3 AUGUST 2015

WESTRALIA MINERAL RESOURCE INCREASES 76% OR 652,000 OZ TO 1.5 MILLION OUNCES

MT MORGANS PROJECT MINERAL RESOURCE INVENTORY NOW EXCEEDS 3 Moz

- The Mineral Resource for the Westralia Prospect is now **9.2Mt at 5.1g/t for 1.5 million ounces** of gold above a lower cut-off grade of 2g/t gold and is shown below:

Westralia Deposit August 2015 Mineral Resource Estimate (2g/t Au Lower Cut-off)

Classification	Tonnes	Au g/t	Au Oz
Measured	238,000	4.7	36,000
Indicated	1,966,000	4.7	296,000
Inferred	7,036,000	5.2	1,173,000
Total	**9,240,000**	**5.1**	**1,505,000**

- The updated Westralia Prospect Mineral Resource:
  - is a **76% increase, or 652,000 ounces,** above the previous Mineral Resource of 4.6Mt @ 5.8g/t Au for 853,000oz, released on the 24th February, 2015;
  - includes an Inferred Mineral Resource of **1.1Mt @ 9.2g/t for 318koz** for the new footwall BIF discovery (see ASX announcement 30 July 2015);
  - is **continuously defined over a strike length of 2.8km** and a vertical extent of 720m where it exhibits an average endowment **in excess of 2,000 ounces per vertical metre**;
  - contains, between 120m and 560m below the surface (440 vertical metres), an average endowment of over **2,970 ounces per vertical metre at an average grade of 5.4g/t for 1.3 million ounces**.
- The total Mineral Resource inventory for the Mt Morgans Gold Project is now:

47.1Mt @ 2.0 g/t gold for 3.1Moz

- Dacian has discovered over **one million ounces of gold** at **both** the Westralia Prospect and the Jupiter Prospect since its IPO in November 2012.

INTRODUCTION

Dacian Gold Limited ("Dacian" or "the Company") (ASX:DCN) is pleased to announce a **76% or 652Koz increase** of the Westralia Mineral Resource to **1.5 million ounces** of gold at a grade of **5.1 g/t Au** (above a lower cut-off grade of 2 g/t Au). The new estimate covers a continuously mineralised **2.8km length** of the Westralia gold system.

Dacian has now **discovered over 1 million ounces of gold at <u>each</u> of the Westralia Prospect and the Jupiter Prospect since its IPO in November 2012.**

The Company's Westralia Prospect is located within the 100% owned Mt Morgans Project, situated 35km south-west of Laverton in Western Australia (see Figure 1).

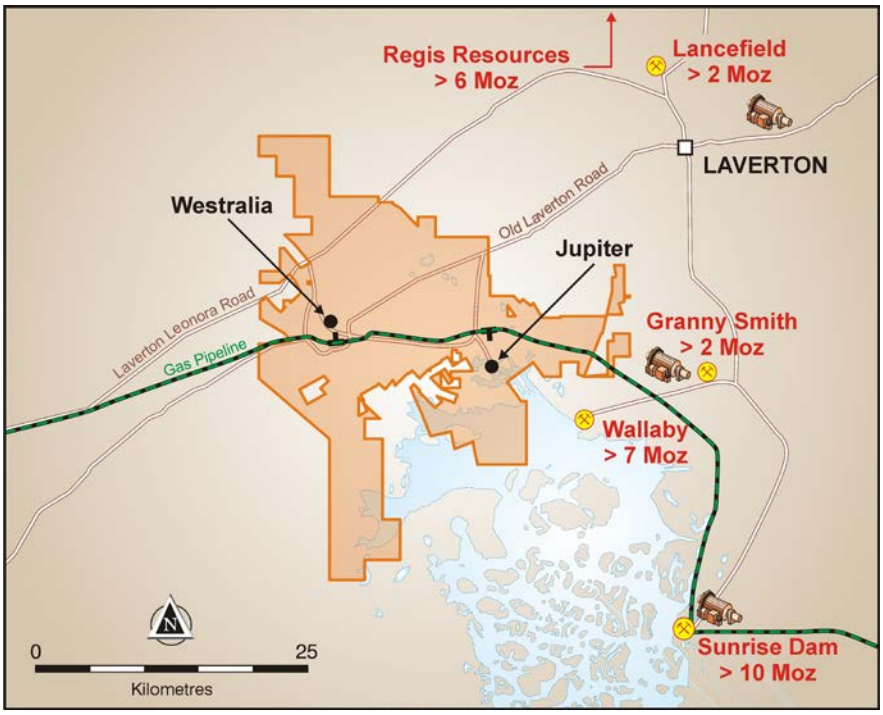

Figure 1: Regional Location Map showing the position of Dacian's Westralia and Jupiter Prospects adjacent to several multi-million ounce gold deposits.

