DACIAN GOLD LIMITED

ABN 61 154 262 978

Annual Financial Statements for the
Year Ended 30 June 2015

CONTENTS

CORPORATE DIRECTORY

Directors

Rohan Williams	(Executive Chairman)
Barry Patterson	(Non-Executive Director)
Robert Reynolds	(Non-Executive Director)

Company Secretary

Kevin Hart

Registered Office and Principal Place of Business

Suites 14-16, 890 Canning Highway
Applecross WA 6153

Auditor

Grant Thornton Audit Pty Ltd
10 Kings Park Road, West Perth WA 6005

Share Registry

Computershare Investor Services Pty Ltd
Level 2, 45 St Georges Terrace, Perth WA 6000

Stock Exchange Listing

The Company's shares are quoted on the Australian Securities Exchange. The home exchange is Perth, Western Australia.

ASX Code
DCN – Ordinary shares

Company Information

The Company was incorporated and registered under the Corporations Act 2001 in Western Australia on 23 November 2011.

The Company is domiciled in Australia.

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2015

The Directors present the financial statements of Dacian Gold Limited for the year ended 30 June 2015. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

Directors

The following persons were directors of Dacian Gold Limited during or since the end of the year and up to the date of this report, were in office for this entire period unless stated otherwise:

Rohan Williams BSc (Hons), MAusIMM

(Executive Chairman)

Mr Williams was founding CEO and Managing Director of Avoca Resources Ltd, and led that company from its $7 million exploration IPO in 2002 until its merger with Anatolia Minerals in 2011 to form Alacer Gold Corp, which valued Avoca at $1 billion. At the time of the merger, Avoca Resources Ltd was the third largest ASX listed Australian gold producer.

Serving as the merged group's Chief Strategic Officer until the end of 2011, Mr Williams resigned as a Non-Executive Director of Alacer Gold Corp on 10 September 2013.

Prior to his time with Avoca Resources Ltd, Mr Williams worked with WMC Resources Limited where he held Chief Geologist positions at St Ives Gold Mines and the Norseman Gold Operation. He has 25 years of experience, including over 19 years in the world class Kalgoorlie-Norseman gold belt.

Mr Williams also serves on the Board of the Telethon Kids Institute.

On 14 March 2014 Mr Williams became Executive Chairman of the Company. Prior to this date Mr Williams undertook the Chairman's role on a Non-Executive basis.

Other than as stated above Mr Williams has not served as a director of any other listed companies, in the 3 years immediately before the end of 2015 financial year.

Robert Reynolds MAICD, MAusIMM

(Non-Executive Director)

Mr Reynolds was the Non-Executive Chairman of Avoca Resources Ltd from 2002 until it merged with Anatolia Minerals to form Alacer Gold Corp in 2011, and has extensive experience in mineral exploration, development and mining operations. Mr Reynolds was Non-Executive Chairman of Alacer Gold Corp until 23 August 2011.

With over 35 years commercial experience in the mining sector, Mr Reynolds has worked on mining projects in a number of locations including Australia, Africa and across the Oceania region.

Mr Reynolds was a long term Director of Delta Gold Limited and was a Director of Extorre Gold Mines Limited when it was acquired by Yamana Gold for CAD$414 million on 22 August 2012. Mr Reynolds also currently holds Directorships with Canadian companies Rugby Mining Limited and Exeter Resource Corporation and ASX listed companies Convergent Minerals Limited, Chesser Resources Limited and Global Geoscience Limited.

Other than as stated above Mr Reynolds has not served as a director of any other listed companies, in the 3 years immediately before the end of 2015 financial year.

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2015

Barry Patterson   ASMM, MAusIMM, FAICD

(Non-Executive Director)

Mr Patterson is a mining engineer with over 50 years of experience in the mining industry and is a co-founder, and Non-Executive Director, of ASX listed GR Engineering Limited.

Mr Patterson was also a founding shareholder of leading engineering services provider JR Engineering, which became Roche Mining after being taken over by Downer EDI in 2002. He also co-founded contract mining companies Eltin, Australian Mine Management and National Mine Management.

Mr Patterson has served as a director of a number of public companies across a range of industries. He was formerly the non-executive chairman of Sonic Healthcare Limited for 11 years, during which time the company's market capitalisation increased from $20 million to $4 billion, and Silex Systems Limited.

Other than as stated above Mr Patterson has not served as a director of any other listed companies, in the 3 years immediately before the end of 2015 financial year.

Company Secretary

Kevin Hart B.Comm, FCA

Mr Hart is a Chartered Accountant and was appointed to the position of Company Secretary on 27 November 2012. He has over 25 years' experience in accounting and the management and administration of public listed entities in the mining and exploration industry.

