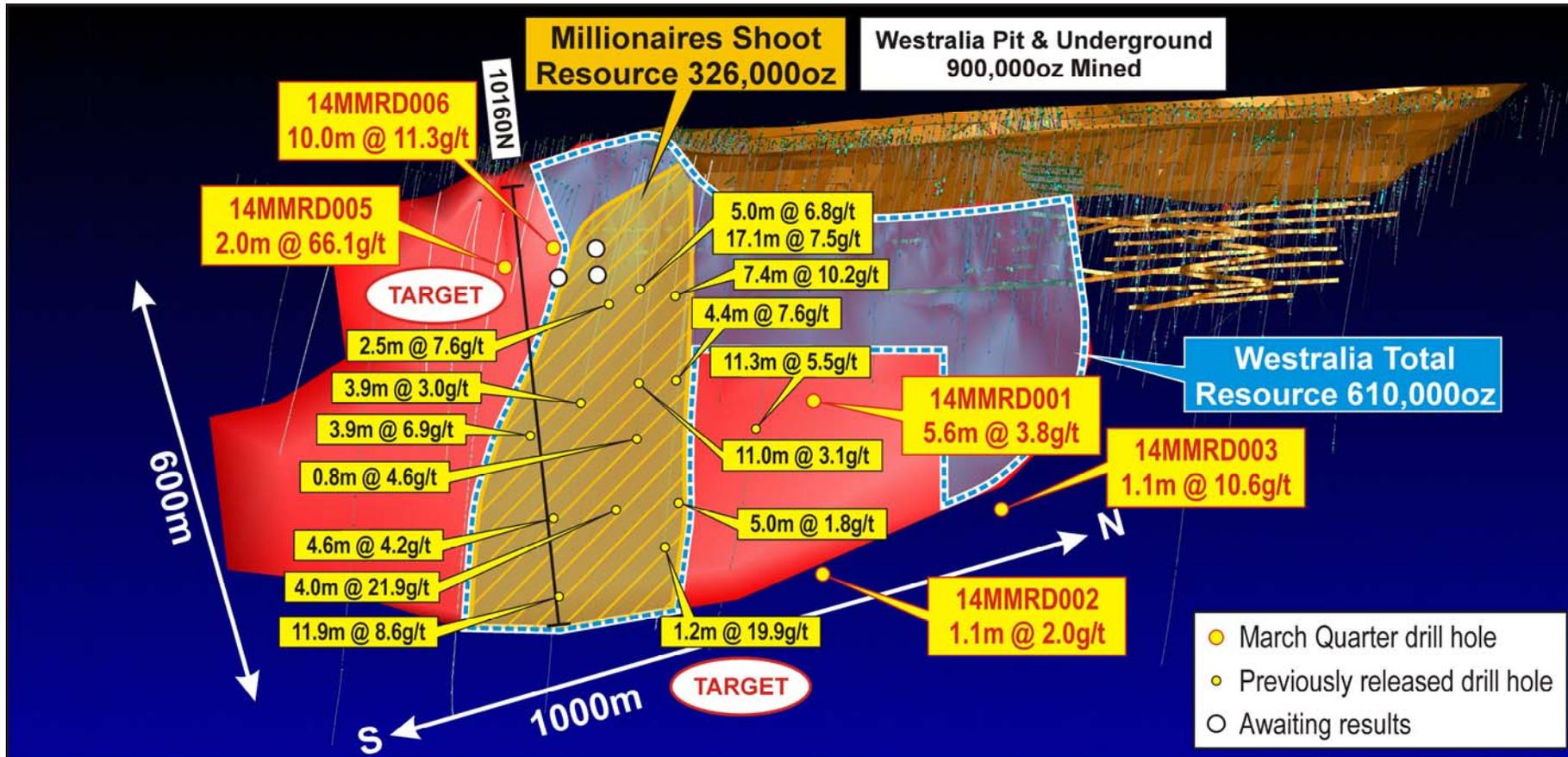


Figure 2: Long section of Westralia showing high grade intersections returned during March 2014 quarter (14MMRD prefix). Note all intersections were from outside the existing Resource boundary. Also shown are previously released results and target areas.

- 14MMRD001            5.55m @ 3.8 g/t gold from 365m
- 14MMRD003            1.05m @ 10.6 g/t gold from 550m
- 14MMRD002            0.75m @ 3.1 g/t gold from 576m

All holes completed during the March 2014 quarter are shown in long section in Figure 2; along with previously released drill hole intersections that comprise the Millionaires Shoot.

The shallower intersections (14MMRD005 and 14MMRD006) confirm the high grade mineralisation exists for at least 80m south of the Resource boundary in the upper zones of the Millionaires Shoot. Three additional holes completed during the quarter and with results awaited are shown also in Figure 2.

Figure 3 below is a cross section at 10160N (see Figure 2 for cross section location) showing the 14MMRD006 intersection of 2.0m @ 66.1 g/t gold approximately 120m below the surface. Significantly, the new intersection defines high grade gold mineralisation being developed over a vertical dip extent of approximately 500m, and remaining open at depth. It appears the mineralisation over the 500m of dip extent is developed on two well-defined potentially sub-parallel surfaces: a shallower footwall position to the BIF / porphyry package (with the new intersection of 2m @ 66.1 g/t gold) and a lower hangingwall position to the BIF / porphyry package. Infill drilling will determine the extent of any potential overlap of the interpreted parallel mineralised structures.

Drill holes 14MMRD001, 14MMRD002 and 14MMRD003 (shown in Figure 2) were all designed to test north of the Millionaires Shoot at approximately 300–500m below the surface. The results confirm likely additions to the Westralia Resource associated with holes 14MMRD001 (5.6m @ 3.8 g/t gold) and 14MMRD003 (1.1m @ 10.6 g/t). Drill hole 14MMRD002 intersected a narrow and lower grade BIF / porphyry package indicating a thinning of the prospective host unit at this intersection location. Further infill drilling is required to confirm the shape of the Resource boundary around 14MMRD002 and to account for the thinning of the prospective host unit. It is possible the BIF / porphyry package may redevelop at depth and this will be tested with deeper drilling.