Dacian engaged international mining specialists RungePincockMinarco Ltd (RPM) to complete the independent Mineral Resource for the Westralia Prospect, the subject of this announcement.

This updated Mineral Resource further underpins and demonstrates the significant scale potential of the two large mineralised systems at Westralia and Jupiter. The +1.5Moz Westralia Prospect together with the Company's nearby +1.1Moz Jupiter Prospect, are the subject of ongoing drilling and are being evaluated as a part of the Mt Morgans Pre-Feasibility Study (PFS). The Company believes simultaneous mine development at each site is a possibility.

With the inclusion of this increased Westralia Prospect Mineral Resource, the total Mineral Resource inventory for the Mt Morgans Project is now **47.1Mt @ 2.0 g/t gold for 3.1Moz** (see Appendix II of this announcement).

The following sections provide an overview and summary of the Mineral Resource, the Westralia geology, its production history, resource growth development and classification of the new resource.

WESTRALIA PROSPECT MINERAL RESOURCE

Overview and Summary

Table 1 below is a summary of the increased Westralia Prospect Mineral Resource.

Westralia Deposit
August 2015 Mineral Resource Estimate (2.0g/t Au Cut-off)

Type	Measured			Indicated			Inferred			Total		
	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces
Oxide				0.04	4.1	5,400	0.01	3.0	1,200	0.05	**3.8**	**6,600**
Transitional				0.06	3.8	7,600	0.09	2.6	7,200	0.15	**3.1**	**14,800**
Fresh	0.2	4.7	36,100	1.9	4.7	282,800	6.9	5.2	1,164,700	9.0	**5.1**	**1,483,500**
Total	**0.2**	**4.7**	**36,100**	**2.0**	**4.7**	**295,800**	**7.0**	**5.2**	**1,173,100**	**9.2**	**5.1**	**1,505,000**

Note: Totals may differ due to rounding *Mineral Resources reported on a dry basis*

Table 1: August 2015 Westralia Mineral Resource.

Figure 2 below is a long section of the Westralia Mineral Resource developed **over a strike length of 2.8km**. It comprises the amalgamation of four principal areas:

Figure 2: Long section of the 1.5 million oz Westralia Mineral Resource, mine workings and drill holes. The image represents a south (left) to north (right) long section. The distance along the resource outline is 2.8km.

1. the inclusion of the new high grade footwall BIF discovery located between the Westralia and Morgans North open pits (see ASX announcement 30 July 2015). The Inferred Mineral Resource for the new footwall BIF discovery is:

   1.1Mt @ 9.2g/t Au for 318koz

2. the previously reported 853,000oz at 5.8 g/t Au Westralia Mineral Resource, located at the southern end and below the Westralia open pit;
3. hangingwall BIF mineralisation located north of, and below the Westralia open pit; and
4. extending the existing Morgans North Mineral Resource.

Figure 3 below is the Grade-Tonnage Curve for the new 1.5 million ounce Westralia Prospect Mineral Resource. Note the quoted 9.2Mt @ 5.1 g/t Au for 1.5 million ounces is the Mineral Resource above a lower cut-off grade of 2 g/t Au. Equally, and by referencing Figure 3, the Mineral Resource could be quoted at **6.6Mt @ 6.1 g/t Au for 1.3 million ounces** above a higher cut-off grade of 3.0 g/t. The deposit clearly exhibits a large high grade component.