He is currently a partner in an advisory firm, Endeavour Corporate, which specialises in the provision of company secretarial and accounting services to ASX listed entities.

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2015

Interests in the Shares and Options of the Company

The following relevant interests in shares and options of the Company were held by the directors as at the date of this report:

Director	Number of fully paid ordinary shares	Number of options over ordinary shares
Rohan Williams	5,200,000	5,000,000
Robert Reynolds	2,100,000	300,000
Barry Patterson	4,100,000	300,000

The directors' interests in the options over ordinary shares in the above table include no options that are currently vested and exercisable. Further details of the vesting conditions applicable to these options are disclosed in the remuneration report section of this directors' report.

Securities

No ordinary shares were issued by the Company during or since the end of the financial year as a result of the exercise of options.

There are no unpaid amounts on the shares issued.

At the date of this report unissued ordinary shares of the Company under option are:

Number of Options	Exercise Price	Expiry Date
6,150,000	84 cents each	9 October 2017
1,000,000	57 cents each	28 February 2019
1,000,000	65 cents each	24 September 2019
2,000,000	46 cents each	17 November 2019

Dividends

No dividends have been paid or declared since the start of the financial year and the directors do not recommend the payment of a dividend in respect of the financial year.

Principal Activities

The principal activity of the Company during the financial year was mineral exploration at its wholly owned Mt Morgans Gold Project in Western Australia.

There have been no significant changes in the nature of these activities during the financial year.

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the Company during the financial year, not otherwise disclosed in this report.

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2015

Review of Operations

Operating results and financial position

The net loss after income tax for the financial year was $8,048,428 (30 June 2014: $5,620,640), included in this loss for the financial year is an amount of $6,501,354 (30 June 2014: $4,283,158) in respect of exploration and evaluation costs not capitalised, and increases to provisions for rehabilitation liabilities of $670,669 (2014: $36,231).

At the end of the financial year the Company had $4,624,894 (30 June 2014: $10,948,885) in cash and at call deposits. Capitalised mineral exploration and evaluation expenditure is $8,131,847 (30 June 2014: $8,131,847).

Summary of Activities

During the 2015 financial year the Company has maintained its high level of exploration activity, primarily focussed on the Westralia and Jupiter deposits at the Mt Morgans Gold Project. In addition the Company has commenced pre-feasibility studies at Jupiter and Westralia with an initial scoping study (Mt Morgans Scoping Study) in respect of the Jupiter and Westralia prospects to be published in the near future. The Mt Morgans Scoping Study is assessing the co-development of an open pit mining complex at Jupiter and a high grade underground mine at Westralia, both feeding a site based purpose built mill.

The Company has incurred exploration and feasibility costs of over $6.5 million during the 2015 financial year, which has included completing in excess of 35,500 metres of drilling, comprising over 20,000 metres of diamond core drilling and over 15,500 metres of RC drilling.

Diamond drilling for 2015 also provided drill core for metallurgical testing in respect of the pre-feasibility study. All initial metallurgical test work at Jupiter has been consistent with the Company's expectations as it continues to advance the Mt Morgan's pre-feasibility study.

As a result of the extensive exploration programs undertaken during the 2015 financial year, the Company has significantly extended the mineralised zones at both Westralia and at Jupiter, resulting in a number of resource upgrades at both deposits, including the maiden Heffernans resource at Jupiter. Refer to ASX announcement dated 11 May 2015 for details of the Company's resource and reserve base as at 30 June 2015.

Since the end of the financial year the Company has maintained its high level of exploration activity, with further increases to the Jupiter and Westralia resources.

The Company incurred exploration costs of $6,501,354 during the 12 months ended 30 June 2015 (30 June 2014: $4,283,158).

Further details of the Company's activities including significant drill results returned for the 2015 financial year are included in the Review of Operations in the Annual Report.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant ASX releases and the form and context of the announcements have not been materially modified. In the case of estimates of Mineral Resources, the Company confirms that all material assumptions and technical parameters underpinning in the relevant market announcement continue to apply and have not materially changed.

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2015

Events Subsequent to the Reporting Date

There has not arisen in the interval between the end of the reporting period and the date of this report, any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company to affect substantially the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

Likely Developments and Expected Results

The Company intends to continue to undertake appropriate exploration and evaluation activities sufficient to maintain tenure of its prospective mineral properties, until such time that informed decisions can be made in order to commercially exploit or relinquish such properties.

Environmental Regulation and Performance

The Company holds various exploration licences to regulate its exploration activities in Australia. These licences include conditions and regulations with respect to the rehabilitation of areas disturbed during the course of its exploration activities.

So far as the Directors are aware, all exploration activities have been undertaken in compliance with all relevant environmental regulations.