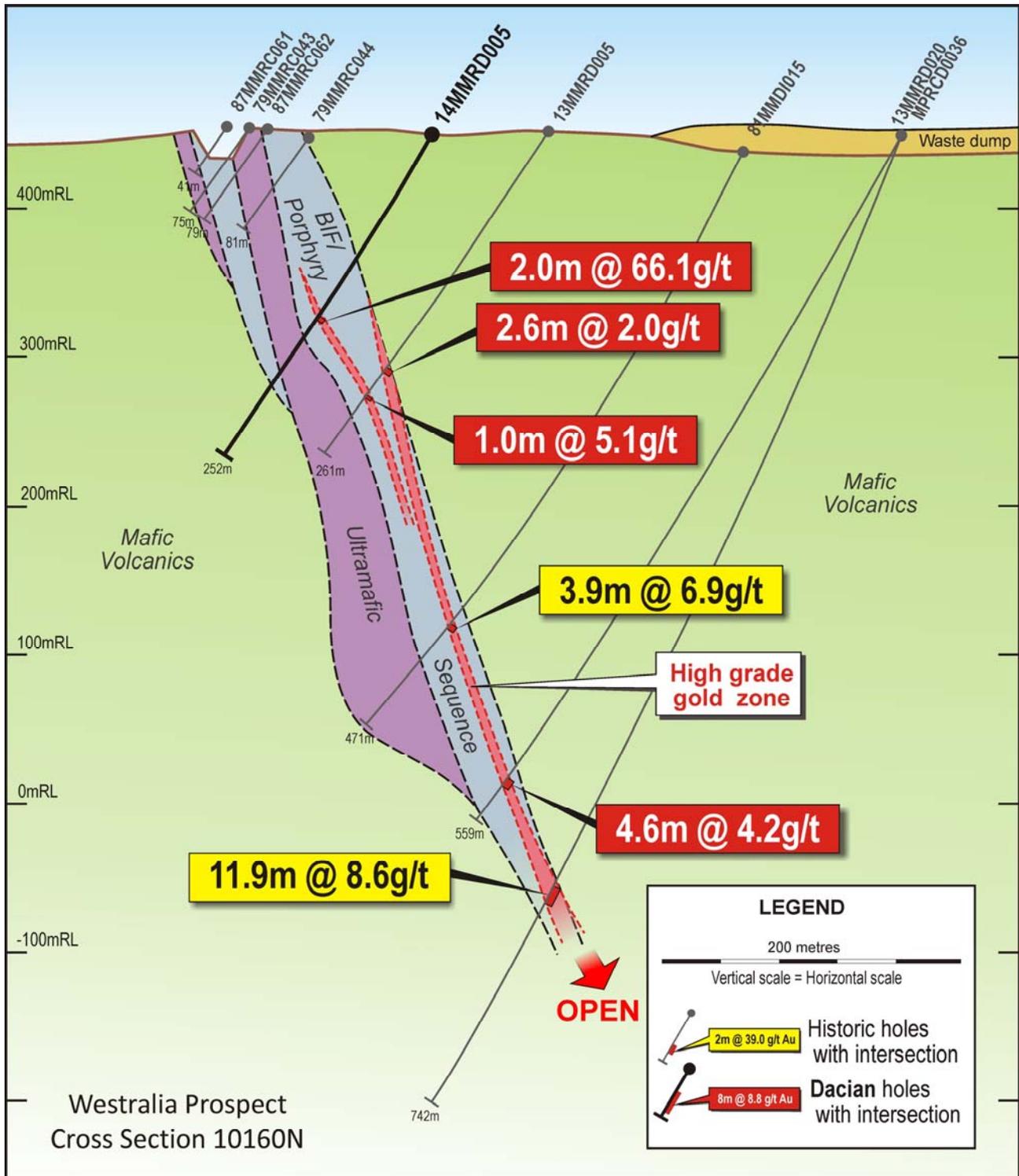


Figure 3: Cross section through 10160N of Westralia showing the high grade intersection of 14MMRD006 (2.0m @ 66.1g/t gold) returned during the quarter; as well as demonstrating the definition of high grade intersections over a vertical dip extent of approximately 500m, and remaining open at depth.

## Jupiter Drilling and Surface Mapping

The Jupiter prospect is Dacian's second key project and is located 15km east of Westralia and only 8km to the west of Wallaby, a major >7 Moz gold deposit currently being mined by Gold Fields Ltd. Jupiter was discovered and an open pit mined during 1994–1996, from which 123,000 ounces was recovered through conventional CIL treatment and a trial dump leach located adjacent to the mine. It was the identification of the unusual mineralisation style and host at Jupiter (syenite intrusives) that led directly to the discovery of the nearby Wallaby deposit in 1998, after the cessation of mining at Jupiter. Through various changes of ownership of the Mt Morgans Project during the period 1996 – 2010, very limited exploration work was conducted at Jupiter. The exploration work commenced by Dacian in 2013 was the first systematic exploration completed at Jupiter since the closure of the mine in 1996. The estimated and historic Resource base at Jupiter of 0.8Mt @ 2.8 g/t for 73,000 ounces lies immediately beneath the base of the Jupiter Pit; and has not been updated since 1998.

Throughout 2013, Dacian has confirmed that there are at least three distinct mineralisation styles present along the shallowly-tested 2km long Jupiter Corridor, defined principally by gold mineralisation associated with, and between, three sub-vertical syenite intrusive bodies (see Figure 4):

- (i) Generally flat to gently north dipping high grade mineralised structures that cut the steep syenite pipe-like bodies. Gold mineralisation is present in the syenite and extends out along the same structures into the surrounding basalt host unit. This mineralisation is very similar in style and orientation to the high grade lodes that are present at Wallaby. Previously released intersections of Dacian's drilling results including 17.2m @ 4.8 g/t gold and 6.9m @ 8.3 g/t gold at the Heffernan's Zone (see Dacian's December 2013 quarterly report) are typical of this style of mineralisation. Also, the high grade mineralisation mined from the Jupiter Pit and treated via CIL processing was of this style of mineralisation.