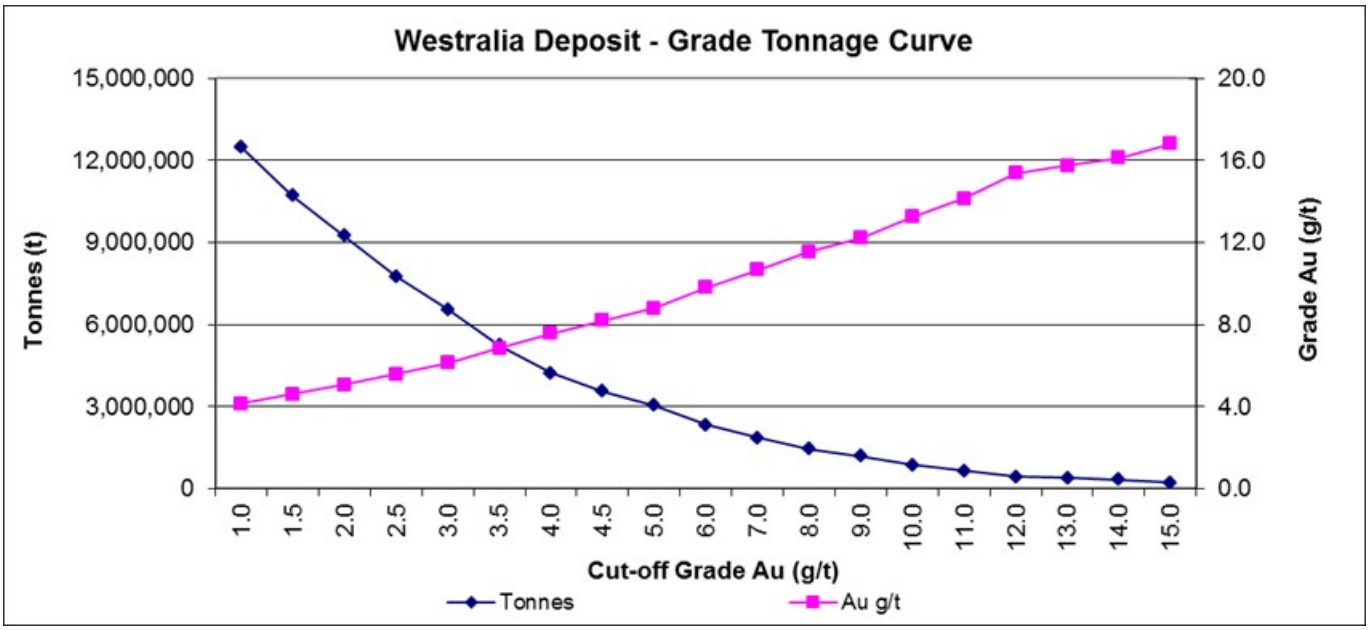

Figure 3: Grade-Tonnage Curve for the Westralia Prospect Mineral Resource.

Westralia Geology and Historical Mining

Gold mineralisation at Westralia occurs within a well-defined, steep east-dipping, BIF – porphyry complex from which approximately 900,000 of gold was mined at an average grade of 4.5g/t Au up to 1998. The BIF – porphyry complex is approximately 100m thick, and all of the gold produced at Westralia was mined from BIF units located on the east, or hangingwall, side of the BIF-porphyry complex. The new footwall BIF discovery announced to the market on 30 July 2015 confirms high grade gold mineralisation also exists on the west side of the 100m thick BIF – porphyry complex. Prior to Dacian's discovery of footwall BIF mineralisation, no gold had previously been identified on the poorly tested western side of the BIF – porphyry complex.

Gold is associated with pyrrhotite and pyrite replacement of magnetite within zones of silica and albite alteration of the BIF. Previous mining at Westralia has demonstrated that the gold is free-milling with good recoveries averaging 90-93% being typically achieved from conventional CIL processing.

Open pit mining of the Westralia deposit was carried out to a maximum depth of 140m below surface. Underground mining then proceeded in the northern portion of the deposit to a depth of 240m.

