



**DACIAN**  
**GOLD** ASX CODE: DCN



# Equity Raising Investor Presentation

## *Building Australia's next significant mid-tier gold producer*

22 February 2017

Rohan Williams – Executive Chairman

# Important Notice & Disclaimer



- The purpose of this presentation is to provide general information about Dacian Gold Limited (“Dacian” or the “Company”). This presentation relates to a proposed accelerated pro rata non-renounceable entitlement offer (“Entitlement Offer”) and institutional placement (“Placement”, together with the Entitlement Offer, the “Offer”) of new shares to be made under section 708AA (as modified by ASIC Corporations Instruments 2016/73 and 2016/84) and section 708A of the Corporations Act 2001 (Cth). It is not recommended that any person makes any investment decision in relation to the Company based solely on this presentation.
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- The retail offer booklet for the retail component of the Entitlement Offer will be available following its lodgement with ASX. Any eligible retail shareholder who wishes to participate in the retail component of the Entitlement Offer should consider the Retail Offer Booklet in deciding whether to apply under that offer. Anyone who wishes to apply for new shares under the retail component of the Entitlement Offer will need to apply in accordance with the instructions contained in the Retail Offer Booklet and the entitlement and acceptance form that will accompany it.
- Determination of eligibility of investors for the purposes of the institutional and retail components of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of the Company and/or the Lead Manager, and each of the Company and the Lead Manager and each of their respective affiliates disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law.
- Note, all figures are expressed in Australian dollars unless otherwise stated.

## Competent Person Statements

- 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.
- The information in this report that relates the Westralia Mineral Resource (see ASX announcement – 28 July 2016), the Jupiter Mineral Resource (see ASX announcement – 19 July 2016), the Transvaal Mineral Resource (see ASX announcement – 16 September 2015), and the Ramornie Mineral Resource (see ASX announcement – 24th February, 2015) is based on information compiled by Mr Shaun Searle who is a Member of Australian Institute of Geoscientists and a full time employee of RPM. Mr Searle has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Searle consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.
- The information in this report that relates the Jupiter Low Grade Stockpile (see ASX announcement – 16th September, 2015) 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 and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Williams consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



# Important Notice & Disclaimer



- The information in this report that relates to Mineral Resources (other than Westralia, Jupiter, Transvaal Jupiter Low Grade Stockpile and Ramornie which are reported under JORC 2012) 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 and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves. Mr Williams consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.
- Where the Company refers to the Mineral Resources and Ore Reserves in this report (referencing the releases made to the ASX), 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 and reserve estimates with that announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person findings are presented have not materially changed from the original market announcement.
- The information in this report that relates to Ore Reserves for the Westralia Mine Area and the Transvaal underground mine is based on information compiled by Mr Matthew Keenan and Mr Shane McLeay, both full time employees of Entech Pty Ltd and Members of The Australasian Institute of Mining and Metallurgy. The information in this report that relates to Ore Reserves for the Jupiter Mine Area is based on information compiled by Mr Ross Cheyne, a full time employee of Orelogy Consulting Pty Ltd a Fellow of The Australasian Institute of Mining and Metallurgy. Messrs Keenan, McLeay and Cheyne 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 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Messrs Keenan, McLeay and Cheyne 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 King Street and Craic) were prepared and disclosed under the JORC Code 2012. The JORC Code 2004 Mineral Resource and Ore Reserves have 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.

## Cautionary Statement

- Dacian Gold has concluded it has a reasonable basis for providing the forward looking statements that relate to the Mt Morgans Feasibility Study and the expansion Pre-Feasibility Study (expansion PFS) that are included in this presentation. The detailed reasons for that conclusion are outlined in ASX announcement dated 21 November 2016, which has been prepared in accordance with the JORC Code (2012) and the ASX Listing Rules. The Company advises that the Production Targets and Forecast Financial Information contained in the Mt Morgans expansion PFS in this announcement are preliminary in nature as the conclusions are based, in part, on low-level technical and economic assessments, and are insufficient to support the estimation of Ore Reserves or to provide an assurance of economic development at this stage. There is a low level of geological confidence associated with Inferred Mineral Resources (comprising 23% of the expansion PFS) used in this report and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the Production Target itself will be realised. The stated Production Target is based on the Company's current expectations of future results or events and should not be relied upon by investors when making investment decisions. Further evaluation work and appropriate studies are required to establish sufficient confidence that this target will be met.
- The Company confirms that all material assumptions underpinning the production target and forecast financial information contained in the Company's ASX announcement released on 21 November 2016 continue to apply and have not materially changed.

## Cautionary note regarding reserves and resources

- You should be aware that as an Australian company with securities listed on the ASX, the Company is required to report reserves and resources in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition). You should note that while the Company's reserve and resource estimates comply with the JORC Code, they may not comply with the relevant guidelines in other countries and, in particular, do not comply with (i) National Instrument 43-101 (Standards of Disclosure for Mineral Projects) of the Canadian Securities Administrators and (ii) Industry Guide 7, which governs disclosures of mineral reserves in registration statements filed with the US Securities and Exchange Commission. Information contained in this presentation describing the Company's mineral deposits may not be comparable to similar information made public by companies subject to the reporting and disclosure requirements of Canadian or US securities laws. In particular, Industry Guide 7 does not recognise classifications other than proven and probable reserves and, as a result, the SEC generally does not permit mining companies to disclose their mineral resources in SEC filings. You should not assume that quantities reported as "resources" will be converted to reserves under the JORC Code or any other reporting regime or that the Company will be able to legally and economically extract them.

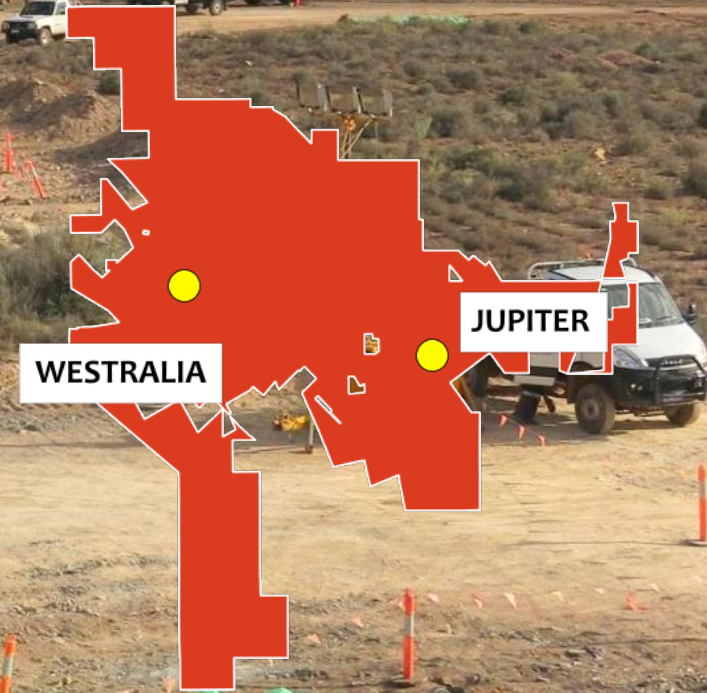
## Lead Manager Parties Disclaimer

- Macquarie Capital (Australia) Limited has acted as lead manager and underwriter to the Offer ("Lead Manager"). Macquarie Capital (Australia) Limited and Argonaut Securities Pty Ltd, and their respective affiliates or related bodies corporate, and their respective directors, officers, partners, employees, agents or advisers ("Lead Manager Parties") have not caused, permitted or authorised the issue or lodgement, submission, despatch or provision of this presentation. The Lead Manager Parties have not made or purported to make any statement, representation or warranty in this presentation and there is no statement, representation or warranty in this presentation which is based on any statement by any of them. To the maximum extent permitted by law, the Lead Manager Parties exclude and disclaim all responsibility and liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the offer and the information in this presentation being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise. The Lead Manager Parties make no representation or warranty, express or implied, as to the fairness, currency, accuracy, reliability or completeness of information in this presentation and take no responsibility for any part of this presentation or the offer. The Lead Manager Parties make no recommendations as to whether you or your related parties should participate in the offer nor do they make any representations or warranties to you concerning the offer.





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## Equity Raising Details



# Equity Raising Overview



<b>Offer Structure and Size</b>	<ul style="list-style-type: none"><li>▪ Fully underwritten equity raising to raise approximately A\$110 million (Equity Raising), comprising:<ul style="list-style-type: none"><li>• An Institutional Placement to raise approximately A\$15.4 million (Placement); and</li><li>• A 1 for 3.1 pro rata accelerated non-renounceable Entitlement Offer to raise approximately A\$94.4 million (Entitlement Offer)</li></ul></li><li>▪ Approximately 55 million new Dacian Gold shares to be issued</li><li>▪ The Institutional Placement shares will not be entitled to participate in the Entitlement Offer</li><li>▪ New shares will rank equally with existing Dacian Gold shares</li></ul>
<b>Offer Price</b>	<ul style="list-style-type: none"><li>▪ Offer price of A\$2.00 per new share, which, as at the last closing price of 21 February 2017 represents a:<ul style="list-style-type: none"><li>• 8.9% discount to TERP<sup>1</sup> of A\$2.20;</li><li>• 11.9% discount to the last closing price of A\$2.27; and</li><li>• 12.1% discount to the 5 day VWAP of A\$2.28</li></ul></li></ul>
<b>Use of Proceeds</b>	<ul style="list-style-type: none"><li>▪ Proceeds from the Equity Raising will be used to fund:<ul style="list-style-type: none"><li>• A\$77 million for MMGP construction and development expenditure</li><li>• A\$15 million for exploration expenditure</li><li>• A\$18 million for corporate expenditure, working capital and transactions costs</li></ul></li><li>▪ Post completion of the Equity Raising, Dacian Gold is fully funded to complete the construction of the MMGP through to production</li></ul>
<b>Institutional Placement and Entitlement Offer</b>	<ul style="list-style-type: none"><li>▪ Institutional Placement and the institutional component of the Entitlement Offer open to eligible institutional shareholders to be conducted on Wednesday, 22 February and Thursday, 23 February (AEDT)</li><li>▪ New shares equivalent to the number of new shares not taken up and those that would have been offered to ineligible institutional shareholders will be offered to new and existing institutional investors concurrently with the Institutional Entitlement Offer</li></ul>
<b>Retail Entitlement Offer</b>	<ul style="list-style-type: none"><li>▪ Retail Entitlement Offer open to eligible retail shareholders in Australia and New Zealand from Tuesday, 28 February to 5:00pm Monday, 20 March (AEDT)</li></ul>
<b>Syndicate</b>	<ul style="list-style-type: none"><li>▪ Macquarie Capital (Australia) Limited is the sole underwriter, bookrunner and lead manager</li><li>▪ Argonaut Securities Pty Ltd is the Co-lead Manager</li></ul>