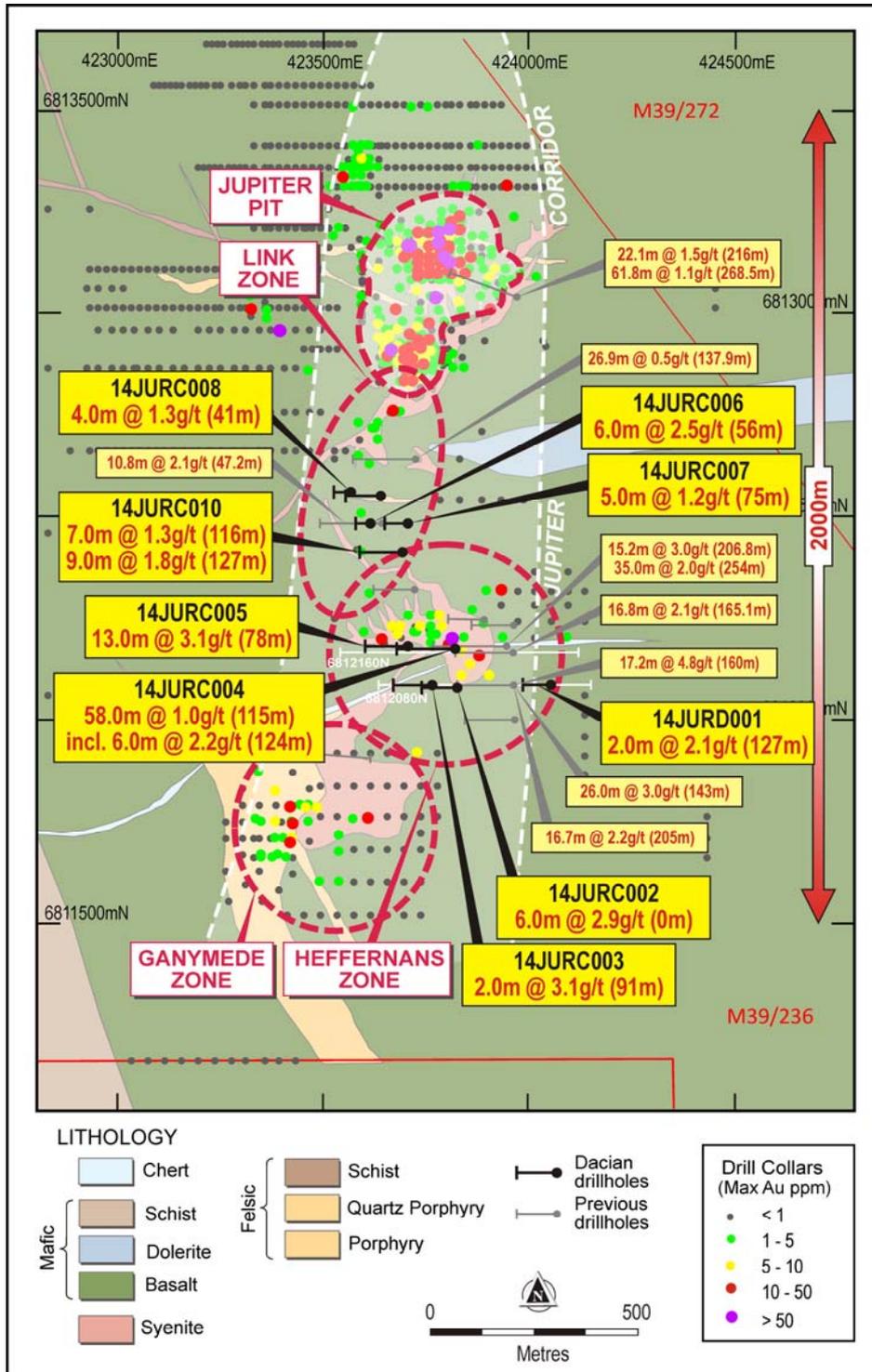


Figure 4: Plan of Jupiter Project showing the locations of the Jupiter Pit, Link Zone, Heffernan's Zone and Ganymede Zone along with drill hole locations and results from drilling completed during the March 2014 quarter (14JUR). Also shown are the results of selected previously released Dacian drill holes along the 2km strike of the Jupiter Corridor.



- (ii) The second style of mineralisation present along the Jupiter Corridor is wholly hosted by syenite and comprises thick intersections of low to moderate grade gold mineralisation. Examples of this style of mineralisation include previously released Dacian intersections of 71m @ 0.5 g/t gold and 61m @ 1.1 g/t gold at Ganymede Zone and the Jupiter Pit area respectively. It is likely the broad lower grade intersections that define this style of mineralisation is what comprised the material that was dump leached during mining of the Jupiter pit between 1994 – 1996.
- (iii) The third, newly defined style of mineralisation, appears to be developed along interpreted north–south “link” structures located in between syenite intrusive bodies. The Link Zone, as described initially in the December 2013 Dacian Quarterly Report, is a 500m long moderately east dipping structure hosted entirely in the basalt unit that are intruded by the syenites. Dacian drill hole intersection 10.8m @ 2.1 g/t gold from 47m (13JURD010, see Dacian’s December 2013 Quarterly Report) is an example of mineralisation of this style.

None of the mineralisation discovered by Dacian during 2013 forms any part of the existing and historic 73,000 ounce Resource at Jupiter. Dacian anticipates it will complete an updated Resource for Jupiter in the second half of 2014.

### **Heffernan’s Zone Drilling**

Five RC drill holes (for 914m) were completed at Heffernan’s Zone during the March 2014 quarter. Full details of all holes completed are included in Table 1 and Appendix I of this report.

Two 100m spaced RC drill holes (for 379m) were drilled on section 2160N testing for the up-dip extensions of the high grade structures intersected in the syenite from earlier Dacian drilling, as seen on section 2160N (Figure 5). Both holes intersected significant mineralisation confirming mineralisation extends for over 100m away from the syenite:

- 14JURC005 13.0m @ 3.1 g/t gold from 78m (analogous to type (i) above)
- 14JURC004 58.0m @ 1.0 g/t gold from 115m (analogous to type (ii) above)

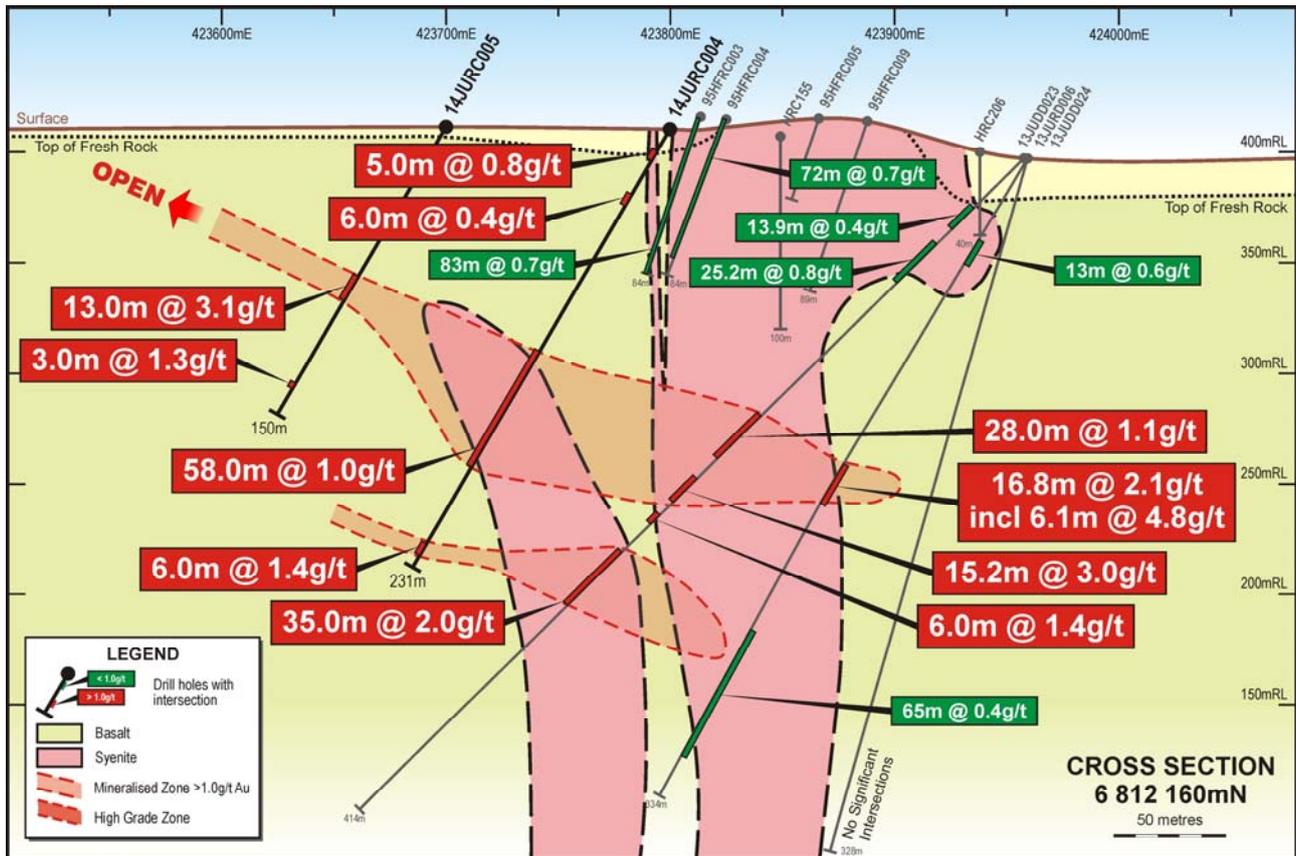


Figure 5: Cross section 2160N through Heffernan's Zone showing the location and drill hole results completed in the March 2014 quarter (14JUR prefix). Note high grade mineralisation extends up-dip away from thicker lower grade mineralisation toward the surface, which remains untested.