Westralia Mineral Resource Growth Development

At the time of Dacian's listing on the ASX in November 2012, the Westralia Mineral Resource was 3.3Mt @ 3.4 g/t for 364Koz. Dacian commenced drilling into Westralia in early 2013 and quickly made a discovery on the hangingwall BIF at the south end and below the Westralia open pit (see Figure 2 and Appendix I for all ASX announcements released during 2012 to 2015 relating to Westralia). An estimate upgrade in December 2013 increased the Westralia Mineral Resource to 3.2Mt @ 5.9 g/t for 610Koz and then a significant upgrade followed in February 2015 for 4.6Mt @ 5.8 g/t for 853Koz. The current Westralia Mineral Resource, at 9.2Mt @ 5.1

g/t Au for 1.5 million ounces is now **four times larger** than the original Mineral Resource at the time of Dacian's IPO. The Westralia Mineral Resource growth is based on detailed geological documentation and interpretation from the **59 diamond drill holes for 29,000m** and 21 RC drill holes for 3,000m completed by Dacian since early 2013.

The Mineral Resource remains open at depth and to the north; and the footwall BIF discovery remains open up-dip toward the surface. The Company believes there is an excellent opportunity to further increase the size of the Westralia Mineral Resource with additional drilling.

Figure 4 below charts the resource growth at the Westralia Prospect from November 2012.

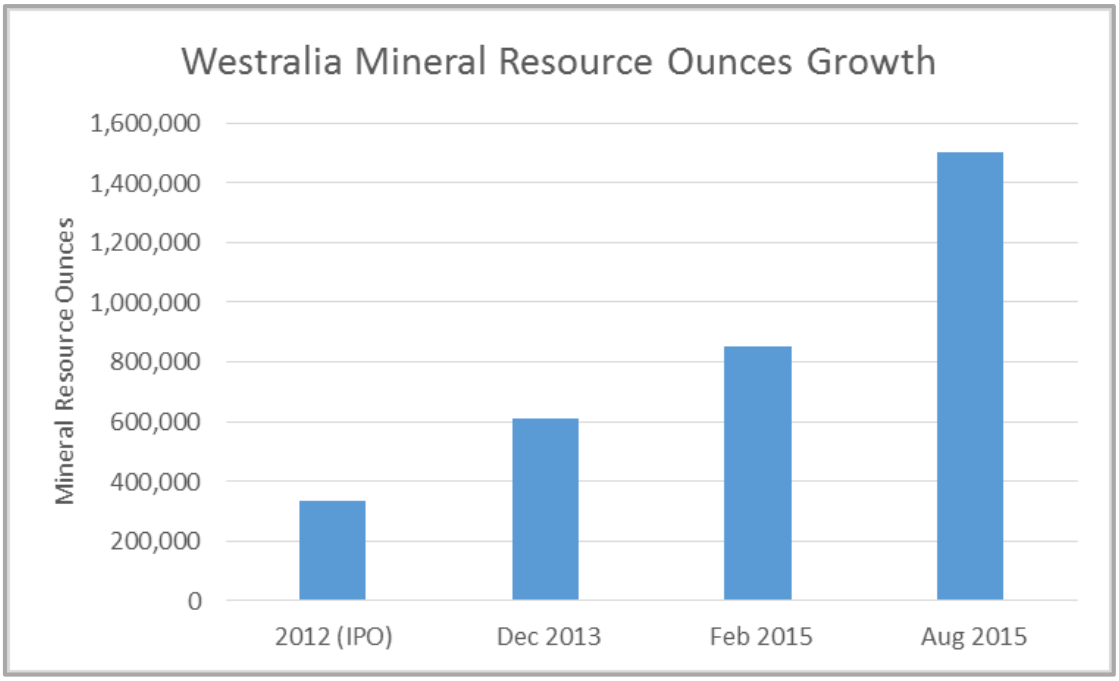

Figure 4: Chart depicting Mineral Resource growth at Westralia over the last two and a half years from 364Koz to the current 1.5 million ounces.

Westralia Mineral Resource Classification and Modelled Gold Distribution

Of the 1.5 million ounces in the Westralia Prospect Mineral Resource, 78% (or 1,173,000 ounces) is classified as Inferred Mineral Resource and this will be the focus of future drilling

activities to upgrade the classification to Indicated Mineral Resource. Twenty percent, or almost 300,000 ounces is the current Indicated Mineral Resource.

The Westralia Mineral Resource is continuously mineralised over a distance of 2.8km. It extends to a maximum vertical extent of 720m below the surface, and averages over 2,000 ounces per vertical metre (OVM). Of significance, the 440m vertical interval of mineralisation between 120m and 560m below the surface exhibits a significant endowment of over **2,970 OVM, at an average grade of 5.4g/t or 1.3 million ounces**.