<sup>1</sup> The Theoretical Ex-Rights Price (TERP) is the theoretical price at which Dacian shares should trade immediately after the ex-date for the entitlement offer. TERP is a theoretical calculation only and the actual price at which shares trade immediately after the ex-date for the entitlement offer will depend on many factors and may not equate to TERP; Note: AEDT = Australian Eastern Daylight Time

# Equity Raising Timetable



Key Event	Date <sup>2</sup>
Trading Halt and Announcement of Equity Raising	Wednesday, 22 February 2017
Institutional Placement and Institutional Entitlement Offer Opens	10:00am Wednesday, 22 February 2017
Institutional Placement and Institutional Entitlement Offer Closes	Wednesday, 22 February 2017
Announcement of Outcome Under Institutional Placement and Institutional Entitlement Offer	Friday, 24 February 2017
Trading in Dacian Shares Recommences on an Ex-entitlement Basis	Friday, 24 February 2017
Record Date for Entitlement Offer	10:00pm Friday, 24 February 2017
Retail Entitlement Offer Opens	Tuesday, 28 February 2017
Retail Offer Booklet Dispatched	Tuesday, 28 February 2017
Settlement of New Shares Issued Under Institutional Placement and Institutional Entitlement Offer	Friday, 3 March 2017
Allotment and Trading of New Shares Issued Under Institutional Placement and Institutional Entitlement Offer	Monday, 6 March 2017
Retail Entitlement Offer Closes	5:00pm Monday, 20 March 2017
Announcement of Outcome Under the Retail Entitlement Offer	Wednesday, 22 March 2017
Settlement of New Shares Issued Under Retail Entitlement Offer	Friday, 24 March 2017
Allotment of New Shares Issued Under Retail Entitlement Offer	Monday, 27 March 2017
Dispatch of Holding Statements and Trading of New Shares Issued Under Retail Entitlement Offer	Tuesday, 28 March 2017

<sup>2</sup> The above timetable is indicative only and subject to change. Dacian, in conjunction with the Lead Manager and Co-Lead Manager, reserves the right to amend any or all of these events, dates and times subject to the Corporations Act 2001 (Cth), the ASX Listing Rules and other applicable laws. All times and dates are in reference to AEDT

# Sources and Uses of Equity and Debt Financing Proceeds



***\$110M Equity Raising completes the funding required for the development of Mt Morgans Gold Project\****

Sources		Uses	
Cash Balance as at 31 December 2016	A\$27M	MMGP Development: <ul style="list-style-type: none"> <li>Plant and Infrastructure<sup>3</sup></li> <li>Mine-establishment</li> <li>Overrun Facility/Reserve</li> </ul>	A\$157M A\$48M A\$25M
Equity Capital Raising	A\$110M	Exploration	A\$15M
Senior Debt Facility	A\$150M	Corporate: <ul style="list-style-type: none"> <li>Corporate Office</li> <li>Finance and Offer Costs</li> <li>Working Capital</li> </ul>	A\$6M A\$11M A\$25M
<b>Total Sources</b>	<b>A\$287M</b>	<b>Total Uses</b>	<b>A\$287M</b>

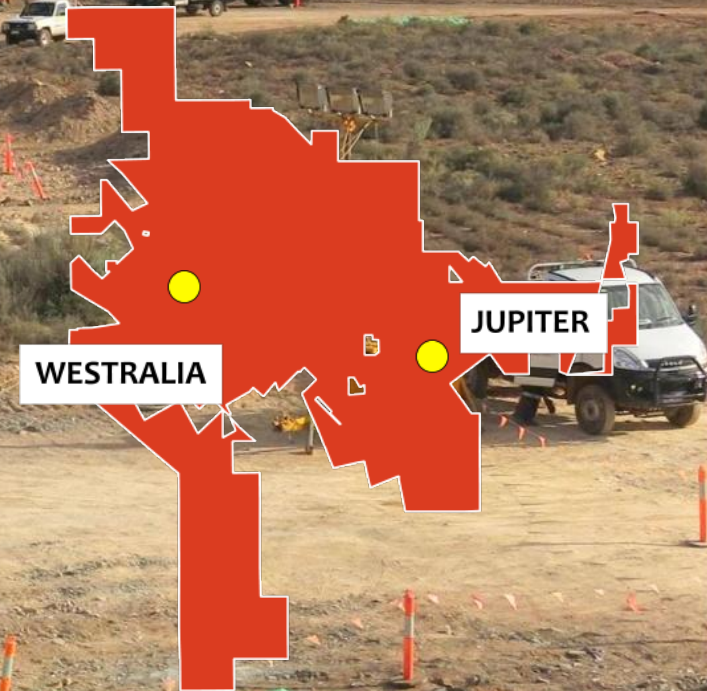
<sup>3</sup> Based on latest capital expenditure estimate incorporating savings identified from certain plant and infrastructure items originally priced in the total Feasibility Study capital cost of A\$172M

*\*Gold production forecast at end of Q1 CY2018*





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## Dacian Gold Overview



# Corporate Overview



## Pro forma Capital Structure<sup>4</sup>

201.2  
Million

Shares on Issue

12.6  
Million

Options  
(unlisted, average  
exercise price 98c)

A\$441.9  
Million

Market Cap  
(A\$)

A\$137  
million

Cash<sup>4</sup>

<sup>4</sup> Assumes successful completion of the Equity Raising before transaction costs

## Recent Share Price Performance – ASX Code: DCN

ASX 300 Company



## Major shareholders

Top 10 hold 45%

Directors – 10%

Institutions – 45%

- Australia 29%
- North America 11%
- UK 5%

## Board of Directors

Rohan Williams

Executive Chairman  
(Avoca / Alacer Gold, WMC)

Barry Patterson

Non-Executive Director  
(Sonic, Silex, GR Engineering, Eltin)

Rob Reynolds

Non-Executive Director  
(Avoca / Alacer Gold, Delta Gold)

Ian Cochrane

Non-Executive Director  
(Cochrane Lishman, Ausdrill)





## Mount Morgans Gold Project

- ✓ Completed 90,000m resource in-fill and extensional drill program
- ✓ Increased global resource inventory to 3.3Moz with 73% increase in Measured and Indicated Resources to 2.2Moz<sup>5</sup>
- ✓ Completed Feasibility Study delivering an initial Ore Reserve of 1.2Moz<sup>5</sup>
- ✓ Completed expansion PFS delivering 1.7Moz of potential production (incl Ore Reserves)<sup>6</sup>
- ✓ Commenced Mine Construction



## Corporate

- ✓ Increased market capitalisation from A\$100M to A\$350M (~A\$460M post Offer)
- ✓ Signed A\$150M Project Facility – excellent terms
- ✓ Fully funded to production following completion of Equity Raising
- ✓ Investment by leading institutions – 45% of share register
- ✓ Strengthened board and management with key appointments

<sup>5</sup> Refer to Slide 25 for further details; <sup>6</sup> Refer to ASX Release 21 November 2016



# Mount Morgans – Initial Ore Reserve of 1.2Moz



## Australia's next significant high-grade mid-tier gold project

- MMGP Feasibility Study completed
- Initial Ore Reserve<sup>7</sup> of 18.6Mt @ 2.0g/t Au for 1.2Moz, includes:
  - *Westralia Mine Area (Beresford and Allanson underground mines) Ore Reserve of 492Koz at an <sup>8</sup>AISC of A\$837/oz (<sup>9</sup>US\$628/oz), and*
  - *Jupiter Open Pit of 643Koz at an AISC of A\$1,193/oz (US\$895/oz)*
  - *Initial 8 year mine and treatment period. First 4 years averages 186Koz produced*
  - *MMGP AISC of A\$1,039/oz (US\$779/oz)*
- Capital Expenditure of A\$220M (US\$165M), which includes:
  - *Infrastructure costs of A\$172M (US\$129M) comprising new 2.5Mtpa CIL treatment & TSF facility, new 416-person accommodation village, mine services facilities at Westralia and Jupiter; administration complex; overland power reticulation, raw-water supply, re-establish existing haul and service roads; integrated data and communication systems across site*
  - *Mine-establishment costs of A\$48M (US\$36M) provides early mine start-up so that processing plant commences treatment at the nameplate 2.5Mtpa throughput rate*
- Project Finance secured (Q4 CY2016) and Board approval for construction (Q1 CY2017)
- Gold production targeted in Q1 CY2018, 13 months from now
- Payback period: 21 months



<sup>7</sup> Refer to ASX Release 21 November 2016. Refer to Slide 25 for further details

<sup>8</sup> AISC = C1 Cash cost + royalties + sustaining capital costs

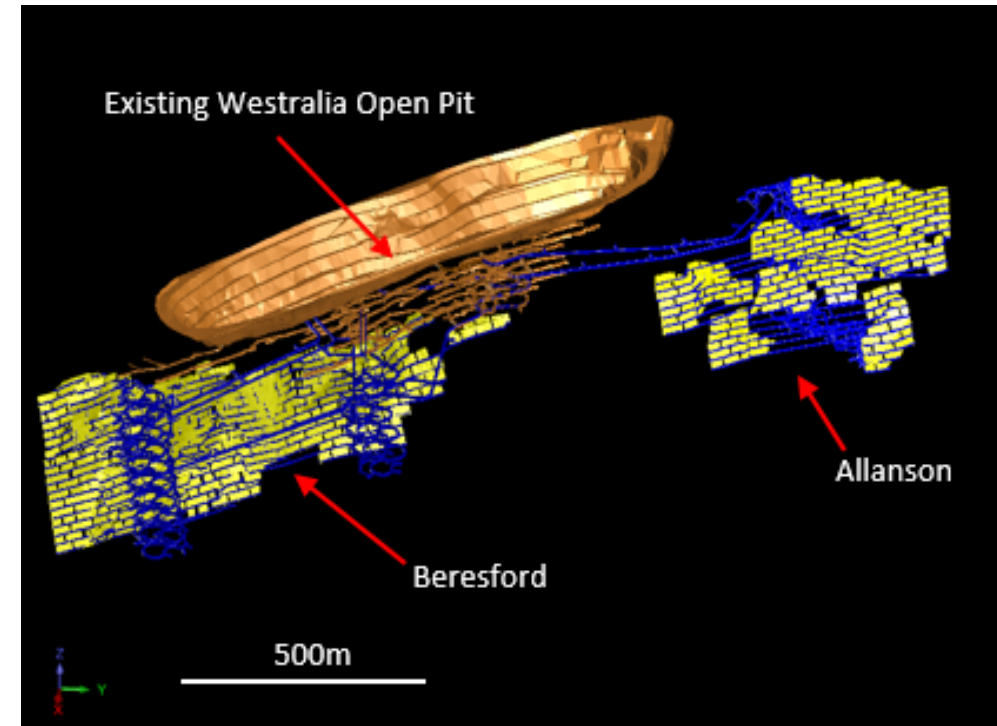
<sup>9</sup> USD:AUD Exchange rate set at \$0.75USD=A\$1.00