Officer's Indemnities and Insurance

During the year the Company paid an insurance premium to insure certain officers of the Company. The officers of the Company covered by the insurance policy include the Directors named in this report.

The Directors and Officers Liability insurance provides cover against all costs and expenses that may be incurred in defending civil or criminal proceedings that fall within the scope of the indemnity and that may be brought against the officers in their capacity as officers of the Company. The insurance policy does not contain details of the premium paid in respect of individual officers of the Company. Disclosure of the nature of the liability cover and the amount of the premium is subject to a confidentiality clause under the insurance policy.

The Company has not provided any insurance for an auditor of the Company.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the Corporations Act 2001.

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2015

Non-audit Services

During the year Grant Thornton the Company's auditor, has not performed any other services in addition to their statutory duties:

	2015 **$**	2014 $
Total remuneration paid to auditors during the financial year:		
Audit and review of the Company's financial statements	**32,978**	31,355
Other services	**-**	-
Total	**32,978**	31,355

The Board considers any non-audit services provided during the year by the auditor and satisfies itself that the provision of any non-audit services during the year by the auditor is compatible with, and does not compromise, the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services are reviewed by the Board to ensure they do not impact the impartiality and objectivity of the auditor; and
- the non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*, as they do not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2015

Remuneration Report (Audited)

Remuneration paid to Directors and Officers of the Company is set by reference to such payments made by other ASX listed companies of a similar size and operating in the mineral exploration industry. In addition reference is made to the specific skills and experience of the Directors and Officers.

Details of the nature and amount of remuneration of each Director, and other Key Management Personnel if applicable, are disclosed annually in the Company's Annual Report.

Remuneration Committee

The Board has adopted a formal Remuneration Committee Charter which provides a framework for the consideration of remuneration matters.

The Company does not have a separate remuneration committee and as such all remuneration matters are considered by the Board as a whole, with no Member deliberating or considering such matter in respect of their own remuneration.

In the absence of a separate Remuneration Committee, the Board is responsible for:

1. Setting remuneration packages for Executive Directors, Non-Executive Directors and other Key Management Personnel; and
2. Implementing employee incentive and equity based plans and making awards pursuant to those plans.

Non-Executive Remuneration

The Company's policy is to remunerate Non-Executive Directors, at rates comparable to other ASX listed companies in the same industry, for their time, commitment and responsibilities.

Non- Executive Remuneration is not linked to the performance of the Company, however to align Directors' interests with shareholders' interests, remuneration may be provided to Non-Executive Directors in the form of equity based long term incentives.

1. Fees payable to Non-Executive Directors are set within the aggregate amount approved by shareholders at the Company's Annual General Meeting;
2. Non-Executive Directors' fees are payable in the form of cash and superannuation benefits;
3. Non-Executive superannuation benefits are limited to statutory superannuation entitlements; and
4. Participation in equity based remuneration schemes by Non-Executive Directors is subject to consideration and approval by the Company's shareholders.

The maximum Non-Executive Directors fees, payable in aggregate are currently set at $500,000 per annum.

Executive Director and Other Key Management Personnel Remuneration

Executive remuneration consists of base salary, plus other performance incentives to ensure that:

1. Remuneration packages incorporate a balance between fixed and incentive pay, reflecting short and long term performance objectives appropriate to the Company's circumstances and objectives; and
2. A proportion of remuneration is structured in a manner to link reward to corporate and individual performances.

Executives are offered a competitive level of base salary at market rates (based on comparable ASX listed companies) and are reviewed regularly to ensure market competitiveness.

To date the Company has not engaged external remuneration consultants to advise the Board on remuneration matters.

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2015

Remuneration Report (Continued)

Incentive Plans

The Company provides long term incentives to Directors and Employees pursuant to the Dacian Gold Limited Employee Option Plan, which was last approved by shareholders on 9 October 2012.

The Board, acting in remuneration matters:

1. Ensures that incentive plans are designed around appropriate and realistic performance targets and provide rewards when those targets are achieved;
2. Reviews and improves existing incentive plans established for employees; and
3. Approves the administration of the incentive plans, including receiving recommendations for, and the consideration and approval of grants pursuant to such incentive plans.

Engagement of Non-Executive Directors

Non-Executive Directors conduct their duties under the following terms:

1. A Non-Executive Director may resign from his/her position and thus terminate their contract on written notice to the Company; and
2. A Non-Executive Director may, following resolution of the Company's shareholders, be removed before the expiration of their period of office (if applicable). Payment is made in lieu of any notice period if termination is initiated by the Company, except where termination is initiated for serious misconduct.

In consideration of the services provided by Mr Robert Reynolds and Mr Barry Patterson as Non-Executive Directors, the Company will pay them $40,000 plus statutory superannuation per annum.