Appendix II and III contains detailed descriptions of the estimation methodology and appropriate disclosures for this Westralia Mineral Resource estimate and the Competent Persons Statement.

NEXT STEPS

The updated Westralia Mineral Resource of 9.2Mt @ 5.1g/t for 1.5 million ounces, together with the updated Jupiter Mineral Resource of 24.1Mt @ 1.3 g/t for +1 million ounces (see ASX announcement 29th July, 2015) will be incorporated into the ongoing Mt Morgans Pre-Feasibility Study (PFS), currently in progress. The Westralia Prospect Mineral Resource will be the focus of conceptual underground mine design studies in the September quarter.

In the next six months Dacian will drill test those parts of the Inferred category of the Westralia Mineral Resource to improve confidence. Such drilling will include:

- Infill drilling the new mineralised footwall BIF discovery, including testing its near-surface expression (see ASX announcement 30th July, 2015); and
- within the southern section of the Westralia Mineral Resource.

Drilling will be a priority in the September quarter.

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 3.1 million ounces at an average grade of 2.0 g/t gold, including Ore Reserves of 136,000 ounces at an average grade of 6.2 g/t gold. In addition, the Company has identified multiple exploration targets and resource extension opportunities. If proven, they will enable growth of the Mt Morgans' existing Mineral Resource and Ore Reserve base.

Dacian Gold has a strong Board and Management team which includes Rohan Williams as 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 potential mine development. It has identified two large mineralised systems at Westralia and Jupiter where it believes simultaneous 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:

Rohan Williams
Executive Chairman
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Appendix I

Date	ASX Announcement
26/11/2012	Dacian Commences Drilling at Mt Morgans Gold Project
5/03/2013	Mt Morgans Exploration Update
13/03/2013	High Grade Drilling Results Continue at Westralia
5/07/2013	High Grade Mineralisation Continuity at Westralia Confirmed
11/12/2013	Drilling Confirms High Grade Shoot at Westralia
19/12/2013	Increase in Westralia Resource to 610,000 Ounces
15/10/2014	Drilling Confirms Larger Gold System at Westralia
4/02/2015	Multiple Down-Hole EM Anomalies Identified at Westralia
24/02/2015	Westralia Underground Resource Increase
4/06/2015	High Impact Drilling Program Commences at Westralia
22/06/2015	Significant Results from Footwall BIF at Westralia
30/07/2015	Significant Discovery in Footwall BIF at Westralia

Appendix II

Mount Morgans Gold Project Mineral Resources as at 3 August 2015

Deposit	Cut-off Grade	Measured			Indicated			Inferred			Total Mineral Resource		
	Au g/t	Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz
King Street	0.5	-	-	-	-	-	-	532,000	2.0	33,000	532,000	2.0	33,000
Jupiter*	0.5	-	-	-	12,384,000	1.5	586,000	11,675,000	1.1	418,000	24,059,000	1.3	1,004,000
Westralia*	2.0	238,000	4.7	36,000	1,966,000	4.7	296,000	7,036,000	5.2	1,173,000	9,240,000	5.1	1,505,000
Craic	0.5	-	-	-	69,000	8.2	18,000	120,000	7.1	27,000	189,000	7.5	46,000
Transvaal	0.5	1,549,000	3.2	159,000	1,176,000	2.7	102,000	926,000	2.2	66,000	3,650,000	2.8	327,000
Ramornie*	2.0	-	-	-	156,000	4.1	21,000	285,000	3.9	36,000	442,000	4.0	57,000
Total		1,787,000	3.4	195,000	15,751,000	2.0	1,022,000	20,575,000	2.7	1,753,000	38,112,000	2.4	2,971,000

* JORC 2012

Mount Morgans Gold Project Heap Leach Mineral Resources as at 3 August 2015

Deposit	Cut-off Grade Range	Measured			Indicated			Inferred			Total Mineral Resource		
	Au g/t	Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz
Jupiter*	0.3 - 0.5	-	-	-	4,440,000	0.4	55,000	4,540,000	0.4	56,000	8,970,000	0.4	112,000
Total		-	-	-	4,440,000	0.4	55,000	4,540,000	0.4	56,000	8,970,000	0.4	112,000