Three 80m spaced RC holes were drilled on section 2080N (see Figure 4 for location and Figure 6 below for the interpreted cross section) testing for the up-dip and down-dip extensions of high grade lodes defined in the syenite and extending into the surrounding basalt (belonging to type (i) described above). As shown in Figure 6, the drill holes intersected moderate grade results in the interpreted target positions, other than the 6m @ 2.9 g/t intersection in 14JURC002 that demonstrates potential for a new at-surface high grade pod of mineralisation:

- 14JURC001 2.0m @ 2.1 g/t gold from 127m
- 14JURC002 6.0m @ 2.9 g/t gold from 0m and 6.0m @ 0.7 g/t gold from 110m
- 14JURC003 2.0m @ 3.1 g/t gold from 91m

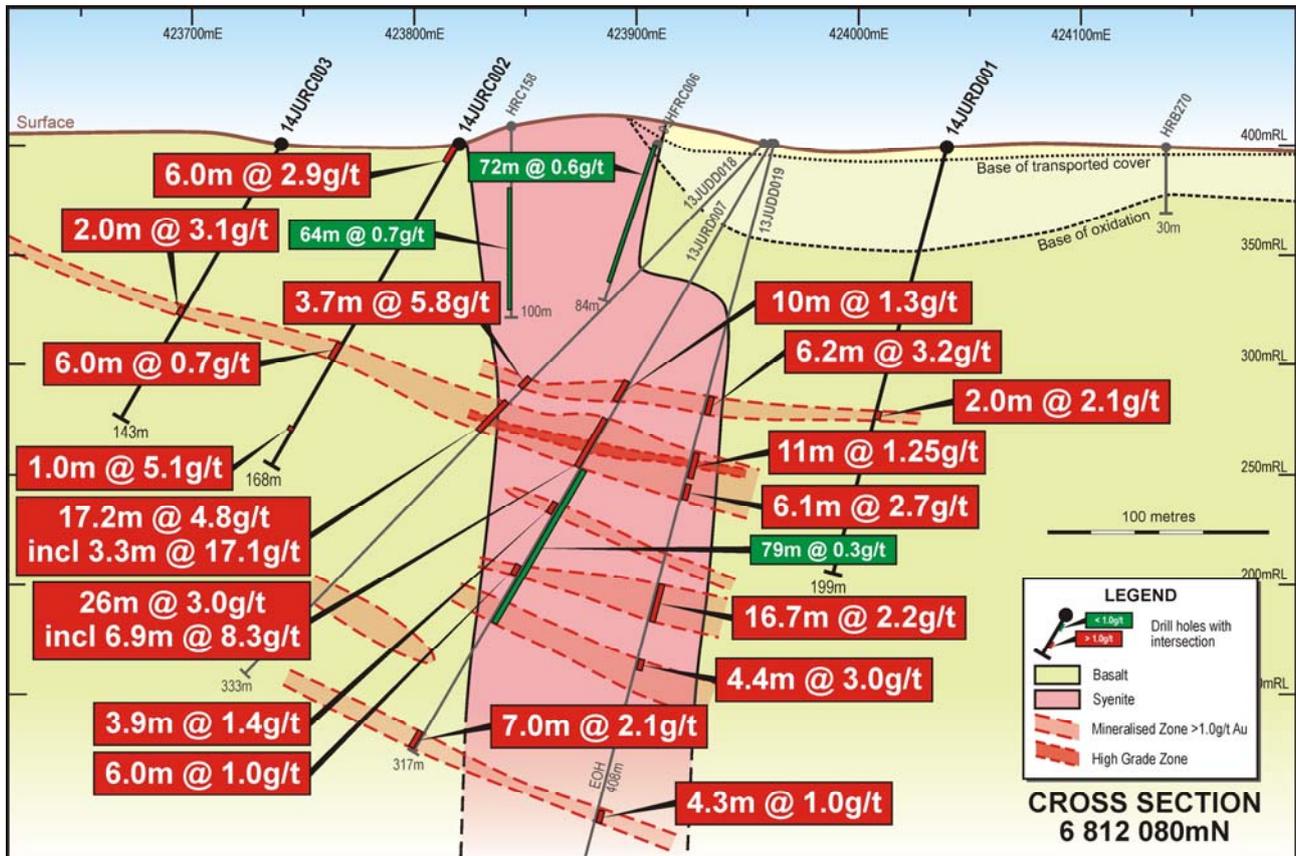


Figure 6: Cross section 2080N through Heffernan's Zone showing the location and results of three holes drilled in the March 2014 quarter (14JUR prefix) testing up-dip and down-dip of known high grade lodes within the syenite. Previously released results are also shown.

Further drilling to identify near surface extensions of the defined high grade structures as well as infill drilling earlier recorded intersections from initial broad-spaced reconnaissance drilling will continue during the June 2014 quarter.

### The Link Zone Drilling and Surface Mapping

The Link Zone was first recognised by Dacian in late 2013 as a 500m long, north-south structure that dips moderately to the east. Interpretation of historic shallow drilling and the intersection of 10.8m @ 2.1 g/t gold from 47m in 13JURD002 (see Dacian December 2013 Quarterly Report) confirmed the location and attitude of the mineralised structure extends from north of Heffernan's Zone to the south end of the Jupiter Pit.

Five broadly spaced RC holes for 595m were drilled on three sections over a 160m strike distance (see Figure 4). All holes intersected mineralisation at or near the targeted horizons. Better intersections are tabulated below; and all results are described in Table 1 and Appendix I of this report.

- 14JURC006      6.0m @ 2.5 g/t gold from 56m
- 14JURC008      4.0m @ 1.3 g/t fold from 41m
- 14JURC010      9.0m @ 1.8 g/t gold from 127m

Detailed surface mapping was conducted in and around the Link Zone during the March quarter. The mapping, in conjunction with the location of the mineralisation intersected in the RC drilling described above, suggests a series of mapped outcropping quartz veins striking over a distance of 300m represents the up-dip expression of the Link Zone structure intersected in the drilling completed during the March quarter. Drilling to be completed in the June quarter will target the down dip extensions of the quartz veins to test for a near surface mineralised position along the strike of the mapped quartz veins.

## CORPORATE

- As at 31 March 2014, the Company had cash reserves of approximately \$12.2 million.
- During the March quarter, Dacian's Managing Director, Mr Paul Payne, left the Company and was replaced by Mr Rohan Williams, who assumed the role of Executive Chairman.
- The Company recorded a net loss after tax of \$3.02M for the six month period ending 31 December 2013.
- 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.
- A net position of 4 million unlisted options were cancelled during the quarter (5 million options were cancelled and one million options were granted). Total number of unlisted options, all of which are presently in escrow, is 7.15 million.