In consideration of the services provided by Mr Rohan Williams as Non-Executive Chairman, until appointed as Executive Chairman on 14 March 2014, the Company paid him $60,000 plus statutory superannuation per annum.

Messrs Reynolds and Patterson are also entitled to fees for other amounts as the Board determines where they perform special duties or otherwise perform extra services or make special exertions on behalf of the Company.

During the financial year ended 30 June 2015, the Company incurred no costs in respect of additional services provided by directors.

Engagement of Executive Directors

The Company has agreed terms with Mr Rohan Williams in relation to his role as Executive Chairman, effective 14 March 2014. The terms, which are summarised below, are included in a formal executive services agreement.

In respect of his engagement as Executive Chairman, commencing 14 March 2014, Mr Williams will receive a base salary of $437,000 per annum inclusive of statutory superannuation (Total Fixed Remuneration, TFR). Any increase in salary is subject to the discretion of the Board.

Mr Williams may also receive a short term performance based reward in the form of a cash bonus up to, 40% of the TFR. The performance criteria, assessment and timing of which are determined at the discretion of the Board.

Mr Williams has, following shareholder approval, been granted 2 million options and may participate in the Dacian Gold Limited Employee Option Plan and other long term incentive plans adopted by the Board.

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2015

Remuneration Report (Continued)

Short Term Incentive Payments

The Board may, at its sole discretion, set the Key Performance Indicators (KPIs) for the Executive Directors or other Executive Officers. The KPIs are chosen to align the reward of the individual Executives to the strategy and performance of the Company.

Performance objectives, which may be financial or non-financial, or a combination of both, are determined by the Board.

No Short Term incentives are payable to Executives where it is considered that the actual performance has fallen below the minimum requirement.

No performance evaluation in respect of the year ended 30 June 2015 has taken place in accordance with this process, and accordingly no short term incentive payments have been paid or are payable to Executives in respect of the financial year ended 30 June 2015.

The Executive Chairman sets the KPIs for other members of staff, monitors actual performance and may recommend payment of short term bonuses to certain employees to the Board for approval.

Shareholding Qualifications

The Directors are not required to hold any shares in Dacian Gold under the terms of the Company's constitution.

Consequences of Company Performance on Shareholder Wealth

In considering the Company's performance and benefits for shareholder wealth, the Board provide the following indices in respect of the current financial year and previous financial years:

	2015	2014	2013	2012
Loss for the year attributable to shareholders	**$8,048,428**	$5,620,640	$5,806,907	$481,217
Closing share price at 30 June	**$0.43**	$0.35	$0.17	n/a

As an exploration company the Board does not consider the loss attributable to shareholders as one of the performance indicators when implementing Short Term Incentive Payments. The Board considers that the success of exploration and feasibility programs, safety and environmental performance, the securing of funding arrangements and responsible management of cash resources and the Company's other assets are more appropriate performance indicators to assess the performance of management.

The Company was incorporated on 23 November 2011 and was admitted to the official list of the Australian Securities Exchange on 9 November 2012.

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2015

Remuneration Report (Continued)

Remuneration Disclosures

Current Directors and Key Management Personnel of the Company have been identified as:

Mr Rohan Williams	Executive Chairman (Non-Executive Chairman until 14 March 2014)
Mr Barry Patterson	Non-Executive Director
Mr Robert Reynolds	Non-Executive Director

Former Directors and Key Management Personnel of the Company have been identified as:

Mr Paul Payne	Managing Director (resigned 14 March 2014)

The details of the remuneration of each Director and member of Key Management Personnel of the Company is as follows:

30 June 2015	**Short Term**		**Post Employment**	**Other Long Term**		
	Base Salary and consulting fees $	Short Term Incentive $	Superannuation Contributions $	Value of Options (i) $	Total $	Value of Options as Proportion of Remuneration %
Current Directors and Key Management Personnel:						
Rohan Williams	**403,000**	-	**35,000**	**162,737**	**600,737**	**27.1%**
Barry Patterson	**40,000**	-	**3,800**	**5,243**	**49,043**	**10.7%**
Robert Reynolds	**40,000**	-	**3,800**	**5,243**	**49,043**	**10.7%**
Total	**483,000**	-	**42,600**	**173,223**	**698,823**	

(i) The fair value of options is calculated at the date of grant using the Black Scholes option pricing model and allocated to each reporting period evenly over the period from grant date to vesting date. The value disclosed in the above tables is the portion of the fair value of the options recognised in the reporting period.

