

4 JUNE 2015

HIGH IMPACT DRILLING PROGRAM COMMENCES AT WESTRALIA

Dacian Gold Ltd (“Dacian” or “the Company”) (ASX:DCN) is pleased to announce that it has commenced its high impact drilling program infilling several high grade intersections located up to 1,200m north of the 850,000 ounce Mineral Resource at Westralia.

As previously announced to the market (see ASX releases dated 24 February 2015 and 15 October 2014), Dacian drill-tested an area north of Westralia that had not previously been explored. The Company was testing a geological concept that the Westralia mineralised gold system was significantly larger than previously considered. Five wide spaced intersections, listed below in Table 1 and shown diagrammatically in Figure 1, confirmed excellent grade and widths of mineralised Banded Iron Formation (BIF) was present immediately along strike of the 850,000 ounce Westralia deposit.

Hole id	Intersection	Distance from 850Koz resource boundary
14MMRD024	2.0m @ 18 g/t	600m
14MMRD024	3.3m @ 2.9 g/t	600m
14MMRD025	2.0m @ 8.6 g/t	600m
14MMRD026W1	4.2m @ 6.8 g/t	900m
14MMRD027	3.9m @ 3.0 g/t	1,200m

Table 1: Results from wide-spaced diamond drilling completed in October 2014 that lie outside the 850,000oz Westralia Mineral Resource boundary.

Dacian’s high impact drilling program comprises 8 diamond drill holes for a total of 4,000m. The drilling is being conducted with two diamond drilling rigs working double shift. It is anticipated the drilling will be completed by the end of June.

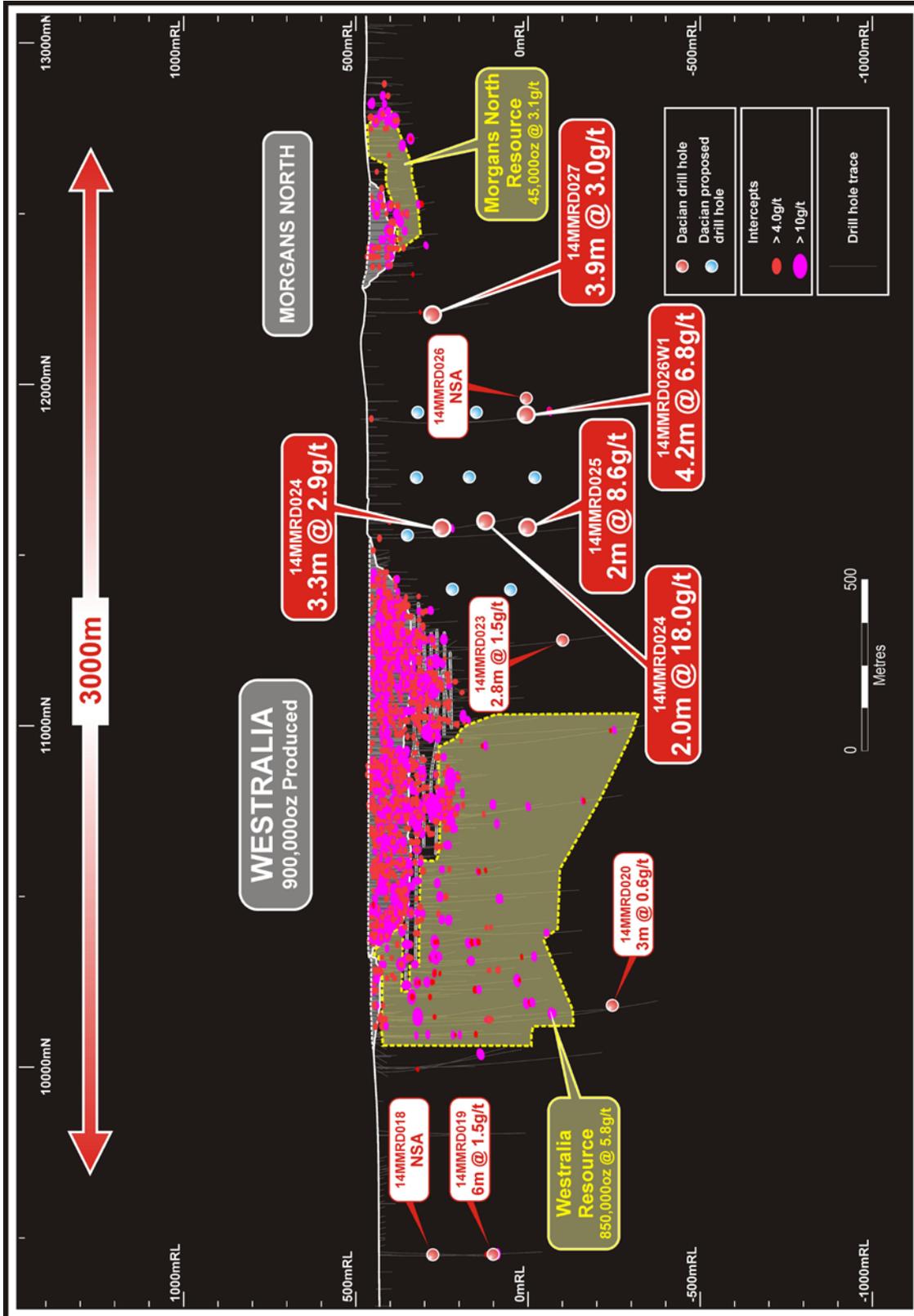


Figure 1: Location of 8 diamond drill holes currently being drilled (blue circles) infilling previous high grade drilling results (red circles) that confirm existence of strong mineralisation up to 1,200m north of the 850,000 ounce Westralia Mineral Resource.

For and on behalf of the Board



Rohan Williams
Executive Chairman

About Dacian Gold Limited

The Mt Morgans Project hosts high grade Mineral Resources of 2.1 million ounces at an average grade of 2.6 g/t gold, including Ore Reserves of 136,000 ounces at an average grade of 6.2 g/t gold (see ASX announcement 11 May 2015). In addition, the Company has identified multiple exploration targets and resource extension opportunities. If proven, they will enable growth of the Mt Morgans' existing Mineral Resource and Ore Reserve base.

Dacian Gold has a strong Board and Management team which includes Rohan Williams as 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 strategy at Mt Morgans is evolving toward mine feasibility and potential mine development. It has identified two large mineralised systems at Westralia and Jupiter where it believes mine development at each site is a possibility, and will be the subject of ongoing drilling and feasibility studies. Dacian considers a high grade Ore Reserve of at least 600,000 ounces of gold is reasonably likely to provide sufficient returns to justify the investment capital required to construct an ore processing facility at the project.

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

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