## Two new high-grade underground gold mines

- Beresford Initial Ore Reserve<sup>10</sup> of:
  - 2.4Mt @ 4.2g/t Au for 331Koz at a forecast AISC of A\$845/oz (US\$634/oz)
- Allanson Initial Ore Reserve<sup>10</sup> of:
  - 0.9Mt @ 5.7g/t Au for 162Koz at a forecast AISC of A\$819/oz (US\$614/oz)
- Combined Westralia Mine Area Ore Reserve<sup>10</sup> of:
  - 3.3Mt @ 4.6g/t Au for 492Koz at a forecast AISC of A\$837/oz (US\$626/oz)
- WA-standard underground mining techniques (SLOS)
- Westralia ores prioritised for treatment



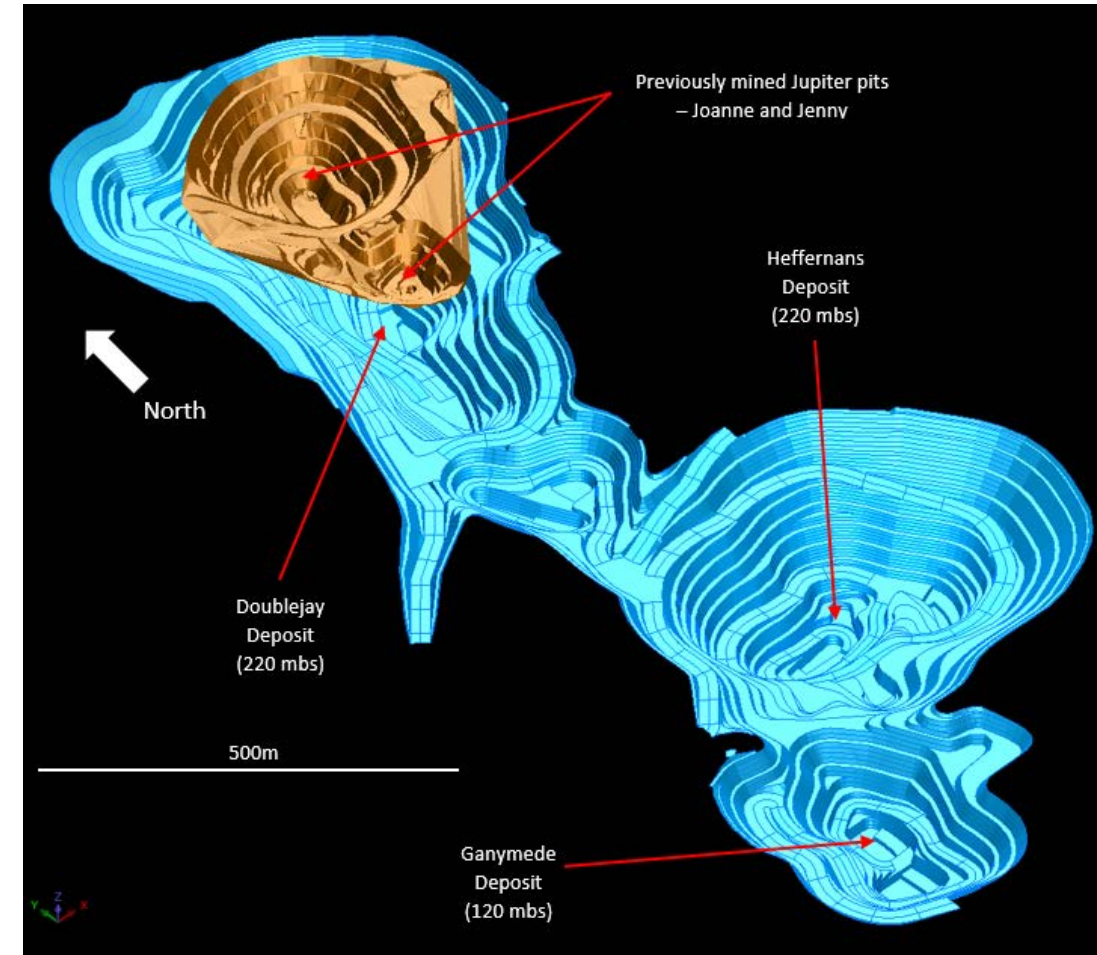
<sup>10</sup> Refer to Slide 25 for further details

# Mount Morgans – Jupiter Mine Area Initial Ore Reserve



*Single, large open pit 1.8km long, up to 650m wide and 220m deep*

- Maiden Ore Reserve<sup>11</sup> of
  - *14.8Mt @ 1.4g/t Au for 643Koz*
- Forecast AISC A\$1,193/oz (US\$875/oz)
- Three sub-pits:
  - *Heffernans – 323Koz at AISC of A\$1,108/oz (Q1/18-Q1/25)*
  - *Doublejay – 268Koz at AISC of A\$1,241/oz (Q1/18-Q3/23)*
  - *Ganymede – 52Koz at AISC of A\$1,485/oz (Q4/21-Q1/24)*
- Average strip ratio of 7.5
- Subordinated treatment priority to Westralia Mine Area



<sup>11</sup> Refer to Slide 25 for further details



# Mount Morgans – Project Infrastructure Capital



*Feasibility Study Total Project Infrastructure Capital of A\$172M, but is Less...*

- New 2.5Mtpa CIL treatment facility and associated infrastructure
  - *A\$134M Capital Cost*
  - *Build adjacent to Jupiter Pit*
- Other infrastructure, including:
  - *New accommodation village (A\$21M)*
  - *Mine service facilities at Westralia and Jupiter (A\$7M)*
  - *Communications (A\$4M)*
  - *Roads & Earthworks (A\$4M)*
- Latest estimate received post Feasibility Study reduces capital to A\$157M





# Mount Morgans – Mine-Establishment Capital



**Total Mine-Establishment Capital of A\$48M. Targeting plant to operate at 2.5Mtpa nameplate from commissioning**

- Beresford (A\$30M). Commencing Q2 CY2017
  - *Westralia pit dewatering*
  - *Mining contractor mobilisation*
  - *1990s decline refurbishment*
  - *Commence development of southern decline*
  - *First ore Q4 CY2017*
- Allanson (A\$4M). Commencing Q1 CY2018
  - *Commence new decline*
  - *First Ore Q3 CY2018*
- Jupiter (A\$14M). Commencing Q1 CY2018
  - *Mining contractor mobilisation*
  - *First Ore Q1 CY 2018*







## Project Finance

- \$150M Project Facility signed with Westpac / ANZ / BNP Paribas. Excellent terms:
  - *Low interest rates*
  - *No penalty for early payback or not fully drawn*
  - *Cash share mechanism, ie no cash sweeping*
  - *No mandatory hedging*
  - *First ranking charge over DCN subsidiary that holds asset and debt*
  - *First draw down anticipated to be in Q2 CY2017*
  - *Typical conditions precedent to drawdown exist including an equity contribution to development expenditure being satisfied by existing cash reserves and part of the funds from this Offer*

## Permitting

- Relevant regulatory approvals:
  - ✓ *Mining Proposal and Mine Closure Plan*
  - ✓ *Native Vegetation Clearing Permit*
  - ✓ *Project Management Plan*
  - ✓ *Works Approval and License*
- No registered Native Title Claim over the MMGP and no Native Title agreement in place
- ALL tenure required under the Mining Act 1978 granted



# Mount Morgans – Project Delivery Schedule: Works Commenced



MMGP Project Delivery Schedule	2016	2017						2018
	Q4	Q1	Q2	Q3	Q4			Q1
Regulatory Approvals Granted	assessment	★						
Commence Plant Construction		★	processing plant construction					
Processing Plant Commissioned								★
Commence Beresford UG mine dev't			★	mine development to steady state production				
First ore mined from Beresford					★			
Commence Jupiter OP pit mine dev't						★	mine dev	
Commence Allanson UG mine dev't							★	mine dev
First gold production								★