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2015

Remuneration Report (Continued)

Remuneration Disclosures (Continued)

30 June 2014	Short Term		Post Employment	Other Long Term		
	Base Salary and consulting fees $	Short Term Incentive $	Superannuation Contributions $	Value of Options (i) $	Total $	Value of Options as Proportion of Remuneration %
Current Directors and Key Management Personnel:						
Rohan Williams	167,341	-	15,479	156,445	339,265	46.1%
Barry Patterson	40,000	-	3,700	20,970	64,670	32.4%
Robert Reynolds	40,000	-	3,700	20,970	64,670	32.4%
Former Directors and Key Management Personnel:						
Paul Payne(ii)	512,562	-	23,667	-	536,229	nil
Total	759,903	-	46,546	198,385	1,004,834	

(i) The fair value of options is calculated at the date of grant using the Black Scholes option pricing model and allocated to each reporting period evenly over the period from grant date to vesting date. The value disclosed in the above tables is the portion of the fair value of the options recognised in the reporting period.

(ii) Included in the 2014 remuneration paid to Mr Paul Payne, an amount of $320,002 related to termination benefits and unused annual leave paid on termination of his executive services agreement.

Details of Performance Related Remuneration

There have been no Short Term Incentive payments made to Directors or Key Management Personnel of the Company during the financial years ended 30 June 2014 or 30 June 2015.

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2015

Remuneration Report (Continued)

Options Granted as Remuneration

2015

During the 2015 financial year there were 2 million options over unissued shares issued to the Company's Executive Chairman Mr Rohan Williams, pursuant to the terms of his executive services agreement and following shareholder approval of the issue at the Company's 2014 annual general meeting. Details of the options issued to Mr Williams are as follows:

Grant Date	Exercise price per Option	Expiry Date	Number of Options Granted	Vesting Date	Total Value of Options Granted
18 November 2014	**46 cents each**	**17 November 2019**	**2,000,000**	**18 November 2016**	**$201,320**

2014

There were no options over unissued shares issued Directors or Key Management Personnel of the Company during the financial year ended 30 June 2014.

The following 5,000,000 un-vested options issued to Mr Paul Payne in a prior financial year were cancelled on his resignation as Managing Director of the Company on 14 March 2014.

Number of Options	Exercise Price	Vesting Date	Option Expiry Date	Cancellation Date
2,500,000	84 cents each	24 months from the date the Company listed on ASX	5 years from the grant date	14 March 2014
1,250,000	84 cents each	36 months from the grant date	5 years from the grant date	14 March 2014
1,250,000	84 cents each	42 months from the grant date	5 years from the grant date	14 March 2014

Exercise of Options Granted as Remuneration

There were no ordinary shares issued on the exercise of options previously granted as remuneration to Directors or Key Management Personnel of the Company during either the financial years ended 30 June 2014 or 30 June 2015.

Equity instrument disclosures relating to key management personnel

Option holdings
Key Management Personnel have the following interests in unlisted options over unissued shares of the Company.

2015 Name	Balance at start of the year	Received during the year as remuneration	Other changes during the year	Balance at the end of the year	Vested and exercisable at the end of the year
R Williams	**3,000,000**	**2,000,000**	**-**	**5,000,000**	**1,000,000**
R Reynolds	**300,000**	**-**	**-**	**300,000**	**300,000**
B Patterson	**300,000**	**-**	**-**	**300,000**	**300,000**

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2015

Remuneration Report (Continued)

Equity instrument disclosures relating to key management personnel (Continued)

Share holdings

The number of shares in the Company held during the financial year by key management personnel of the Company, including their related parties are set out below. There were no shares granted during the reporting period as compensation.

2015 Name	Balance at start of the year	Acquisitions pursuant to share placements	Other changes during the year	Balance at the end of the year
R Williams	5,200,000	-	-	5,200,000
R Reynolds	2,100,000	-	-	2,100,000
B Patterson	4,100,000	-	-	4,100,000

Loans made to key management personnel

No loans were made to key personnel, including personally related entities during the reporting period.

Other transactions with key management personnel

During the financial year ended 30 June 2015 there have been no other transactions with, and are no amounts owing to or owed by Key Management Personnel.

There were no other transactions with key management personnel.

End of Remuneration Report

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under Section 307C of the Corporations Act is set out on the following page.

This report is made in accordance with a resolution of the Directors.

DATED at Perth this 25th day of September 2015.

