

20 DECEMBER 2019

BOARD AND MANAGEMENT SUCCESSION

Dacian Gold Ltd (**Dacian Gold** or **the Company**) (ASX: DCN) announces the following Board and Management changes.

Executive Chairman and CEO Mr Rohan Williams will retire from the Board and will resign as Chief Executive Officer, effective 6 January, 2020.

The Board has appointed Mr Leigh Junk as the Company's new Managing Director and Chief Executive Officer, effective 6 January, 2020.

Mr Junk is a highly experienced mining executive with over 25 years of operations and corporate experience. He was most recently Managing Director and Chief Executive Officer of Doray Minerals Limited until its merger with Silver Lake Resources Ltd in April 2019. A summary of Mr Junk's background and experience is attached as Appendix A.

Mr Williams will be available to assist with the handover to Mr Junk and to consult to the Company as required. He will remain a significant shareholder in Dacian Gold and continue to be a strong supporter of the Company.

Mr Ian Cochrane, presently a Non-Executive Director of Dacian Gold, is to be appointed Non-Executive Chairman, also from 6 January 2020.

Mr Williams is the founder of Dacian Gold and led the Company from its pre-IPO in January 2012 through to its current position as a mid-tier ASX gold producer.

Mr Williams said: "After eight years during which we established the Company and built the Mt Morgans Gold Operation, I believe that the time is the right to refresh the CEO and Chairman roles.

"Dacian has come a long way in a short period and I am very proud of the exceptional achievements of our employees and contractors who have helped grow the Company into a substantial Australian gold producer.

"I am confident that the strong production base and significant exploration upside at Mt Morgans will drive excellent returns for Dacian shareholders for many years to come.

"I would like to thank everyone who has contributed to Dacian's success over the past eight years."

Mr Cochrane said: "On behalf of the Board, management team and shareholders, I would like to thank Rohan for the pivotal role he has played in establishing the Company and overseeing the development of a significant new Australian gold mine at Mt Morgans.

"The Board is extremely grateful to Rohan for the enormous contribution he has made as the founder and driving force behind Dacian Gold over the past eight years.

“His leadership through the exploration, development, permitting, financing, construction and ramp-up of Mt Morgans has been instrumental in positioning the Company to fulfil its potential of being an established Australian gold producer. We look forward to his continuing support as a shareholder and wish him all the very best for the future.”

Mr Cochrane said the Board was delighted to have secured Mr Junk as Managing Director and CEO.

“We are very pleased to have secured such a highly credentialed Managing Director and Chief Executive Officer as Leigh Junk. Leigh shares the Board’s enthusiasm for the opportunities at Dacian Gold and looks forward to him leading the next chapter of the Company’s growth.”

Details of Mr Junk’s remuneration package are included in Appendix B

The Company is also pleased to advise that Mt Morgans Gold Operation remains on track to meet its FY2020 operating guidance of 150,000-170,000oz at an MMGO all-in cost of \$1,400-\$1,500/oz with approximately 45% of the full-year production expected during the first half of this financial year.

This ASX announcement was approved and authorised for release by the Board of Dacian Gold Limited

For and on behalf of the Board



Ian Cochrane

Chairman-elect

For further information, please contact:

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Appendix A - Summary of Background and Experience of Mr Leigh Junk

Mr Junk is a Mining Engineer with over 25 years of operational and executive management experience in several Australian mining companies including Doray Minerals, WMC Resources, Mincor Operations and Pilbara Manganese.

Mr Junk has been a Director of several public companies in the Mining and Financial sectors in Australia and Canada, and most recently was the CEO and Managing Director of Doray Minerals Ltd until its merger with Silver Lake Resources in 2019.

Mr Junk was a co-founder of Donegal Resources which was successful in purchasing and recommissioning several Nickel operations around Kambalda WA until it was sold to Canadian miner Brilliant Mining Corp.

In 2003, Mr Junk was the recipient of the Ernst & Young WA “Young Entrepreneur of the Year Award” and in 2007 was a winner in the WA Business News “40 Under 40 Award”.

Appendix B – Material Terms of Mr Leigh Junk’s Executive Services Agreement (ESA)

Item	Description
Commencement Date	6 January 2020
Term	No fixed term
Fixed Remuneration	A\$550,000pa Base Salary plus statutory superannuation
One-Off On Boarding Share Issue	Mr Junk will receive a one-off share issue on the following terms: <ul style="list-style-type: none"> • 191,856 shares (equivalent to A\$275,000 using a 7 day VWAP) to be issued on the Commencement Date, and • 191,856 shares (equivalent to A\$275,000 using a 7 day VWAP) to be issued, subject to Mr Junk’s continuing employment, 6 months after the Commencement Date
Short Term Incentive (STI) (100% at risk)	<p>Mr Junk has been invited to participate in the Company’s STI program which provides a maximum annual incentive up to 40% of the Base Salary.</p> <p>KPIs for the STI plan are associated with quarterly operational KPIs at operating sites relating to production levels, operating costs and safety / environmental performance, as determined from time to time by the Board. Accordingly, 100% of the STI is at risk.</p> <p>The STI is paid as cash at the end of the financial year.</p>
Long-Term Incentive (LTI) (100% at risk)	<p>Mr Junk has been invited to participate in the Company’s LTI program which provides a maximum annual incentive up to 120% of the Base Salary.</p> <p>The Board has determined that the initial LTI allocation for Mr Junk for each of the next 3 years (to the end of FY2022) will be 120% of Base Salary with the number of Performance Rights to be issued being based on the 7 day VWAP prior to the date of issue. The first allocation will be 460,455 Performance Rights (equivalent to A\$660,000 on 7 day VWAP).</p> <p>Performance Rights are issued in accordance with the Company’s existing Performance Rights Plan and are subject to measurement against KPIs, determined by the Board. Accordingly, 100% of the LTI is at risk.</p> <p>All Performance Rights issued to Mr Junk will be subject to a three-year vesting period.</p>
Termination	<p>Either party may terminate the ESA with 6 months’ written notice. Mr Junk may be required to serve out all or part of this period or be paid in lieu of notice at the Board’s election.</p> <p>The Company may immediately terminate the ESA for cause.</p>