# Mount Morgans – Expansion PFS Shows Potential of 1.7Moz



## Australia's next significant high-grade mid-tier gold project

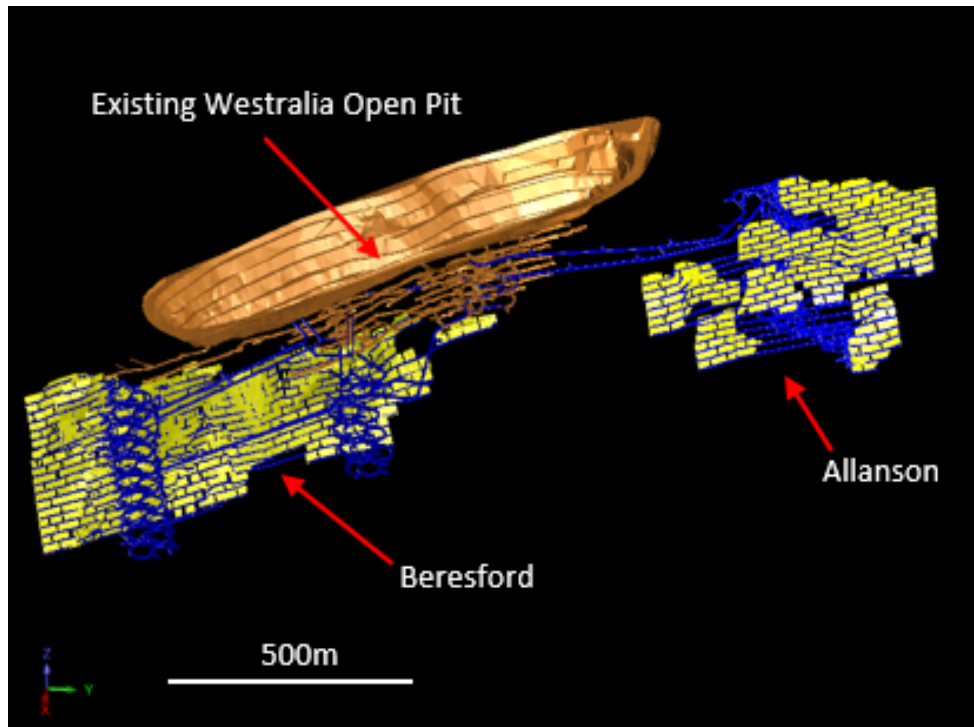
- MMGP Expansion PFS also completed
- <sup>12</sup>Potential for 21.4Mt @ 2.4g/t Au for 1.7Moz, includes:
  - *Westralia Mine Area (Beresford and Allanson underground mines) potentially increases to 938Koz at an AISC of A\$795-805/oz (US\$595-605/oz), and*
  - *No change to Jupiter Ore Reserve of 643Koz at an AISC of A\$1,193/oz (US\$895/oz)*
  - *Expanded 9 year mine and treatment period. Potential average annual production of 197Koz for first 7 years*
  - *MMGP AISC could improve to A\$970-975/oz (US\$730-735/oz)*
- Expansion PFS assumes additional capex of A\$3M (increase capacity of TSF)
- Expansion PFS underpinned by 1.2Moz of defined Ore Reserves (73%)
- Expansion PFS assumes potential of minor contribution (27%) of high grade Inferred Mineral Resource lying contiguous with Allanson and Beresford Ore Reserves



<sup>12</sup>Production Target described herein comprises 1.2Moz of Ore Reserve and the potential mining of Inferred Mineral Resource that is contiguous with the Ore Reserve. There is a low level of geological confidence associated with Inferred Mineral Resource and there is no certainty that further exploration work will result in the conversion of Inferred Mineral Resource to Ore Reserves, or that the Production Target itself will be realised.

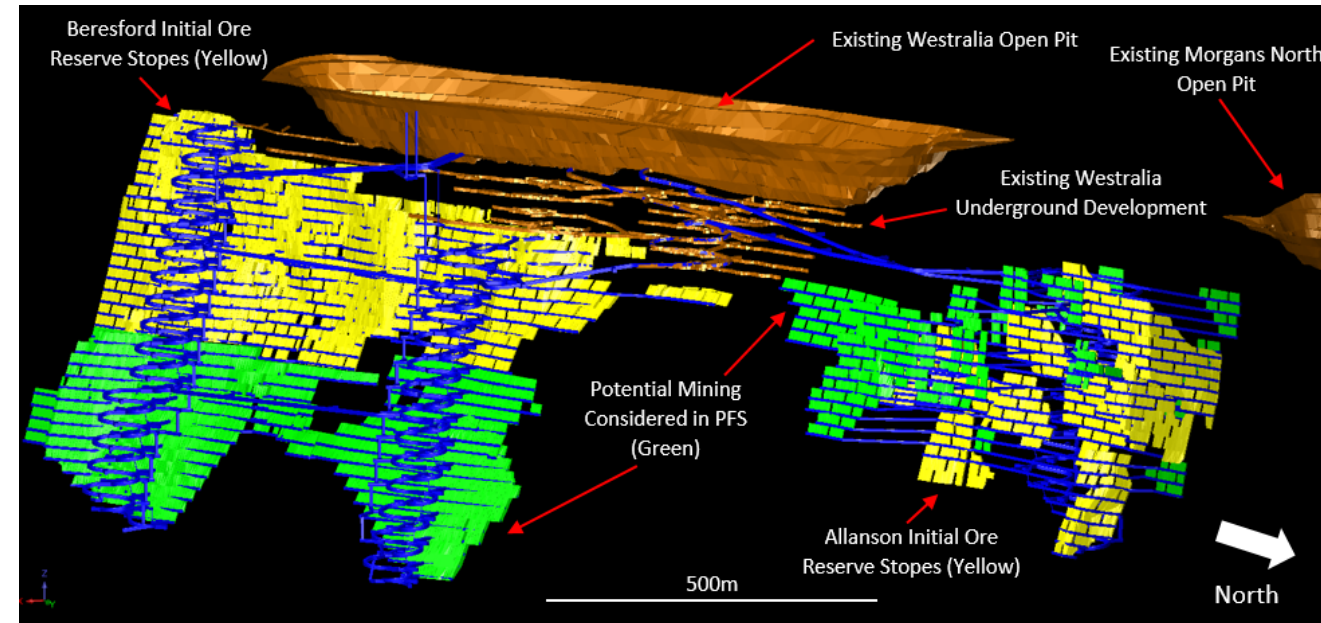


## Westralia Mine Area Initial Ore Reserve



- Initial Westralia Mine Area Ore Reserve of:
  - 3.3Mt @ 4.6g/t Au for 492Koz at a forecast AISC of A\$837/oz (US\$626/oz)*

## Potential Westralia Mine Area Expansion PFS

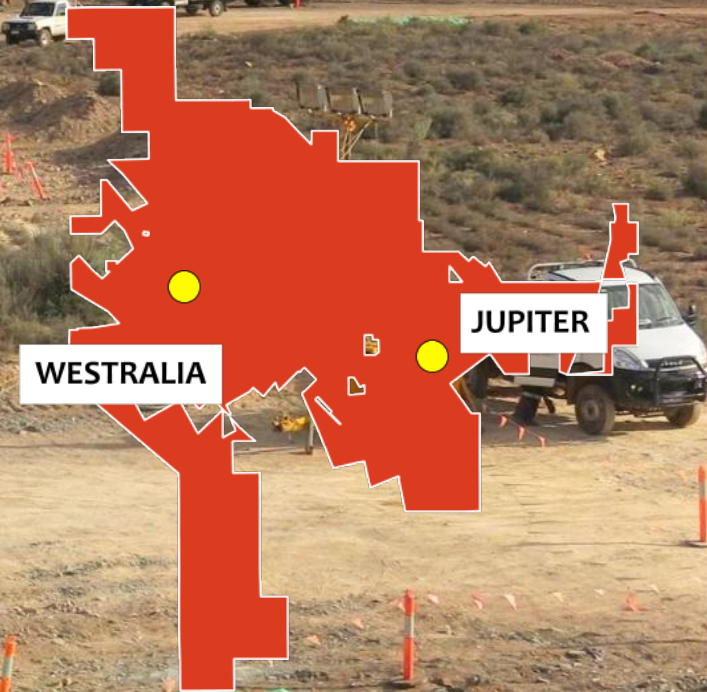


- Potential Westralia Mine Area Expansion PFS:
  - 6.1Mt @ 4.9g/t Au for 938Koz at a potential forecast AISC of A\$795-805/oz (US\$595-605/oz).*





**DACIAN**  
**GOLD**  
ASX CODE: DCN



## Mount Morgans Exploration

- Outstanding discovery potential remains with controls on mineralisation now well understood



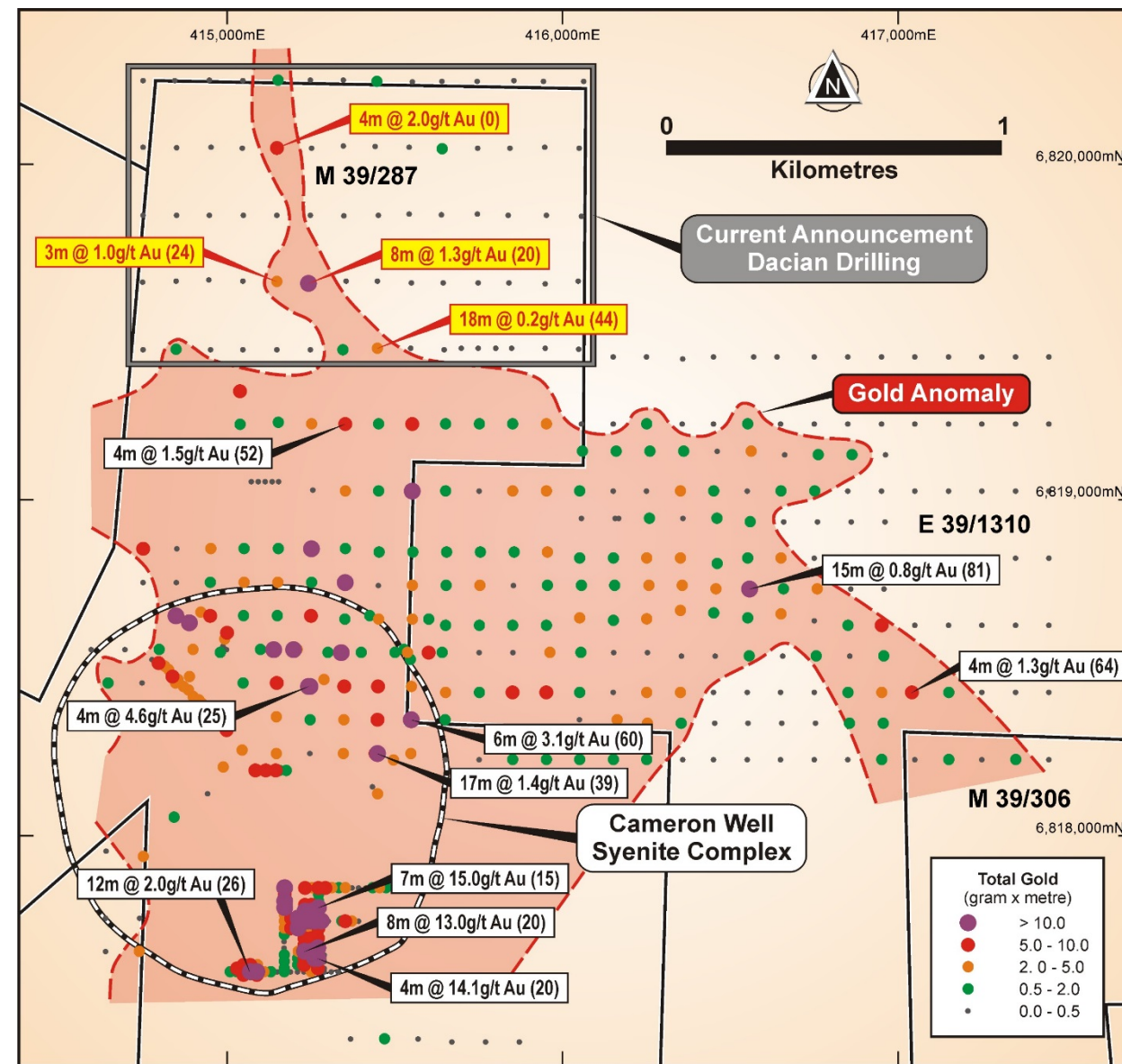
# Regional Exploration and Growth – Cameron Well