Rohan Williams
Executive Chairman

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Auditor's Independence Declaration
To the Directors of Dacian Gold Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Dacian Gold Limited for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

C A Becker
Partner - Audit & Assurance

Perth, 25 September 2015

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2015

	Note	30 June 2015 $	30 June 2014 $
Revenue	3	301,561	492,579
Total Revenue		301,561	492,579
Employee expenses	3	(563,361)	(863,508)
Share based employee expense	17	(295,179)	(283,196)
Depreciation and amortisation expenses	10	(215,319)	(233,496)
Corporate expenses		(136,151)	(131,583)
Occupancy expenses		(80,816)	(78,765)
Marketing expenses		(62,065)	(43,481)
Financing expenses		(3,539)	(9,042)
Exploration costs expensed and written off	11	(7,172,023)	(4,319,389)
Administration and other expenses		(154,031)	(150,759)
Loss before income tax		(8,380,923)	(5,620,640)
Income tax benefit/(expense)	4	332,495	-
Net loss for the period attributable to the members of the parent entity		(8,048,428)	(5,620,640)
Other comprehensive Income		-	-
Total comprehensive result for the period attributable to the members of the parent entity	17	(8,048,428)	(5,620,640)
Loss per share			
Basic and diluted loss per share (cents)	5	(8.4)	(5.9)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015

	Note	30 June 2015 $	30 June 2014 $
Current assets			
Cash and cash equivalents	**7**	**4,624,894**	10,948,885
Trade and other receivables	**8**	**418,034**	41,268
Total current assets		**5,042,928**	10,990,153
Non-current assets			
Other financial assets	**9**	**34,211**	16,335
Property, plant and equipment	**10**	**396,225**	546,074
Exploration and evaluation assets	**11**	**8,131,847**	8,131,847
Total non-current assets		**8,562,283**	8,694,256
Total assets		**13,605,211**	19,684,409
Current liabilities			
Borrowings	**12**	**18,265**	31,310
Trade and other payables	**13**	**1,437,632**	380,156
Total current liabilities		**1,455,897**	411,466
Non-current liabilities			
Borrowings	**12**	**-**	18,265
Provisions	**14**	**1,914,600**	1,243,931
Total non-current liabilities		**1,914,600**	1,262,196
Total liabilities		**3,370,497**	1,673,662
Net assets		**10,234,714**	18,010,747
Equity			
Issued capital	**15**	**29,204,822**	29,227,606
Share based payments reserve	**17**	**774,886**	479,707
Accumulated losses	**17**	**(19,744,994)**	(11,696,566)
Total equity		**10,234,714**	18,010,747

The above statement of financial position should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015

	Issued capital $	Accumulated losses $	Share based payments reserve $	Total $
At 1 July 2013	29,227,606	(6,288,125)	408,710	23,348,191
Total comprehensive result for the period:				
Loss for the period	-	(5,620,640)	-	(5,620,640)
Movement in share based payments reserve in respect of options vesting	-	-	283,196	283,196
Transfer to accumulated losses on cancellation of options	-	212,199	(212,199)	-
At 30 June 2014	29,227,606	(11,696,566)	479,707	18,010,747
At 1 July 2014	**29,227,606**	**(11,696,566)**	**479,707**	**18,010,747**
Total comprehensive result for the period:				
Loss for the period	**-**	**(8,048,428)**	**-**	**(8,048,428)**
Costs incurred on release of securities from escrow	**(22,784)**	**-**	**-**	**(22,784)**
Movement in share based payments reserve in respect of options vesting	**-**	**-**	**295,179**	**295,179**
At 30 June 2015	**29,204,822**	**(19,744,994)**	**774,886**	**10,234,714**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015

	Note	30 June 2015 $	30 June 2014 $
Cash flows from operating activities			
Interest received		**243,506**	546,742
Other income		**69,730**	11,910
Interest paid		**(3,539)**	(9,042)
Payments for exploration and evaluation		**(5,527,770)**	(4,439,898)
Payments to suppliers and employees		**(968,478)**	(1,211,930)
Net cash used in operating activities	**7**	**(6,186,551)**	(5,102,218)
Cash flows from investing activities			
Proceeds on redemption of bonds and security deposits		**16,335**	1,227,700
Payments for bonds and security deposits		**(34,211)**	-
Payments for plant and equipment		**(65,470)**	(213,569)
Net cash used in investing activities		**(83,346)**	1,014,131
Cash flows from financing activities			
Repayment of borrowings		**(31,310)**	(31,310)
Payments on release of securities from escrow		**(22,784)**	-
Net cash used in financing activities		**(54,094)**	(31,310)
Net increase/(decrease) in cash held		**(6,323,991)**	(4,119,397)
Cash at the beginning of the period	**7**	**10,948,885**	15,068,282
Cash at the end of the period	**7**	**4,624,894**	10,948,885

The above statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 1 Summary of Significant Accounting Policies

(a) Basis of preparation of financial report

These financial statements are general purpose financial statements, which have been prepared in accordance with requirements of the Corporations Act 2001 and comply with other requirements of the law.

The accounting policies below have been consistently applied to all of the years presented unless otherwise stated.

The financial statements have been prepared on a historical cost basis, except for available for sale investments and derivative financial instruments which have been measured at fair value. Cost is based on the fair values of consideration given in exchange for assets.

The financial statements are presented in Australian dollars.