**Table 1: Results of Drilling during the March 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)
14MMRD001	RCD	409,569	6,817,004	468	450	-63	246	18.00	27.00	9.00	0.9
							and	<b>365.25</b>	<b>370.80</b>	<b>5.55</b>	<b>3.8</b>
							and	392.10	397.00	4.90	0.9
14MMRD002	RCD	409,714	6,817,072	468	612	-70	240	561.55	562.60	1.05	2.0
							and	576.15	576.90	0.75	3.1
14MMRD003	RCD	409,630	6,817,212	461	600	-65	243	26.00	28.00	2.00	0.9
								<b>550.00</b>	<b>551.05</b>	<b>1.05</b>	<b>10.6</b>
14MMRD004	RC	409,608	6,816,646	450	59	-60	240	Pre-collar only			
14MMRD005	RCD	409,655	6,816,602	446	252	-60	240	<b>147.05</b>	<b>149.00</b>	<b>1.95</b>	<b>66.1</b>
							including	<b>147.75</b>	<b>148.30</b>	<b>0.55</b>	<b>233</b>
14MMRD006	RCD	409,637	6,816,660	447	261	-60	240	<b>125.00</b>	<b>135.00</b>	<b>10.00</b>	<b>11.3</b>
							including	<b>127.00</b>	<b>128.35</b>	<b>1.35</b>	<b>71.8</b>
								166.00	167.30	1.30	1.2
								190.70	191.90	1.20	3.3
							218.35	219.65	1.30	1.7	
14MMRD007	RCD	409,614	6,816,693	448	264	-60	240	Awaiting results			
14MMRD008	RCD	409,671	6,816,677	451	306	-60	240	Awaiting results			
14MMRD009	RCD	409,642	6,816,709	450	321	-60	240	Awaiting results			

### Drilling results from Jupiter

Collar Location and Orientation								Intersection > 0.2ppm Au				
Hole	Type	X	Y	Z	Total Depth	Dip	Azimuth	From (m)	To (m)	Length (m)	Au (ppm)	
14JURD001	RCD	424,040	6,812,080	398	199	-75	270	127	129	2	2.1	
14JURC002	RC	423,820	6,812,080	410	168	-60	270	<b>0</b>	<b>6</b>	<b>6</b>	<b>2.9</b>	
								and	110	116	6	0.7
								and	155	156	1	5.1
14JURC003	RC	423,740	6,812,080	400	168	-60	270	91	93	2	3.1	
14JURC004	RC	423,800	6,812,160	410	231	-60	270	2	4	2	0.5	
								and	11	16	5	0.8
								and	24	25	1	1.2
								and	34	40	6	0.4
								and	64	66	2	0.6
								and	85	86	1	1.4
								and	99	100	1	1.2
								and	<b>115</b>	<b>173</b>	<b>58</b>	<b>1.0</b>
								including	<b>124</b>	<b>130</b>	<b>6</b>	<b>2.2</b>
								and	188	209	21	0.5
and	216	222	6	1.4								
and	228	229	1	3.5								
14JURC005	RC	423,700	6,812,160	410	148	-60	270	<b>76</b>	<b>94</b>	<b>18</b>	<b>2.4</b>	
								including	<b>78</b>	<b>91</b>	<b>13</b>	<b>3.1</b>
								and	98	99	1	1.4
and	133	136	3	1.3								
14JURC006	RC	423,600	6,812,480	400	78	-60	270	30	36	6	0.3	
								and	40	41	1	1.0
								and	<b>56</b>	<b>62</b>	<b>6</b>	<b>2.5</b>
14JURC007	RC	423,720	6,812,480	400	133	-60	270	44	45	1	1.4	
								and	75	80	5	1.2
								and	85	93	8	0.6
14JURC008	RC	423,560	6,812,560	400	93	-60	270	13	20	7	0.3	
								and	41	45	4	1.3
14JURC009	RC	423,640	6,812,560	403	143	-60	270	43	44	1	1.7	
								and	115	116	1	1.0
14JURC010	RC	423,680	6,812,400	400	148	-60	270	48	52	4	1.0	
								and	60	64	4	0.9
								and	116	123	7	1.3
								and	<b>127</b>	<b>136</b>	<b>9</b>	<b>1.8</b>

**For and on behalf of the Board**



**Rohan Williams**  
**Executive Chairman**

## **About Dacian Gold Limited**

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

The Mt Morgans Project hosts high grade Mineral Resources of 1.2 million ounces at an average grade of 4.0g/t gold, including Ore Reserves of 136,000 ounces at an average grade of 6.2g/t gold. In addition, the Company has identified multiple exploration targets and resource extension opportunities. If proven, they will enable growth of the Mt Morgans' existing Mineral Resource and Ore Reserve base. 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 500,000 ounces of Ore Reserves at Mt Morgans. Dacian considers mining an Ore Reserve of at least 500,000 ounces of gold is reasonably likely to provide sufficient returns to justify the investment capital required to construct an ore processing facility at the project.

For further information visit: [www.daciangold.com.au](http://www.daciangold.com.au) or please contact:

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Executive Chairman  
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## 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.

### Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>• <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></li> <li>• <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• Dacian utilised RC and diamond drilling. Holes were generally angled towards grid west to optimally intersect the targeted mineralised zones.</li> <li>• Dacian core was sampled as half core at 1m intervals or to geological contacts</li> <li>• To ensure representative sampling, half core samples were always taken from the same side of the core.</li> <li>• At Jupiter the full length of each hole was sampled and at Westralia the core was selectively sampled.</li> <li>• Dacian RC drilling was sampled at 1m intervals via an on-board cone splitter.</li> <li>• 4m composite samples were taken via a scoop and submitted for analysis.</li> <li>• Historical RC samples were collected at 1m, 2m and 4m intervals using riffle splitters.</li> <li>• Dacian samples were submitted to a contract laboratory for crushing and pulverising to produce a 40g charge for fire assay.</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• Diamond drilling was carried out with NQ2 sized equipment with standard tube.</li> <li>• Drill core was orientated using a Reflex orientation tool.</li> <li>• For RC holes, a 5¼” face sampling bit was used</li> <li>• At Westralia, holes had RC pre-collars up to 150m depth with diamond tails.</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>• <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li>• <i>Measures taken to maximise sample recovery and ensure representative nature of the</i></li> </ul>	<ul style="list-style-type: none"> <li>• Recoveries from historical drilling are unknown.</li> <li>• Recoveries from Dacian core drilling were measured and recorded in the database</li> </ul>