## Another significant regional discovery opportunity<sup>13</sup>

- 6km<sup>2</sup> gold-in-regolith anomaly defined by 385 dominantly shallow RAB/aircore holes.
  - *Anomaly defined over 2.6km x 2.4km using broad 200m x 100m and 100m x 100m drilling grids*
  - *Numerous examples of multi-gram mineralisation identified*
- Gold anomaly underlain by clear circular magnetic high called Cameron Well Syenite Complex
  - *Another Mt Morgans example of significant gold mineralisation / anomalism associated with syenite*

<sup>13</sup>Refer to ASX release – 7 February 2017

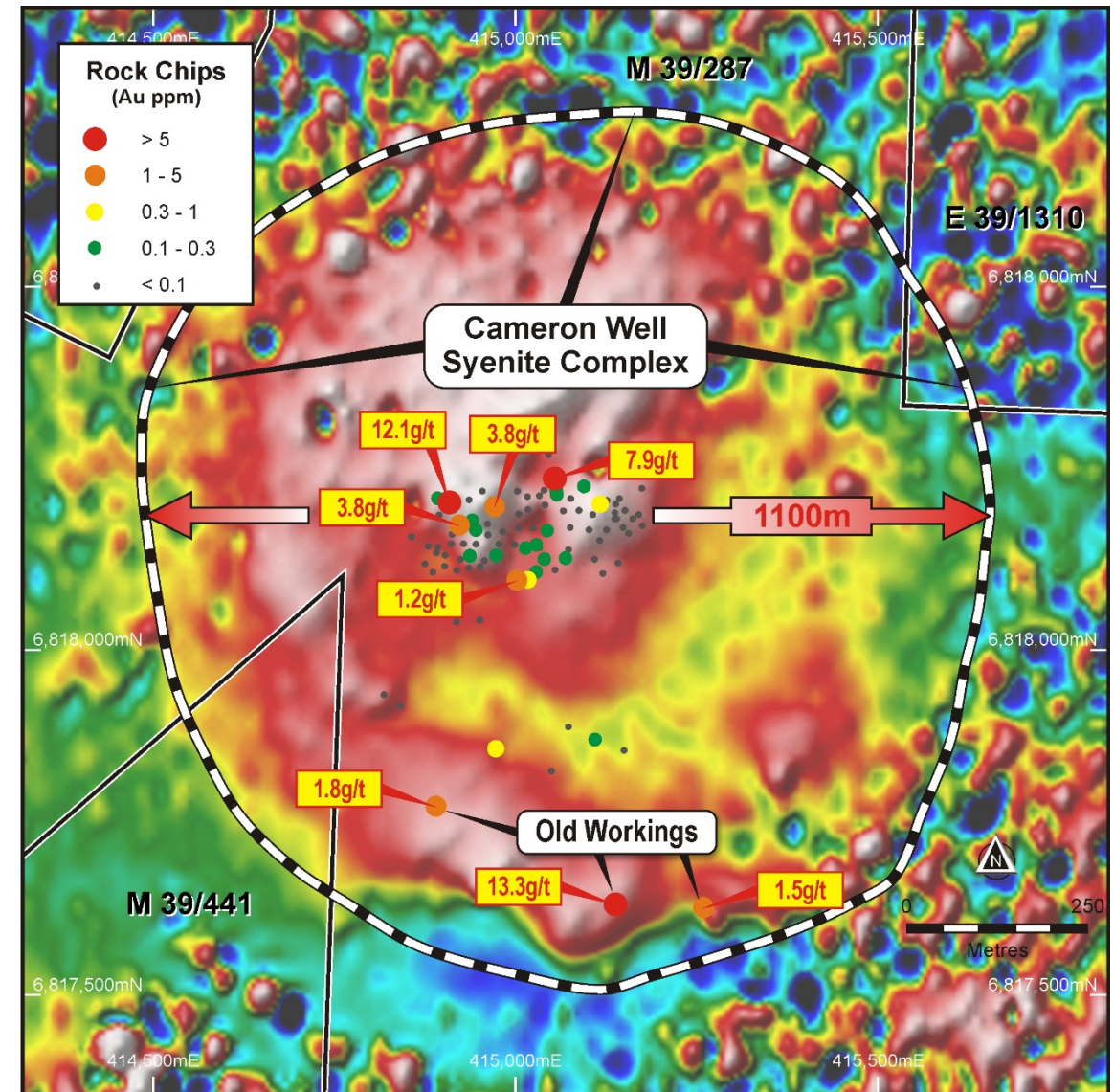




# Regional Exploration and Growth – Cameron Well

## Another significant regional discovery opportunity<sup>14</sup>

- Circular magnetic high lying beneath the 6km<sup>2</sup> gold-in-regolith anomaly is the Cameron Well Syenite Complex
  - *Large intrusive complex, 1.1km diameter*
- Core of the magnetic anomaly is outcropping syenite. Rock chips show:
  - *Syenite assays up to 12.1g/t Au*
  - *In-situ quartz veins assay up to 7.9g/t Au*
- Southern margin of circular magnetic complex shows outcropping syenite with old workings. Rock chips show:
  - *Quartz veining up to 13.3g/t Au*
- Cameron Well syenite very similar in appearance to Jupiter syenite (host to 1.4Moz)



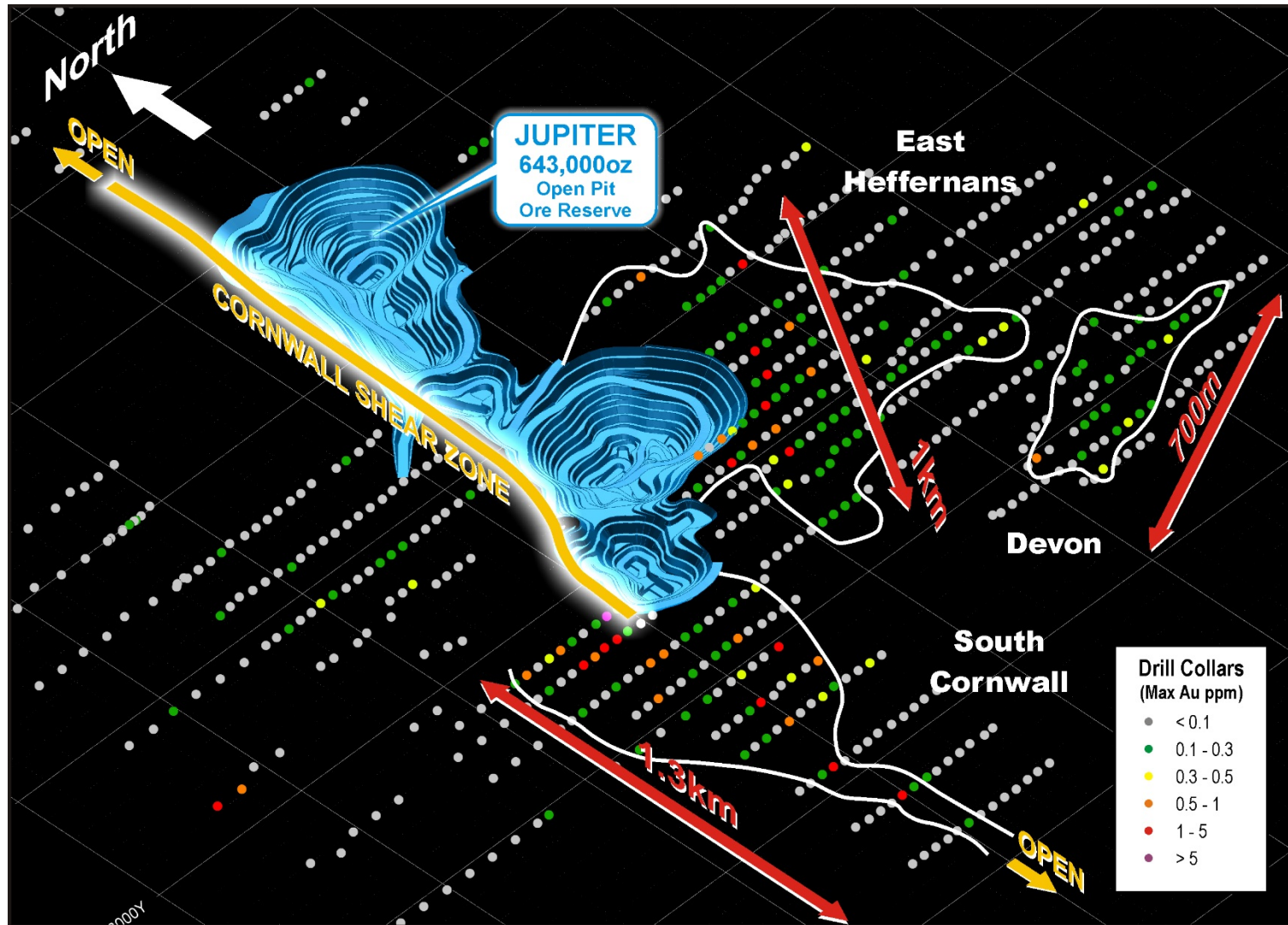
<sup>14</sup>Refer to ASX release – 7 February 2017



# Jupiter Mine Area – Outstanding Near-Mine Exploration Potential



*Major New Zones of Shallow Gold Mineralisation Discovered Adjacent to the 1.4Moz Jupiter Deposit<sup>15</sup>*