Mount Morgans Gold Project Mineral Resources as at 3 August 2015

Deposit		Measured			Indicated			Inferred			Total Mineral Resource		
		Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz
Total		1,787,000	3.4	195,000	20,187,000	1.7	1,077,000	25,112,000	2.2	1,809,000	47,080,000	2.0	3,083,000

Mt Morgans Gold Project Ore Reserves as at 30 March 2013

Deposit	Cut-off Grade	Proved			Probable			Total		
	Au g/t	Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz
Craic	3.9	-	-	-	28,000	9.2	8,000	28,000	9.2	8,000
Transvaal	3.4	380,000	6.2	76,000	271,000	6.0	52,000	651,000	6.1	128,000
Total		380,000	6.2	76,000	299,000	6.3	60,000	679,000	6.2	136,000

In relation to Mineral Resources and Ore Reserves, the Company confirms that all material assumptions and technical parameters that underpin the relevant market announcement continue to apply and have not materially changed.

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 the Westralia Mineral Resource (current announcement), the Jupiter Mineral Resource (see ASX announcement – 29th July, 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 to Mineral Resources (other than Westralia, Jupiter, 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.

Where the Company refers to the Westralia Mineral Resource in this report (referencing this release 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 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 King Street, Craic and Transvaal) 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.

Appendix III

Exploration results at Westralia were reported by DCN and released to the ASX during 2012 to 2015 – see Appendix I. Mr Rohan Williams, Executive Chairman of DCN compiled the information in Section 1 and Section 2 of the following JORC Table 1 and is the Competent Person for those sections. Mr Shaun Searle, an employee of RungePincockMinarco Ltd (RPM) compiled the information in Section 3 of the following JORC Table 1 and is the Competent Person for that section.

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *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.*	• DCN utilised RC and diamond drilling. Holes were generally angled towards grid west to optimally intersect the targeted mineralised zones. • DCN core was sampled as half core at 1m intervals or to geological contacts. • To ensure representative sampling, half core samples were always taken from the same side of the core and the full length of each hole sampled. • DCN RC drilling was sampled at 1m intervals via an on-board cone splitter. • Minor 4m composite samples were taken via a scoop and submitted for analysis. • Historical RC samples were collected at 1m, 2m and 4m intervals using riffle splitters. • DCN samples were submitted to a contract laboratory for crushing and pulverising to produce a 40g charge for fire assay.
Drilling techniques	• *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).*	• Diamond drilling was carried out with NQ2 sized equipment with standard tube. • Drill core was orientated using a Reflex orientation tool. • For RC holes, a 5¼' face sampling bit was used. For deeper holes, RC holes were followed with diamond tails.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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.*	• Recoveries from historical drilling are unknown. • Recoveries from DCN core drilling were measured and recorded in the database and recovery was generally 100% in fresh rock with minor core loss in oxide. • In DCN drilling no relationship exists between sample recovery and grade.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining*	• All diamond drill holes were logged for recovery, RQD, geology and structure. RC drilling was logged for various geological attributes.

Criteria	JORC Code explanation	Commentary
	studies and metallurgical studies. • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• For DCN drilling, diamond core was photographed both wet and dry. • All drill holes were logged in full.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• DCN core was cut in half using an automatic core saw at either 1m intervals or to geological contacts. • To ensure representivity, all core samples were collected from the same side of the core. • Historical RC samples were collected at the rig using riffle splitters. Samples were generally dry. • DCN RC samples were collected via on-board cone splitters. All samples were dry. • For RC drilling, sample quality was maintained by monitoring sample volume and by cleaning splitters on a regular basis. • Field duplicates were taken at 1 in 25 for RC drilling. • Sample preparation was conducted by a contract laboratory. After drying, the sample is subject to a primary crush, then pulverised to that 85% passing 75µm. • For historical drilling detailed information on the QAQC programs used was not available. • 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.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *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.* • *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.*	• For DCN drilling, the analytical technique used was a 40g fire assay with Pb collection, with an ICP-AAS finish. This is a full digestion technique. Samples were analysed at Bureau Veritas Laboratories in Perth or Kalgoorlie, Western Australia. • For DCN drilling, sieve analysis was carried out by the laboratory to ensure the grind size of 85% passing 75µm was being attained. • For DCN 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. • No QAQC data has been reviewed for historical drilling although mine production has largely validated drilling results. • Laboratory QAQC includes the use of internal standards using certified reference material, blanks, splits and replicates. • Certified reference materials