These financial statements have been prepared on the going concern basis.

The financial report of the Company was authorised for issue in accordance with a resolution of Directors on 24th September 2015.

Statement of Compliance

The financial report of Dacian Gold Limited complies with Australian Accounting Standards, which include Australian Equivalents to International Financial Reporting Standards (AIFRS), in their entirety. Compliance with AIFRS ensures that the financial report also complies with International Financial Reporting Standards (IFRS) in their entirety. Dacian Gold Limited is a for profit entity for the purpose of preparing the financial statements

Going Concern Basis for Preparation of Financial Statements

These financial statements have been prepared on the going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As at 30 June 2015, the Company has net current assets of $3,587,031 (2014: $10,578,687). These net current assets are considered sufficient by the Directors to meet all current minimum exploration expenditure commitments, settle all debts as and when they become due as well as operating cash outflows of the Company. In addition, the Board are confident of raising sufficient capital to fund the short term exploration and feasibility programs as well fund the working capital requirements of the Company as required.

Material accounting policies adopted in the presentation of these financial statements are presented below:

(b) Revenue

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, allowances and amounts collectable on behalf of third parties.

Interest income

Interest income is recognised on a time proportion basis and is recognised as it accrues.

(c) Income Tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to the temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary timing differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantially enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to those timing differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 1 Summary of Significant Accounting Policies (continued)

Income tax (continued)

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

Amounts receivable from the Australian Tax Office in respect of research and development tax concession claims are recognised as a tax benefit in the year in which the claim is lodged with the Australian Tax Office.

(d) Other Taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

(e) Financing Costs

Net financing costs comprise interest payable on borrowings calculated using the effective interest method.

Borrowing costs are expensed as incurred and included in net financing costs.

(f) Cash and Cash Equivalents

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(g) Trade and Other Receivables

Trade receivables, which generally have 30–90 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An allowance for doubtful debts is made when there is objective evidence that the Company will not be able to collect the debts. Bad debts are written off when identified.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 1 Summary of Significant Accounting Policies (continued)

(h) Property, plant and Equipment

Property, plant and equipment is stated at cost, less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the asset as a replacement only if it is eligible for capitalisation. The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

Depreciation is calculated on a straight-line basis or written down value over the estimated useful life of the assets as follows:

Office equipment and software	25%-50% straight line
Fixtures and fittings	33% written down value
Plant and equipment	33% written down value
Motor Vehicles	33% written down value

(i) Impairment

The carrying values of property, plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired. The recoverable amount of property, plant and equipment is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value. An impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount. For assets measured at cost, impairment losses are recognised in profit or loss. However, for assets measured at re-valued amounts, impairment losses on land and buildings are treated as a re-valuation decrement.

(ii) De-recognition and Disposal

An item of property, plant and equipment is de-recognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is de-recognised.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

Note 1 Summary of Significant Accounting Policies (continued)

(i) Exploration and Evaluation Expenditure

Exploration and evaluation costs are written off in the year they are incurred, apart from acquisition costs and those costs that are incurred on an area of interest that contains a JORC reserve.

Capitalised exploration and evaluation expenditures in relation to specific areas of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

(i) the rights to tenure of the area of interest are current; and

(ii) at least one of the following conditions is also met:

(a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or

(b) exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortised of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

(j) Impairment of Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 1 Summary of Significant Accounting Policies (continued)

Impairment of Assets (continued)

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at re-valued amount (in which case the impairment loss is treated as a re-valuation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at re-valued amount, in which case the reversal is treated as a re-valuation increase.

After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(k) Trade and Other Payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services.

(l) Interest Bearing Liabilities

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised.

(m) Share Based Payments

Equity Settled Transactions:

The Company provides benefits to employees (including senior executives) of the Company in the form of Options, whereby employees render services in exchange for Options (equity-settled transactions).

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of the Options is determined by using an appropriate valuation model.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the underlying Shares to which the Option relates (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the Option (the vesting period).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 1 Summary of Significant Accounting Policies (continued)

Share Based Payments (continued)

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects:

(i) the extent to which the vesting period has expired; and
(ii) the Company's best estimate of the number of equity instruments that will ultimately vest.

No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The income statement charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for Options that do not ultimately vest, except for Options where vesting is only conditional upon a market condition.

If the terms of an Option are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the Option, or is otherwise beneficial to the employee, as measured at the date of modification.

If an Option is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled Option and designated as a replacement award on the date that it is granted, the cancelled Option and new awards are treated as if they were a modification of the Option, as described in the previous paragraph.

(n) Share Capital

Shares are classified as equity. Incremental costs directly attributable to the issue of Shares pursuant to the Offer or Options are shown in equity as a deduction, net of tax, from the proceeds of issue.