- Two new +1km long gold trends
  - *South Cornwall*
  - *East Heffernans*
- South Cornwall
  - *1.3km long and represents southern expression of highly endowed CSZ*
  - *Results include 16m @ 1.6 g/t from 12m, 4m @ 4.5 g/t from 16m, 4m @ 3.2g/t from 4m and 8m @ 2.2g/t from 4m*
- East Heffernans
  - *1km x 600m wide next to pit wall*
  - *Results include 4m @ 3.6g/t from 20m, 4m @ 3g/t from 12m and 4m @ 1.5 g/t from 24m*

<sup>15</sup>Refer to ASX release – 23 January 2017

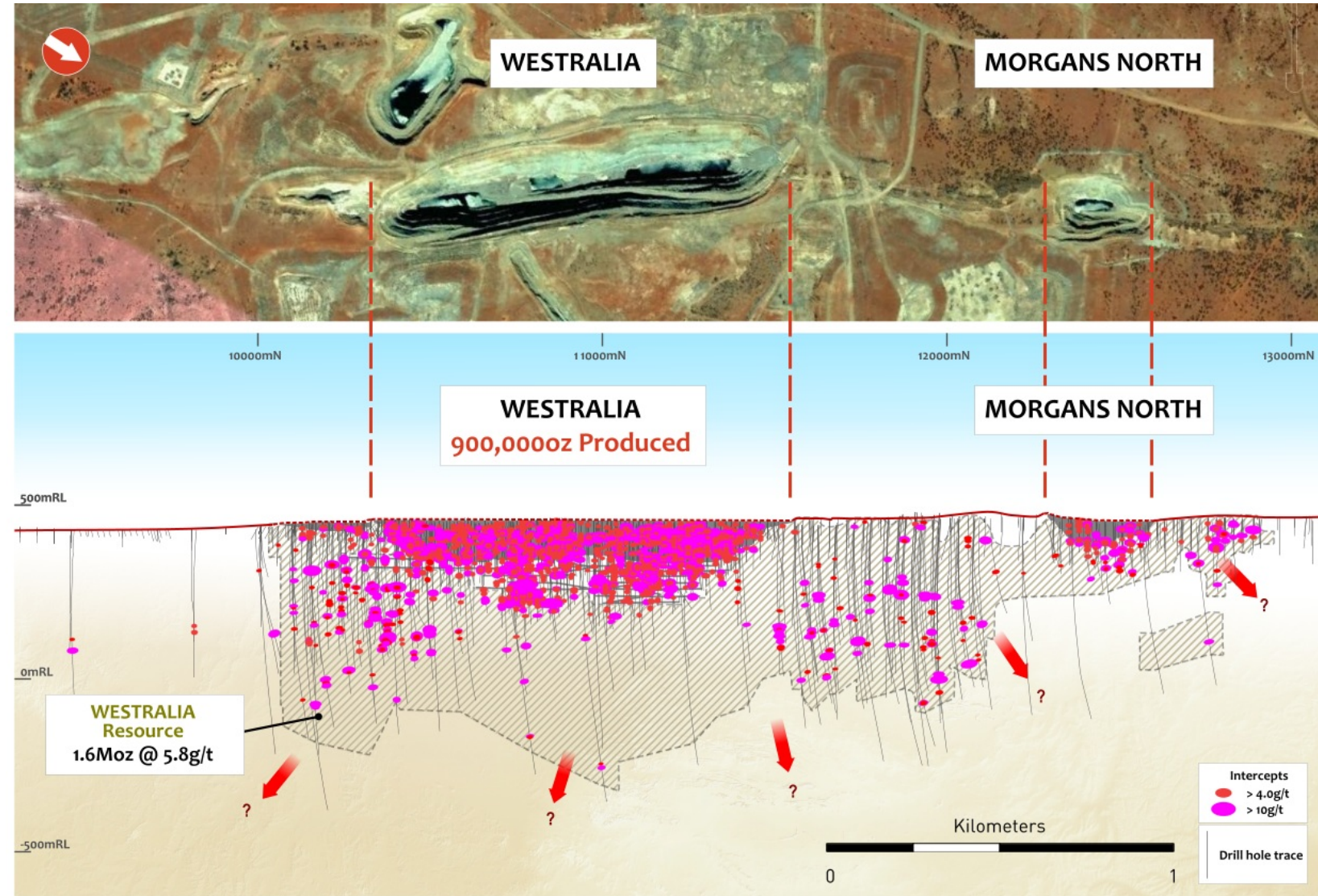


# Westralia – A Huge System...and Growing



*Westralia is a much bigger system than previously understood*

- July 2016 Mineral Resource<sup>16</sup>  
**8.6Mt @ 5.8 g/t for 1.6Moz**
- November 2016 initial Ore Reserve  
**3.3Mt @ 4.6g/t Au for 492Koz**
- November 2016 Potential Expansion PFS suggests **6.1Mt @ 4.8g/t Au for 938Koz** may be possible<sup>17</sup>
- Westralia is continuously mineralised for 3km at/near surface and *arbitrarily* closed off at ~600m depth
- No drilling below resource boundary; and very limited drilling south of resource boundary
- Excellent potential for depth extension of resource.
  - *To be tested in CY2017*



<sup>16</sup>Refer to ASX release 28 July 2016

<sup>17</sup>Refer to ASX release 21 November 2016



## Mount Morgans Gold Project Mineral Resources at 28 July 2016

	COG	Measured			Indicated			Inferred			Total Mineral Resource		
	Au g/t	Mt	Au g/t	Koz Au	Mt	Au g/t	Koz Au	Mt	Au g/t	Koz Au	Mt	Au g/t	Koz Au
King Street*	0.5	-	-	-	-	-	-	0.5	2.0	33	0.5	2.0	33
Jupiter	0.5	1.0	1.7	54	23	1.4	1,006	5.7	1.1	197	29.6	1.3	1,257
Jupiter UG	1.5	-	-	-	-	-	-	0.5	2.0	34	0.5	2.0	34
Jupiter LG Stockpile	0.5	3.5	0.5	58	-	-	-	-	-	-	3.5	0.5	58
Westralia	2.0	0.4	5.0	65	4.8	5.5	840	3.5	6.5	715	8.6	5.8	1,621
Craic*	0.5	-	-	-	0.1	8.2	18	0.1	7.1	27	0.2	7.5	46
Transvaal	2.0	0.4	5.8	68	0.4	5.3	69	0.5	4.7	73	1.3	5.2	210
Ramornie	2.0	-	-	-	0.2	4.1	21	0.3	3.9	36	0.4	4.0	57
<b>TOTAL</b>		<b>5.3</b>	<b>1.5</b>	<b>246</b>	<b>28.3</b>	<b>2.1</b>	<b>1,954</b>	<b>11.1</b>	<b>3.1</b>	<b>1,115</b>	<b>44.7</b>	<b>2.3</b>	<b>3,315</b>
* JORC 2004													

Refer to ASX release – 28 July 2016

Mineral Resources are Reported inclusive of Ore Reserves

## Mount Morgans Gold Project Initial Ore Reserves

	COG (g/t)	Proved Ore Reserves			Probable Ore Reserves			Total Initial Ore Reserves		
		Tonnes (Kt)	Au g/t	Au (Koz)	Tonnes (Kt)	Au g/t	Au (Koz)	Tonnes (Kt)	Au g/t	Au (Koz)
Beresford UG	2.0	50	4.9	8	2,383	4.2	323	2,433	4.2	331
Allanson UG	2.0	-	-	-	882	5.7	162	882	5.7	162
Transvaal UG	1.4	193	4.7	29	325	3.4	36	518	3.9	65
Jupiter OP	0.5	867	1.7	48	13,884	1.3	595	14,751	1.4	643
<b>INITIAL ORE RESERVE</b>		<b>1,110</b>	<b>2.4</b>	<b>85</b>	<b>17,475</b>	<b>2.0</b>	<b>1,115</b>	<b>18,585</b>	<b>2.0</b>	<b>1,200</b>

Refer to ASX release – 21 November 2016





# Appendix: Key Risks

## 1.1 Introduction

There are a number of factors, both specific to the Company and of a general nature, which may, either individually or in combination, affect the future operation, exploration, development and financial performance and/or financial position of the Company, its prospects, and/or the value of the Shares. Many of the circumstances giving rise to these risks are beyond the control of the Company, the Directors or its management.

Set out below are the areas the Directors regard as the major risks associated with an investment in the Company. There may also be additional risks (including financial and taxation risks) that you should consider in light of your own personal circumstances.

### Investment Speculative

The following list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The following factors, and others not specifically referred to below, may in the future materially affect the financial performance of the Company and the value of the New Shares offered as part of the Offer.

The Offer of New Shares carries no guarantee with respect to the payment of dividends, returns of capital or the market value of those New Shares. Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for new share offered under the Offer.

## 1.2 Company specific risk factors

The Directors consider that there are number of risk factors specific to the Company and its circumstances that should be taken into account before a potential investor decides to invest in the Company.

### a) Commodity prices

The value of the Company's assets may be affected by fluctuations in commodity prices and exchange rates, such as the USD and AUD denominated gold prices and the AUD / USD exchange rate.

These prices can fluctuate rapidly and widely, and are affected by numerous factors beyond the control of the Company. These factors include world demand for precious and other metals, forward selling by producers, and production cost levels in major metal-producing regions. Other factors include expectations regarding inflation, the financial impact of movements in interest rates, gold price forward curves, global economic trends, confidence and conditions, and domestic and international fiscal, monetary and regulatory policy settings. Future production from the Company's mineral properties will be dependent upon the Australian gold price being sufficient to make these properties economic.

If the Company achieves exploration/development success which leads to viable mining production, its financial performance will be highly dependent on the prevailing commodity prices and exchange rates.

These factors can affect the value of the Company's assets and the supply and demand characteristics of gold, and may have an adverse effect on the viability of the Company's exploration, development and production activities, its ability to fund those activities and the value of its assets.

### b) Capital requirements and debt finance risk

The Company requires further funding in addition to the proceeds under the Offer to fund the development of the Mt Morgans Gold Project and its ongoing exploration programs. To meet its further funding requirements the Company has entered into a A\$150 million debt financing facility with a syndicate of lenders which is contingent on typical conditions precedent required to be satisfied prior to first drawdown and certain restrictions on financing and operating activities. Typical conditions precedent to drawdown exist with the condition precedent requiring an equity contribution to development expenditure being satisfied by existing cash reserves and part of the funds from this Offer.