Criteria	JORC Code explanation	Commentary
	<p><i>samples.</i></p> <ul style="list-style-type: none"> <li>• <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></li> </ul>	<p>and recovery was generally 100% in fresh rock with minor core loss in oxide.</p> <ul style="list-style-type: none"> <li>• In Dacian drilling no relationship exists between sample recovery and grade.</li> </ul>
<b>Logging</b>	<ul style="list-style-type: none"> <li>• <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></li> <li>• <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li>• <i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<ul style="list-style-type: none"> <li>• All diamond drill holes were logged for recovery, RQD, geology and structure. RC drilling was logged for various geological attributes.</li> <li>• For Dacian drilling, diamond core was photographed both wet and dry.</li> <li>• All drill holes were logged in full.</li> </ul>
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li>• <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li>• <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></li> <li>• <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Dacian core was cut in half using an automatic core saw at either 1m intervals or to geological contacts.</li> <li>• To ensure representivity, all core samples were collected from the same side of the core.</li> <li>• Historical RC samples were collected at the rig using riffle splitters. Samples were generally dry.</li> <li>• Dacian RC samples were collected via on-board cone splitters. All samples were dry.</li> <li>• For RC drilling, sample quality was maintained by monitoring sample volume and by cleaning splitters on a regular basis.</li> <li>• Field duplicates were taken at 1 in 25 for RC drilling.</li> <li>• 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.</li> <li>• For historic drilling detailed information on the QAQC programs used was not available.</li> <li>• Sample sizes are considered appropriate to correctly represent the gold mineralisation based on: the style of mineralisation, the thickness and consistency of the intersections, the sampling methodology and assay value ranges for Au.</li> </ul>



Criteria	JORC Code explanation	Commentary
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li><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></li> <li><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></li> </ul>	<ul style="list-style-type: none"> <li>For Dacian drilling, the analytical technique used was a 40g fire assay with Pb collection, with an ICP–AES finish. This is a full digestion technique. Samples were analysed at Bureau Veritas Laboratories in Kalgoorlie, Western Australia.</li> <li>For Dacian drilling, sieve analysis was carried out by the laboratory to ensure the grind size of 90% passing 75µm was being attained.</li> <li>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</li> <li>No QAQC data has been reviewed for historic drilling although mine production has largely validated drilling results.</li> <li>Laboratory QAQC includes the use of internal standards using certified reference material, blanks, splits and replicates.</li> <li>Certified reference materials demonstrate that sample assay values are accurate.</li> <li>At both Jupiter and Westralia, umpire laboratory testwork was completed in January 2014 over mineralised intersections with good correlation of results.</li> </ul>
<b>Verification of sampling &amp; assaying</b>	<ul style="list-style-type: none"> <li><i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li><i>The use of twinned holes.</i></li> <li><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li><i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>At Jupiter and Westralia, significant intersections were visually field verified by company geologists.</li> <li>At Westralia, significant intersections from seven Dacian holes were re–assayed by screen fire assay with good repeatability of results</li> <li>No twin holes were drilled.</li> <li>Primary data was collected into either an Excel spread sheet or GEOBANK software and then imported into a Data Shed database.</li> <li>Assay values that were below detection limit were adjusted to equal half of the detection limit value.</li> </ul>
<b>Location of data points</b>	<ul style="list-style-type: none"> <li><i>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</i></li> </ul>	<ul style="list-style-type: none"> <li>Historic drill hole collar coordinates were tied to a local grid with subsequent conversion to MGA94 Zone 51.</li> <li>Mine workings support the locations of</li> </ul>



Criteria	JORC Code explanation	Commentary
	<p><i>estimation.</i></p> <ul style="list-style-type: none"> <li><i>Specification of the grid system used.</i></li> <li><i>Quality and adequacy of topographic control.</i></li> </ul>	<p>historic drilling.</p> <ul style="list-style-type: none"> <li>All Dacian hole collars were surveyed in MGA94 Zone 51 grid using differential GPS.</li> <li>Dacian holes at Jupiter were downhole surveyed either with multishot EMS or Reflex multishot tool.</li> <li>Dacian holes at Westralia were downhole surveyed by Gyro Australia using a north seeking gyro tool.</li> <li>Topographic surface prepared from detailed ground and mine surveys.</li> </ul>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li><i>Data spacing for reporting of Exploration Results.</i></li> <li><i>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.</i></li> <li><i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>At Jupiter, the nominal hole spacing of Dacian drilling is approximately 80m.</li> <li>At Westralia, the Dacian drilling has a nominal spacing of approximately 40–80m along strike and 40–200m down dip.</li> <li>The reported drilling in March 2014 has not been used to prepare Mineral Resource estimates for either deposit.</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li><i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li><i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>At Westralia, drill holes are angled to 245°, which is approximately perpendicular to the orientation of the well-defined mineralisation.</li> <li>At Jupiter, most holes are angled to the west so that intersections are orthogonal to the expected trend of mineralisation.</li> <li>No orientation based sampling bias has been identified in the data.</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li><i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>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.</li> </ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li><i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>A RungePincockMinarco (RPM) consultant reviewed RC and diamond core sampling techniques in October 2013 and concluded that sampling techniques are satisfactory.</li> </ul>

## Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>The Westralia deposit is located within Mining Lease 39/18, which is wholly owned by Dacian and subject to a 1% third party production royalty.</li> <li>The Jupiter deposit is located within Mining Lease 39/236, which is wholly owned by Dacian and subject to a 1% production royalty and another tonnage based royalty of a similar amount.</li> <li>The tenements are in good standing with no known impediment to future grant of a mining permit.</li> </ul>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>
<b>Geology</b>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>The Westralia gold deposit is an Achaean BIF hosted, sulphide replacement mineralisation and is located within the Yilgarn Craton of Western Australia.</li> <li>The Jupiter prospect is interpreted to comprise structurally controlled mesothermal gold mineralisation related to syenite intrusions within altered basalt.</li> </ul>
<b>Drill hole information</b>	<ul style="list-style-type: none"> <li>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"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>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.</li> <li>Refer to previous Dacian ASX releases for information regarding previous Dacian drilling.</li> <li>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.</li> </ul>



Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>• <i>hole length</i></li> <li>• <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></li> </ul>	
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>• <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></li> <li>• <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></li> <li>• <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• No high grade cuts have been applied to the reporting of exploration results.</li> <li>• At Westralia, intersections have been reported using a 0.5g/t lower cut-off, and can include up to 4m of internal dilution.</li> <li>• At Jupiter, intersections have been reported using a 0.2g/t lower cut-off, and can include up to 4m of internal dilution.</li> <li>• No metal equivalent values have been used.</li> </ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>• <i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li>• <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> </ul>
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• Relevant diagrams have been included within the main body of text.</li> </ul>
<b>Balanced Reporting</b>	<ul style="list-style-type: none"> <li>• <i>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</i></li> </ul>	<ul style="list-style-type: none"> <li>• All exploration results have been reported.</li> </ul>



Criteria	JORC Code explanation	Commentary
	<p><i>estimation.</i></p> <ul style="list-style-type: none"> <li>• <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></li> </ul>	
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• All interpretations for both Westralia and Jupiter mineralisation are consistent with observations made and information gained during previous mining at the project.</li> </ul>
<b>Further work</b>	<ul style="list-style-type: none"> <li>• <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></li> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• At Jupiter, further broad spaced drilling is planned to define the structural controls and mineralisation potential of the Jupiter Corridor.</li> <li>• 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.</li> <li>• Refer to diagrams in the body of this release.</li> </ul>



### Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
<b>Database integrity</b>	<ul style="list-style-type: none"> <li>Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.</li> <li>Data validation procedures used.</li> </ul>	<ul style="list-style-type: none"> <li>The data base has been systematically audited by a DCN geologist. Original drilling records were compared to the equivalent records in the data base (where original records were available). Any discrepancies were noted and rectified by the data base manager.</li> <li>All DCN drilling data has been verified as part of a continuous validation procedure. Once a drill hole is imported into the data base a report of the collar, down hole survey, geology, and assay data is produced. This is then checked by a DCN geologist and any corrections are completed by the database manager.</li> </ul>
<b>Site visits</b>	<ul style="list-style-type: none"> <li>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</li> <li>If no site visits have been undertaken indicate why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>A site visit was conducted by Shaun Searle of RPM during October 2013. Shaun conducted the visit on behalf of Trevor Stevenson of RPM, who is acting as the Competent Person. Shaun inspected the deposit area, drill core, outcrop, the Westralia open pit and the core logging and sampling facility. During this time, notes and photos were taken. Discussions were held with site personnel regarding drilling and sampling procedures. No major issues were encountered.</li> <li>Not applicable.</li> </ul>
<b>Geological interpretation</b>	<ul style="list-style-type: none"> <li>Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</li> <li>Nature of the data used and of any assumptions made.</li> <li>The effect, if any, of alternative interpretations on Mineral Resource estimation.</li> </ul>	<ul style="list-style-type: none"> <li>The confidence in the geological interpretation is considered to be good and is based on previous mining history and visual confirmation in outcrop and within the Westralia open pit.</li> <li>Geochemistry and geological logging has been used to assist identification of lithology and mineralisation.</li> <li>The deposit consists of sub-vertical to steeply dipping BIF units within a shear zone. Mineralisation is mostly confined to the BIF units. Infill drilling has supported and refined the model and the current interpretation is considered robust.</li> </ul>



Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li><i>The use of geology in guiding and controlling Mineral Resource estimation.</i></li> <li><i>The factors affecting continuity both of grade and geology.</i></li> </ul>	<ul style="list-style-type: none"> <li>Outcrop of mineralisation and host rocks within the open pit confirm the geometry of the mineralisation.</li> <li>Infill drilling and mining has confirmed geological and grade continuity.</li> </ul>
<b>Dimensions</b>	<ul style="list-style-type: none"> <li><i>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</i></li> </ul>	<ul style="list-style-type: none"> <li>The Westralia resource area extends over a SE-NW strike length of 1,250m (from 6,816,245mN – 6,817,220mN), has a maximum width of 40m (409,480mE – 409,520mE) and includes the 600m vertical interval from 455mRL to – 145mRL.</li> </ul>
<b>Estimation and modelling techniques</b>	<ul style="list-style-type: none"> <li><i>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</i></li> <li><i>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</i></li> </ul>	<ul style="list-style-type: none"> <li>Using parameters derived from modelled variograms, Ordinary Kriging (OK) was used to estimate average block grades in four passes using Surpac software. Linear grade estimation was deemed suitable for the Westralia Mineral Resource due to the geological control on mineralisation. Maximum extrapolation of wireframes from drilling was 60m down-dip. This was half drill hole spacing in this region of the deposit. Maximum extrapolation was generally half drill hole spacing.</li> <li>Reconciliation could not be conducted due to the absence of mining stope shapes for the underground mining completed by Plutonic. To be conservative, an all-encompassing void wireframe was constructed. Mined material from the hanging wall BIF unit within this void wireframe reports 157,000t at 3.9g/t Au for 19,800 ounces at a 2g/t Au cut-off. Material north of 6,817,220mN was not wireframed or estimated as the deposit is presumed to be mined out to the north. Therefore, the reported production between November 1994 to January 1998 of 711,940t at 3.7g/t Au for 77,178 ounces cannot be directly reconciled with the current block model, however it is noted that the grades were similar.</li> <li>No recovery of by-products is anticipated.</li> </ul>



Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>• <i>The assumptions made regarding recovery of by-products.</i></li> <li>• <i>Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).</i></li> <li>• <i>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</i></li>   <li>• <i>Any assumptions behind modelling of selective mining units.</i></li> <li>• <i>Any assumptions about correlation between variables.</i></li> <li>• <i>Description of how the geological interpretation was used to control the resource estimates.</i></li>   <li>• <i>Discussion of basis for using or not using grade cutting or capping.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Only Au was interpolated into the block model.</li>   <li>• The parent block dimensions used were 20m NS by 5m EW by 10m vertical with sub-cells of 2.5m by 0.625m by 1.25m. The model was rotated -30° to align with the general strike of the mineralisation. The parent block size dimensions were selected to provide sufficient resolution to the block model in the across-strike and down-dip direction. The along-strike block size was selected to adequately reflect the combination of close spaced (less than 2m) face sampling along ore drives spaced at 20m, and exploration drilling on a nominal 40m spacing along strike.</li> <li>• An orientated 'ellipsoid' search was used to select data and adjusted to account for the variations in lode orientations, however all other parameters were taken from the variography derived from Objects 1, 2, 8 and 9. Three passes were used for each domain. First pass had a range of 50 to 60m, with a minimum of 10 samples. For the second pass, the range was extended to 100 to 120m, with a minimum of 6 samples. For the final pass, the range was extended to 300 to 400m, with a minimum of 2 samples. A maximum of 40 samples was used for all 4 passes.</li> <li>• No assumptions were made on selective mining units.</li> <li>• Only Au assay data was available, therefore correlation analysis was not possible.</li> <li>• The deposit mineralisation was constrained by wireframes constructed using a 0.5g/t Au cut-off grade. Mineralisation wireframes were generally constrained to the BIF units. The wireframes were applied as hard boundaries in the estimate.</li> </ul>



Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li><i>The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.</i></li> </ul>	<ul style="list-style-type: none"> <li>Statistical analysis was carried out on data from 9 lodes. The high coefficient of variation and the scattering of high grade values observed on the histogram for some of the objects suggested that high grade cuts were required if linear grade interpolation was to be carried out. As a result a high grade cut of 70g/t was applied, resulting in a total of 11 samples being cut.</li> <li>Validation of the model included detailed comparison of composite grades and block grades by strike panel and elevation. Validation plots showed good correlation between the composite grades and the block model grades.</li> </ul>
<b>Moisture</b>	<ul style="list-style-type: none"> <li><i>Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</i></li> </ul>	<ul style="list-style-type: none"> <li>Tonnages and grades were estimated on a dry in situ basis. No moisture values were reviewed.</li> </ul>
<b>Cut-off parameters</b>	<ul style="list-style-type: none"> <li><i>The basis of the adopted cut-off grade(s) or quality parameters applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>The Mineral Resource has been reported at a 2g/t Au cut-off based on assumptions about economic cut-off grades for underground mining.</li> </ul>
<b>Mining factors or assumptions</b>	<ul style="list-style-type: none"> <li><i>Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</i></li> </ul>	<ul style="list-style-type: none"> <li>RPM has assumed that the deposit could potentially be mined using underground techniques. Underground mining has previously occurred at Westralia prior to the 1930's and open pit and underground mining occurred during the 1990's.</li> </ul>
<b>Metallurgical factors or assumptions</b>	<ul style="list-style-type: none"> <li><i>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical</i></li> </ul>	<ul style="list-style-type: none"> <li>Metallurgical testing was carried out on samples from Westralia Underground and Westralia Deeps in 1992. Test work results indicated significant gravity recoverable gold was evident in the tested ore samples, but the Westralia Deeps samples were particularly sensitive to grind size. Gold recoveries of &gt;95% and</li> </ul>