Criteria	JORC Code explanation	Commentary
		demonstrate that sample assay values are accurate. • Umpire laboratory test-work was completed in January 2014 over mineralised intersections with good correlation of results.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Significant intersections were visually field verified by company geologists and by Shaun Searle of RPM during the 2013 site visit. • No twin holes were drilled, however infill drilling by DCN has confirmed mineralisation thickness and tenor. • Primary data was collected into either an Excel spread sheet and then imported into a Data Shed database. • Assay values that were below detection limit were adjusted to equal half of the detection limit value.
Location of data points	• *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 estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Historical drill hole collar coordinates were tied to a local grid with subsequent conversion to MGA94 Zone 51. • Mine workings support the locations of historical drilling. • All DCN hole collars were surveyed in MGA94 Zone 51 grid using differential GPS. • DCN holes were down-hole surveyed at 5m using a north seeking gyroscopic survey tool. • Topographic surface prepared from detailed ground and mine surveys.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	• Nominal hole spacing of DCN drilling is approximately 40 to 150m along strike and 40 to 200m down dip. • The mineralised domains have sufficient continuity in both geology and grade to be considered appropriate for the Mineral Resource and Ore Reserve estimation procedures and classification applied under the 2012 JORC Code. • Samples have been composited to 1m lengths using best fit techniques.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *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.*	• Drill holes are angled to 245°, which is approximately perpendicular to the orientation of the well-defined mineralisation. • No orientation based sampling bias has been identified in the data.
Sample security	• *The measures taken to ensure sample security.*	• Chain of custody is managed by DCN. Samples are stored on site until collected for transport to BV Laboratories in Kalgoorlie. DCN 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.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Shaun Searle of RPM reviewed drilling and sampling procedures during the 2013 site visit and found that all procedures and practices conform to

Criteria	JORC Code explanation	Commentary
		industry standards. • DCN completed a laboratory audit of BV Laboratories in July 2014 and found that all procedures and practices conform to industry standards.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *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.* • *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.*	• The Westralia deposit is located within Mining Lease 39/18, which is wholly owned by DCN and subject to a 1% capped third party production royalty. • The tenements are in good standing with no known impediment to future grant of a mining permit.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• 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.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Westralia gold deposit is an Archean BIF hosted, sulphide replacement mineralisation and is located within the Yilgarn Craton of Western Australia.

Drill hole information	• *A summary of all information material to the under-standing of the exploration results including a tabulation of the following information for all Material drill holes:*
	  • *easting and northing of the drill hole collar*
	  • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  • *dip and azimuth of the hole*
	  • *down hole length and interception depth*
	  • *hole length*
	• *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.*
		• Exploration results are not being reported. A table of all drill hole collars with all the listed information is shown in the Appendices.
		• All information has been included in the appendices. No drill hole information has been excluded.

Data aggregation methods	• *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.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the*	• Exploration results are not being reported. • Not applicable as a Mineral Resource is being reported. • Metal equivalent values have not been used.

Criteria	JORC Code explanation	Commentary
	procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *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').*	• 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.
Diagrams	• *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.*	• Relevant diagrams have been included within the Mineral Resource announcement and previous releases as detailed in Appendix 1.
Balanced Reporting	• *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 estimation.* • *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.*	• All DCN hole collars were surveyed in MGA94 Zone 51 grid using differential GPS. DCN holes were down hole surveyed at 5m using a north seeking gyroscopic survey tool. • Exploration results are not being reported.
Other substantive exploration data	• *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.*	• All interpretations for Westralia mineralisation are consistent with observations made and information gained during previous mining at the project.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large- scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Infill drilling is planned at selected areas of the Westralia Mineral Resource. • Refer to diagrams in the body of text within the Mineral Resource report.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its*	• The data base has been systematically audited by a DCN geologist. Original drilling records were compared to the