If the Offer is not fully subscribed and the Underwriting Agreement is terminated the Company's ability to fund the Mt Morgan Gold Project may be adversely affected. If sufficient funds are not available from either debt or equity markets to satisfy the Company's short, medium or long-term capital requirements, when required, the Company may be required to limit the scope of its anticipated operations, which could adversely impact on its business, financial condition and value of its Shares.

### c) Ore Reserve and Mineral Resource Estimates

Ore Reserve and Mineral Resource estimates are expressions of judgement based on knowledge, experience and industry practice. The reported estimates, which were valid when originally estimated, may alter significantly when new information or techniques become available. As the Company obtains new information through additional drilling and analysis, Ore Reserve and Mineral Resource estimates are likely to change. This may result in alterations to the Company's exploration, development and production plans which may, in turn, positively or negatively affect the Company's operations and financial position.

In addition, by their very nature, Ore Reserve and Mineral Resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. The Company has reviewed historical drilling results and data produced by previous holders of the Tenements. These results have been utilised in part when formulating the Company's exploration activities. In the event that the historical information proves to be unreliable or inaccurate, the effectiveness of the exploration program may be diminished.



## **d) Tenure of the Tenements**

Interests in tenements in Western Australia are governed by legislation and are evidenced by the granting of leases and licences by the State. The Company is subject to the Mining Act 1978 (WA) and the Company has an obligation to meet conditions that apply to the Tenements, including the payment of rent and prescribed annual expenditure commitments.

The Tenements held by the Company are subject to annual review and periodic renewal.

There are no guarantees that the Tenements that are subject to renewal will be renewed or that any applications for exemption from minimum expenditure conditions will be granted, each of which would adversely affect the standing of a Tenement. A number of the Tenements may be subject to additional conditions, penalties, objections or forfeiture applications in the future. Alternatively, applications, transfers, conversions or renewals may be refused or may not be approved with favourable terms. Any of these events could have a materially adverse effect on the Company's prospects and the value of its assets.

## **e) Grant of future authorisations to explore and mine**

The Company currently holds all material authorisations required to undertake its exploration programs. However, many of the mineral rights and interests held by the Company are subject to the need for ongoing or new Government approvals, licences and permits as the scope of the Company's operations change. The granting and renewal of such approvals, licences and permits are, as a practical matter, subject to the discretion of applicable Government agencies or officials.

If the Company pursues development of an economically viable mineral deposit, it will, among other things, require various approvals, permit and licences before it will be able to mine the deposit, and need to satisfy certain environmental approval processes. There is no guarantee that that Company will be able to obtain, or obtain in a timely fashion, all required approvals, licences or permits or satisfy all environmental approval processes. To the extent that required authorisations are not obtained or are delayed, the Company's operations may be significantly impacted.

## **f) Exploration and development**

The Company intends to continue with an intensive exploration program on the Tenements that comprise the Mount Morgans Gold Project. In the event that the planned drilling programs produce poorer than expected results, the value of the Company's assets and the viability of the Company's future operations may be significantly diminished.

The Tenements are at various stages of exploration, and potential investors should understand that mineral exploration and development are high risk enterprises that only occasionally provide high rewards. Even a combination of experience, knowledge and careful evaluation may not be able to overcome the inherent risk associated with exploring prospective tenements.

There can be no assurance that exploration of the Tenements (or any other tenements that may be acquired in the future), will result in the development of an economically viable deposit of gold or other minerals. In addition to the high average costs of discovery of an economic deposit, factors such as demand for commodities, fluctuating gold prices and exchange rates, limitations on activities due to weather, difficulties encountered with geological structures and technical issues, labour disruptions, problems obtaining project finance, share price movements that affect access to new capital, counterparty risks on contracts, proximity to infrastructure (given the size of the area covered by the Tenements), changing government regulation (including with regard to taxes, royalties, the export of minerals, employment and environmental protection), native title issues and equipment shortages can all affect the ability of a company to profit from any development opportunity.

If a viable mineral deposit(s) is to be developed, the Company will need to apply for a range of environmental and development authorisations which may or may not be granted on satisfactory terms. Even if an apparently viable mineral deposit is identified, there is no guarantee that it can be profitably mined.

The discovery of mineral deposits is dependent on a number of factors, including the technical skill of the exploration personnel involved and the success of the adopted exploration plan. In addition, there can be a time lag between the commencement of drilling and, if a viable mineral deposit(s) is discovered, the commencement of commercial operations. Reasons for this include the need to build and finance significant infrastructure.

The exploration and development costs of the Company described in the "Use of Funds" are based on certain assumptions with respect to the method and timing of exploration and development. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

Although the "Use of Proceeds" detailed in the Offer Document sets out the Company's current intentions, the actual expenditure and exploration work undertaken will depend on the results generated. As such, actual expenditure may differ from the budgeted expenditure presented.

## **g) Native Title and cultural heritage**

The effect of the present laws in respect of Native Title that apply in Australia is that the Tenements may be affected by Native Title claims or procedures. This may preclude or delay granting of exploration and mining tenements or the ability of the Company to explore, develop and/or commercialise the resources on the Tenements. Considerable expenses may be incurred negotiating and resolving issues, including any compensation arrangements reached in settling Native title claims lodged over any of the Tenements held or acquired by the Company.

The presence of Aboriginal sacred sites and cultural heritage artefacts on the Tenements is protected by State and Commonwealth laws. Any destruction or harming of such sites and artefacts may result in the Company incurring significant fines and Court injunctions, which may adversely impact on exploration and mining activities. The Company will conduct surveys before conducting exploration work which could disturb the surface of the land. The Tenements currently contain, and may contain additional, sites of cultural significance which will need to be avoided during field programs and any resulting mining operations. The existence of such sites may limit or preclude exploration or mining activities on those sites and delays and expenses may be experienced in obtaining clearances.





## **h) Mining Risks**

When compared with many industrial and commercial operations, mining and mineral processing projects are relatively high risk. This is particularly so where new technologies are employed. Each orebody is unique. The nature of mineralisation, the occurrence and grade of the ore, as well as its behaviour during mining and processing can never be wholly predicted. Estimations of the tonnes, grade and overall mineral content of a deposit are not precise calculations but are based on interpretation and samples from drilling, which, even at close drill hole spacing, represent a very small sample of the entire orebody.

## **i) Operational risk**

The Company's exploration and development activities will be subject to numerous operational risks, many of which are beyond the Company's control. The Company's operations may be curtailed, delayed or cancelled as a result of factors such as adverse weather conditions, mechanical difficulties, shortages in or increases in the costs of consumables, spare parts, plant and equipment, external services failure (such including energy and water supply), industrial disputes and action, difficulties in commissioning and operating plant and equipment, IT system failures, mechanical failure or plant breakdown, and compliance with governmental requirements. Hazards incidental to the exploration and development of mineral properties such as unusual or unexpected geological formations may be encountered by the Company. Industrial and environmental accidents could lead to substantial claims against the Company for injury or loss of life, and damage or destruction to property, as well as regulatory investigations, clean up responsibilities, penalties and the suspension of operations.

The Company will endeavour to take appropriate action to mitigate these operational risks (including by ensuring legislative compliance, properly documenting arrangements with counterparties, and adopting industry best practice policies and procedures) or to insure against them, but the occurrence of any one or a combination of these events may have a material adverse effect on the Company's performance and the value of its assets.

## **j) Royalties**

Each gold mining project operated by the Company will be subject to Western Australian royalties. If State royalties rise, the profitability and commercial viability of the Company's projects may be negatively impacted.

## **k) Environment**

The operations and proposed activities of the Company are subject to State and Commonwealth laws and regulations concerning the environment. If such laws are breached, the Company could be required to cease its operations and/or incur significant liabilities including penalties, due to past or future activities.

As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including in compliance in all material respects with relevant environmental laws. Nevertheless, there are certain risks inherent in the Company's activities which could subject the Company to extensive liability.

Further, the Company may require approval from relevant authorities before it can undertake activities that are likely to impact the environment. Failure to obtain such approvals could prevent the Company from undertaking its desired activities.

The cost and complexity in complying with the applicable environmental laws and regulations may affect the viability of potential developments of the Company's projects, and consequently the value of those projects, and the value of the Company's assets.

## **l) Dependence on key personnel**

The Company is dependent on the experience of its Directors and Executive Chairman. Whilst the Board has sought to and will continue to ensure that Executive Directors and any key employees are appropriately incentivised, their services cannot be guaranteed. Although the Executive Chairman, Mr Rohan Williams, is retained under an Executive Services Agreement (there can be no assurance that his services will continue to be available to the Company on an indefinite basis). The loss of Mr Williams or the other Directors' services to the Company may have an adverse effect on the performance of the Company pending replacements being identified and retained by or appointed to the Board of the Company.

As the Company grows, it will need to employ and retain appropriately motivated, skilled and experienced staff. Difficulties in attracting and retaining such staff may have an adverse effect on the performance of the Company.

## **m) Dependence on external contractors**

The Company intends to outsource substantial parts of its exploration activities pursuant to services contracts with third party contractors. Such contractors may not be available to perform services for the Company, when required, or may only be willing to do so on terms that are not acceptable to the Company. Once in contract, performance may be constrained or hampered by labour disputes, plant, equipment and staff shortages, and default. Contractors may not comply with provisions in respect of quality, safety, environmental compliance and timeliness, which may be difficult to control. In the event that a contractor underperforms or is terminated, the Company may not be able to find a suitable replacement on satisfactory terms within time or at all. These circumstances could have a material adverse effect on the Company's operations and give rise to claims against the Company.



## n) Underwriting Risk

The Company has entered into an Underwriting Agreement with Macquarie Capital (Australia) Limited (the "Underwriter") under which the Underwriter has agreed to fully underwrite the Offer (the "Underwriting Agreement"), subject to the terms and conditions of the Underwriting Agreement. The Underwriters' obligations to underwrite the Offer are conditional on certain customary matters, including (but not limited to) the Company delivering certain confirmation certificates, due diligence documentation and shortfall certificates.