Criteria	JORC Code explanation	Commentary
	<p><i>treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</i></p>	<p>&gt;90% were achieved with cyanidation leaching at grind sizes &lt;75µm for the Westralia Underground and Westralia Deeps samples respectively.</p>
<p><b>Environmental factors or assumptions</b></p>	<ul style="list-style-type: none"> <li>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>No assumptions have been made regarding environmental factors. Historical mining has occurred at the Westralia deposit. DCN will work to mitigate environmental impacts as a result of any future mining or mineral processing.</li> </ul>
<p><b>Bulk density</b></p>	<ul style="list-style-type: none"> <li>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</li> <li>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.</li> <li>Discuss assumptions for bulk density estimates used in the evaluation process</li> </ul>	<ul style="list-style-type: none"> <li>DCN collected 1,086 specific gravity measurements during the 2013 drilling program. All samples were in fresh rock. RPM extracted the specific gravity measurements that coincided with the geological logging. Any measurements that transgressed logged intervals were not extracted. In total, 796 samples coincided within the geological logging intervals. RPM then subdivided the measurements into BIF and non-BIF lithologies and determined whether the measurements were in waste or mineralisation.</li> <li>Bulk density is measured. Moisture is accounted for in the measuring process and measurements were separated for lithology and mineralisation.</li> <li>It is assumed there are minimal void spaces in the rocks at Westralia. The Westralia resource contains minor amounts of oxide and transitional material above the fresh bedrock. Values</li> </ul>



Criteria	JORC Code explanation	Commentary
	<i>of the different materials.</i>	for these zones were derived from known bulk densities from similar geological terrains.
<b>Classification</b>	<ul style="list-style-type: none"> <li><i>The basis for the classification of the Mineral Resources into varying confidence categories.</i></li> <li><i>Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).</i></li> <li><i>Whether the result appropriately reflects the Competent Person's view of the deposit.</i></li> </ul>	<ul style="list-style-type: none"> <li>The Mineral Resource estimate is reported here in compliance with the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' by the Joint Ore Reserves Committee (JORC). The resource was classified as Measured, Indicated, and Inferred Mineral Resource based on data quality, sample spacing, and lode continuity. The Measured portion of the deposit was assigned to areas of the deposit defined by extensive open cut and underground grade control drilling (10m strike spacing) and face sampling which confirmed the geological and grade continuity of the mineralisation. The Indicated Mineral Resource was defined within areas of close spaced diamond and RC drilling of less than 30m by 30m, and where the continuity and predictability of the lode positions was good. The Inferred Mineral Resource was assigned to areas of the deposit where drill hole spacing was greater than 30m by 30m, where small isolated pods of mineralisation occur outside the main mineralised zones, and to geologically complex zones.</li> <li>The input data is comprehensive in its coverage of the mineralisation and does not favour or misrepresent in-situ mineralisation. The definition of mineralised zones is based on high level geological understanding producing a robust model of mineralised domains. This model has been confirmed by infill drilling which supported the interpretation. Validation of the block model shows good correlation of the input data to the estimated grades.</li> <li>The Mineral Resource estimate appropriately reflects the view of the Competent Person.</li> </ul>



Criteria	JORC Code explanation	Commentary
<b><i>Audits or reviews</i></b>	<ul style="list-style-type: none"> <li><i>The results of any audits or reviews of Mineral Resource estimates.</i></li> </ul>	<ul style="list-style-type: none"> <li>Internal audits have been completed by RPM which verified the technical inputs, methodology, parameters and results of the estimate.</li> </ul>
<b><i>Discussion of relative accuracy/ confidence</i></b>	<ul style="list-style-type: none"> <li><i>Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.</i></li> <li><i>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</i></li> <li><i>These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</i></li> </ul>	<ul style="list-style-type: none"> <li>The Westralia Mineral Resource estimate has been reported with a high degree of confidence. The continuity of the main lodes have been defined by good quality close spaced drill and face samples, and the resultant block estimates have accurately reflected the composite input data. The confidence in the estimate is further highlighted by the classification of Measured and Indicated material within the deposit.</li> <li>The Mineral Resource statement relates to global estimates of tonnes and grade.</li> <li>Reconciliation could not be conducted due to the absence of mining stope shapes for the underground mining completed by Plutonic.</li> </ul>

## 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
<b>Total</b>		<b>1,699</b>	<b>3.4</b>	<b>184</b>	<b>2,674</b>	<b>3.8</b>	<b>324</b>	<b>4,808</b>	<b>4.3</b>	<b>660</b>	<b>9,180</b>	<b>4.0</b>	<b>1,168</b>

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
<b>Total</b>		<b>380</b>	<b>6.2</b>	<b>76</b>	<b>299</b>	<b>6.3</b>	<b>61</b>	<b>679</b>	<b>6.2</b>	<b>136</b>

### 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 March 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	38/2784	Application	Mt Morgans WA	Dacian Gold Ltd (100%)
E	38/2795	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%)
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%)



Tenement Type	Tenement	Status	Location	Ownership
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%)
P	39/5359	Application	Mt Morgans WA	Dacian Gold Ltd (100%)



Tenement Type	Tenement	Status	Location	Ownership
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%)

# 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")

31 March 2014

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration & evaluation	(781)	(3,499)
(b) development	-	-
(c) production	-	-
(d) administration	(383)	(878)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	212	450
1.5 Interest and other costs of finance paid	-	(8)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	4	8
<b>Net Operating Cash Flows</b>	<b>(948)</b>	<b>(3,927)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(133)	(180)
(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)	-	-
<b>Net investing cash flows</b>	<b>(133)</b>	<b>1,048</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(1,081)</b>	<b>(2,879)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(1,081)	(2,879)
	<b>Cash flows related to financing activities</b>		
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	(7)	(23)
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	<b>Net financing cash flows</b>	(7)	(23)
	<b>Net increase (decrease) in cash held</b>	(1,088)	(2,902)
1.20	Cash at beginning of quarter/year to date	13,254	15,068
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	<b>12,166</b>	<b>12,166</b>

**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	299
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 - \$123k;
- Payment of termination benefits - \$176k.

**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	1,400
4.2 Development	-
4.3 Production	-
4.4 Administration	400
<b>Total</b>	<b>1,800</b>

### 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	11,117	186
5.2 Deposits at call	1,049	13,068
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>12,166</b>	<b>13,254</b>

+ 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	P38/4093 P38/4094 P38/4095 P39/5360	Nil Nil Nil Nil	100% 100% 100% 100%

### 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	<b>Preference securities</b> <i>(description)</i>	-	-	
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	<b>+Ordinary securities</b>	96,100,000	72,100,000	
7.4	Changes during quarter (a) Increases through issues – released from escrow (b) Decreases through returns of capital, buy-backs	-	-	
7.5	<b>+Convertible debt securities</b> <i>(description)</i>	-	-	

+ See chapter 19 for defined terms.

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	<b>Options</b> (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	1,000,000	-	57 cents	28 February 2019
7.9	Exercised during quarter	-	-		
7.10	Expired during quarter	5,000,000	-	84 cents	9 October 2017
7.11	<b>Debentures</b> (totals only)	-	-		
7.12	<b>Unsecured notes</b> (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:



Date: 11 April 2014

Company secretary

Print name:

Kevin Hart

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+ 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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