Criteria	JORC Code explanation	Commentary
	initial collection and its use for Mineral Resource estimation purposes. • *Data validation procedures used.*	equivalent records in the data base (where original records were available). Any discrepancies were noted and rectified by the data base manager. • 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 data base manager.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• A site visit was conducted by Shaun Searle of RPM during October 2013. Shaun inspected the deposit area, drill core, outcrop, the Jupiter pits 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. • A site visit was conducted, therefore not applicable.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• 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 pits. • Geochemistry and geological logging has been used to assist identification of lithology and mineralisation. • 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. • Outcrops of mineralisation and host rocks within the open pits confirm the geometry of the mineralisation. • Infill drilling has confirmed geological and grade continuity.
Dimensions	• *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.*	• The Westralia Mineral Resource area extends over a SE-NW strike length of 2.8km (from 6,816,500mN – 6,818,950mN), has a maximum width of 40m (409,480mE – 409,520mE) and includes the 775m vertical interval from 460mRL to -315mRL.
Estimation and modelling techniques	• *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.* • *The availability of check estimates, previous estimates and/or mine production records and whether the*	• Using parameters derived from modelled variograms, Ordinary Kriging (OK) was used to estimate average block grades in three 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 100m down-dip. This was half drill hole spacing in this region of the deposit. Maximum extrapolation was generally half drill hole spacing.

Criteria	JORC Code explanation	Commentary
	Mineral Resource estimate takes appropriate account of such data. • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	• Reconciliation could not be conducted due to the absence of a complete set 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 332,000t at 4.1g/t Au for 43,700 ounces at a 2g/t Au cut-off. 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. • No recovery of by-products is anticipated. • Only Au was interpolated into the block model. • 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 dimension was selected on the results obtained from Kriging Neighbourhood Analysis that suggested this was the optimal block size for the Westralia dataset. • 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, 11 and 99. 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 3 passes. • No assumptions were made on selective mining units. • Only Au assay data was available, therefore correlation analysis was not possible. • 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. • Statistical analysis was carried out on data from 25 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

Criteria	JORC Code explanation	Commentary
		grade cut of 70g/t was applied, resulting in a total of 37 samples being cut. • 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.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Tonnages and grades were estimated on a dry in situ basis.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• The Mineral Resource has been reported at a 2g/t Au cut-off based on assumptions about economic cut-off grades for underground mining. Reported mining grades at this cut-off are successfully mined using underground methods at other gold deposits in the Yilgarn.
Mining factors or assumptions	• *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.*	• RPM has assumed that the deposit could 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. Deposits of the reported Westralia grades are successfully mined using underground techniques elsewhere in the Yilgarn.
Metallurgical factors or assumptions	• *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 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.*	• 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 >95% and >90% were achieved with cyanidation leaching at grind sizes <75µm for the Westralia Underground and Westralia Deeps samples respectively. In addition, DCN contracted METS to conduct test-work on the Westralia core and found that gravity and cyanidation leaching at a grind size of 75µm resulted in an overall gold recovery of 97.8%. • It is assumed that extraction of gold will be achieved by gravity and cyanide leaching methods, with recoveries greater than 90% based on these results.
Environmental factors or assumptions	• *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*	• 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

Criteria	JORC Code explanation	Commentary
	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.	processing.
Bulk density	• *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.* • *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.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• DCN collected 3,006 specific gravity measurements during the 2013-15 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, 2,821 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. • Bulk density is measured. Moisture is accounted for in the measuring process and measurements were separated for lithology and mineralisation. • 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 for these zones were derived from known bulk densities from similar geological terrains.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *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).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• 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 50m by 50m, 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 50m by 50m, where small isolated pods of mineralisation occur outside the main mineralised zones,

Criteria	JORC Code explanation	Commentary
		and to geologically complex zones. • 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. • The Mineral Resource estimate appropriately reflects the view of the Competent Person.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• Internal audits have been completed by RPM which verified the technical inputs, methodology, parameters and results of the estimate.
Discussion of relative accuracy/ confidence	• *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.* • *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.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• The lode geometry and continuity has been adequately interpreted to reflect the applied level of Measured, Indicated and Inferred Mineral Resource. The data quality is good and the drill holes have detailed logs produced by qualified geologists. A recognised laboratory has been used for all analyses. • The Mineral Resource statement relates to global estimates of tonnes and grade. • Reconciliation could not be conducted due to the absence of a complete set of mining stope shapes for the underground mining completed by Plutonic.