Further, if certain events occur, the Underwriter may terminate the Underwriting Agreement. Termination of the Underwriting Agreement may have an adverse impact on the Company's ability to fund the development and commissioning of the Mt Morgan Gold Project. If the Underwriting Agreement is terminated, the Company may need to find alternative funding to complete the development and commissioning of the Mt Morgan Gold Project. Termination of the Underwriting Agreement could materially and adversely affect the Company's business, cashflow, financial performance, financial condition and share price. The Underwriter may terminate the Underwriting Agreement and be released from its obligation to underwrite the Offer on the happening of certain events (in certain circumstances, having regard to the materiality of the relevant event), including (but not limited to) where:

- *the ASX announces that the Company is delisted, removed from quotation or its ordinary shares are suspended from trading or quotation;*
- *the Company or a material subsidiary of the Company is or becomes insolvent;*
- *the S&P/ASX 200 Index closes for two consecutive Business Days at any time until 4:00p.m. on the Institutional Settlement Date, or, at any time from the Institutional Settlement Date until the Retail Settlement Date, at a level that is 10% or more below its level as at the close of trading on the Business Day before the date of the Underwriting Agreement;*
- *the Australian dollar gold price closes for two consecutive Business Days at any time until 4:00p.m. on the Institutional Settlement Date, or, at any time from the Institutional Settlement Date until the Retail Settlement Date, at a level that is 10% or more below its level as at the close of trading on the Business Day before the date of the Underwriting Agreement;*
- *the Company fails to perform or observe any of its obligations under the Underwriting Agreement including any failure to lodge documents or meet the agreed timetable;*
- *the Company has a changed in directorship except as announced to ASX prior to the date of the Underwriting Agreement;*
- *the Company's directors commit certain offences;*
- *any adverse change occurs in the assets, liabilities, financial position or performance, profits, losses or prospects of the Company group; or*
- *the Company indicates that it does not intend to proceed with all or any part of the Offer.*

In some cases, the Underwriter's ability to terminate the Underwriting Agreement will depend on whether the event has or is likely to have a materially adverse effect on the marketing, success or settlement of the Offer, or has given or is likely to give rise to a contravention by the Underwriter of any applicable law or regulation.





## 1.3 General risk factors

The Directors also consider that potential investors should be aware of the following general risk factors.

### a) Economic conditions

Changes in the general economic climate in which the Company operates may adversely affect the financial performance of the Company and the value of its assets. Factors which contribute to that general economic climate include:

- i. contractions in the world economy or increases in rates of inflation resulting from domestic or international conditions (including movements in domestic interest rates and reduced economic activity);
- ii. international currency fluctuations and changes in interest rates;
- iii. changes in investor attitudes towards particular market sectors;
- iv. the demand for and supply of capital and finance;
- v. changes in government legislation and regulatory policy, including with regard to rates and types of taxation; and
- vi. domestic and international economic and political conditions,

### b) Market conditions

There are a number of risks associated with any stock market investment. Factors affecting the price at which the Shares are traded on the ASX may be unrelated to the Company's operating and financial performance and beyond the control of the Directors. As such, Shares offered under this Offer may trade at prices above or below the Offer Price or the net asset value of the Company per Share.

### c) Insurance

The Company intends to ensure that insurance is maintained to address insurable risks within ranges of coverage the Company believes to be consistent with industry practice, having regard to the nature of the Company's activities. However, no assurance can be given that the Company will be able to obtain insurance cover for all risks faced by the Company at reasonable rates or that the insurance cover it arranges will be adequate and available to cover all possible claims. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

### d) Liquidity and realisation risk

There can be no guarantee that an active market in the Shares will develop or continue, or that the market price of the Shares will increase. If a market does not develop or is not sustained, it may be difficult for investors to sell their Shares, as there may be relative few, if any, potential buyers or sellers of the Shares on ASX at any time. Volatility in the market price for Shares may result in Shareholders receiving a price for their Shares that is less or more than the Offer Price.

### e) Changes in law, government policy and accounting standards

The Company's activities may be impacted by regulatory or other changes implemented by the Commonwealth or Western Australian Governments. A change in laws that impact on the Company's operations, such as land access, Native Title, environmental protection, carbon emissions, labour, mining, taxation and royalties, could have an adverse impact on the Company's operations. Mining industry activities are subject to discretionary regulations and approvals, the exercise of which cannot always be predicted.

Changes in accounting standards or the interpretation of those accounting standards that occur after the date of this presentation may impact adversely on the Company's reported financial performance.

### f) Other general risks

The future viability of and profitability of the Company is also dependent on a number of other factors which affect the performance of all industries, and not just mineral exploration and mining. These include, but are not limited to:

- i. default by a party to any contract to which the Company is, or may become, a party;
- ii. insolvency or other managerial failure by any of the contractors used by the Company in its activities;
- iii. industrial disputation by the Company's workforce or that of its contractors;
- iv. litigation;
- v. natural disasters and extreme weather conditions; and
- vi. acts of war and terrorism or the outbreak or escalation of international hostilities and tensions.

# Appendix: International Offer Restrictions



## International Offer Restrictions

This document does not constitute an offer of new ordinary shares ("New Shares") of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

### Canada (British Columbia, Ontario and Quebec provinces)

This document constitutes an offering of New Shares only in the Provinces of British Columbia, Ontario and Quebec (the "Provinces") and to those persons to whom they may be lawfully distributed in the Provinces, and only by persons permitted to sell such New Shares. This document is not, and under no circumstances is to be construed as, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to persons that are "accredited investors" within the meaning of NI 45-106 – Prospectus and Registration Exemptions, of the Canadian Securities Administrators.

No securities commission or similar authority in the Provinces has reviewed or in any way passed upon this document, the merits of the New Shares or the offering of New Shares and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws which may require resales to be made in accordance with exemptions from dealer registration and prospectus requirements. These resale restrictions may in some circumstances apply to resales of the New Shares outside Canada and, as a result, Canadian purchasers should seek legal advice prior to any resale of the New Shares.

The Company as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada.

Any financial information contained in this document has been prepared in accordance with Australian Accounting Standards and also comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

### Statutory rights of action for damages and rescission

Securities legislation in certain of the Provinces may provide purchasers with, in addition to any other rights they may have at law, rights of rescission or to damages, or both, when an offering memorandum that is delivered to purchasers contains a misrepresentation. These rights and remedies must be exercised within prescribed time limits and are subject to the defenses contained in applicable securities legislation. Prospective purchasers should refer to the applicable provisions of the securities legislation of their respective Province for the particulars of these rights or consult with a legal adviser.

The following is a summary of the statutory rights of rescission or to damages, or both, available to purchasers in Ontario. In Ontario, every purchaser of the New Shares purchased pursuant to this document (other than (a) a "Canadian financial institution" or a "Schedule III bank" (each as defined in NI 45-106), (b) the Business Development Bank of Canada or (c) a subsidiary of any person referred to in (a) or (b) above, if the person owns all the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of that subsidiary) shall have a statutory right of action for damages and/or rescission against the Company if this document or any amendment thereto contains a misrepresentation. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against the Company. This right of action for rescission or damages is in addition to and without derogation from any other right the purchaser may have at law. In particular, Section 130.1 of the Securities Act (Ontario) provides that, if this document contains a misrepresentation, a purchaser who purchases the New Shares during the period of distribution shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and has a right of action for damages or, alternatively, may elect to exercise a right of rescission against the Company, provided that (a) the Company will not be liable if it proves that the purchaser purchased the New Shares with knowledge of the misrepresentation; (b) in an action for damages, the Company is not liable for all or any portion of the damages that the Company proves does not represent the depreciation in value of the New Shares as a result of the misrepresentation relied upon; and (c) in no case shall the amount recoverable exceed the price at which the New Shares were offered.

Section 138 of the Securities Act (Ontario) provides that no action shall be commenced to enforce these rights more than (a) in the case of any action for rescission, 180 days after the date of the transaction that gave rise to the cause of action or (b) in the case of any action, other than an action for rescission, the earlier of (i) 180 days after the purchaser first had knowledge of the fact giving rise to the cause of action or (ii) three years after the date of the transaction that gave rise to the cause of action. These rights are in addition to and not in derogation from any other right the purchaser may have.

Certain Canadian income tax considerations. Prospective purchasers of the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the New Shares as any discussion of taxation related matters in this document is not a comprehensive description and there are a number of substantive Canadian tax compliance requirements for investors in the Provinces.

Language of documents in Canada. Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*



# Appendix: International Offer Restrictions



## Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

## Malaysia

This document may not be distributed or made available in Malaysia. No approval from, or recognition by, the Securities Commission of Malaysia has been or will be obtained in relation to any offer of New Shares. The New Shares may not be offered or sold in Malaysia except pursuant to, and to persons prescribed under, Part I of Schedule 6 of the Malaysian Capital Markets and Services Act.

## New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").

The New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

## Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) a "relevant person" (as defined in section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

# Appendix: International Offer Restrictions



## United Kingdom

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares.

This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of the FSMA) in the United Kingdom, and the New Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) of the FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

## United States

This document has been prepared for publication in Australia and may not be released or distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration of the US Securities Act and applicable US state securities laws

## Switzerland

The New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland.

Neither this document nor any other offering or marketing material relating to the New Shares may be publicly distributed or otherwise made publicly available in Switzerland. The New Shares will only be offered to regulated financial intermediaries such as banks, securities dealers, insurance institutions and fund management companies as well as institutional investors with professional treasury operations. Neither this document nor any other offering or marketing material relating to the New Shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

This document is personal to the recipient only and not for general circulation in Switzerland

## Luxembourg

The information in this document has been prepared on the basis that all offers of New Shares will be made pursuant to an exemption under the Directive 2003/71/EC ("Prospectus Directive"), as amended and implemented in Luxembourg, from the requirement to publish a prospectus for offers of securities. An offer to the public of New Shares has not been made, and may not be made, in Luxembourg except pursuant to one of the following exemptions under the Prospectus Directive as implemented in Luxembourg:

- to any legal entity that is authorized or regulated to operate in the financial markets or whose main business is to invest in financial instruments;
- to any legal entity that satisfies two of the following three criteria: (i) balance sheet total of at least €20,000,000; (ii) annual net turnover of at least €40,000,000 and (iii) own funds of at least €2,000,000 (as shown on its last annual unconsolidated or consolidated financial statements);
- to any person or entity who has requested to be treated as a professional client in accordance with the EU Markets in Financial Instruments Directive (Directive 2004/39/EC, "MiFID"); or
- to any person or entity who is recognised as an eligible counterparty in accordance with Article 24 of the MiFID.