(o) Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Accounting for capitalised mineral exploration and evaluation expenditure

The Company's accounting policy is stated at 1(h). A regular review is undertaken of each area of interest to determine the reasonableness of the continuing carrying forward of costs in relation to that area of interest.

Mine restoration provisions estimates

The calculation of rehabilitation and closure provisions (and corresponding capitalised closure cost assets where necessary) rely on estimates of costs required to rehabilitate and restore disturbed land to its original condition. These estimates are regularly reviewed and adjusted in order to ensure that the most up to date data is used to calculate these balances.

Significant judgements is required in determining the provision for mine rehabilitation as there are many transactions and other factors that will affect the ultimate costs required to rehabilitate the mine site. Factors that will affect this liability include future development, changes in technology, price increases, changes in interest rates and changes in legislation.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 1 Summary of Significant Accounting Policies (continued)

Critical accounting estimates and judgements (continued)

Measurement of share based payments

The Company records charges for share based payments. For option based share based payments, management estimate certain factors used in the option pricing model. These factors include volatility and exercise date of options. If these estimates vary the share based payment expense would have been different.

(p) Adoption of new and revised accounting standards

In the financial year ended 30 June 2015, the Company has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2014. It has been determined by the Company that, there is no impact, material or otherwise, of the new and revised standards and interpretations on its business and therefore no change is necessary to Company accounting policies.

The Company has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the financial year ended 30 June 2015. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to Company accounting policies.

Note 2 Segment Information

The Company has identified its operating segments based on the internal reports that are reviewed and used by the board of directors in assessing performance and determining the allocation of resources.

Reportable segments disclosed are based on aggregating operating segments, where the segments have similar characteristics. The Company's sole activity is mineral exploration wholly within Australia, therefore it has aggregated all operating segments into the one reportable segment being mineral exploration.

The reportable segment is represented by the primary statements forming these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	Year ended 30 June 2015 $	Year ended 30 June 2014 $
Note 3 Revenue and Expenses		
Loss for the year includes the following specific income and expenses:		
Gain on disposal of assets	**909**	-
Other income	**69,730**	-
Interest income	**230,922**	480,669
Legal expenses	**3,198**	8,381
Insurance	**35,057**	36,987
Office rent	**30,495**	57,751
Employee expenses:		
Salaries and wages	**1,442,864**	1,367,160
Director fees and consulting expenses	**80,000**	120,000
Defined contribution superannuation	**133,115**	114,249
Consultant expenses	**-**	3,750
Other employment expenses	**104,231**	80,751
Less: allocated to exploration project costs	**(1,196,849)**	(822,402)
	563,361	863,508

Note 4 Income Tax

a) Income tax expense		
Current income tax:		
Current income tax charge (benefit)	**(2,195,264)**	(1,635,867)
Current income tax not recognised	**2,195,264**	1,635,867
Research and development tax concession[i]	**(332,495)**	-
Deferred income tax:		
Relating to origination and reversal of timing differences	**2,125,563**	1,595,638
Deferred income tax benefit not recognised	**(2,125,563)**	(1,595,638)
Income tax expense/(benefit) reported in the income statement	**(332,495)**	-

[i]The Research and tax concession benefit relates to an application made in respect of qualifying expenditure incurred during the 2014 financial year. This amount has not been received from the Australian Taxation Office at the time of signing this report.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	Year ended 30 June 2015 $	Year ended 30 June 2014 $
Note 4 Income Tax (continued)		
b) Reconciliation of income tax expense to prima facie tax payable		
Loss from continuing operations before income tax expense	**(8,380,923)**	(5,620,640)
Tax at the Australian rate of 30% (2014 – 30%)	**(2,514,277)**	(1,686,192)
Tax effect of permanent differences:		
Non-deductible share based payment	**88,554**	84,959
Research and development tax concession	**(332,495)**	-
Capital raising costs claimed	**(80,716)**	(79,349)
Tax effect of other differences:		
Net deferred tax asset benefit not brought to account	**2,506,439**	1,680,582
Tax (benefit)/expense	**(332,495)**	-
c) Deferred tax – Balance Sheet		
Liabilities		
Prepaid expenses	**(2,016)**	(1,145)
Accrued income	**-**	(3,775)
Capitalised exploration expenditure	**(2,439,554)**	(431,996)
	(2,441,570)	(436,916)
Assets		
Revenue losses available to offset against future taxable income	**7,436,385**	3,439,444
Rehabilitation provision	**574,380**	373,179
Employee leave provisions	**20,815**	10,965
Accrued expenses	**18,000**	20,527
Deductible equity raising costs	**162,799**	238,047
	8,212,379	4,082,162
Net deferred tax asset/(liability)	**5,770,809**	3,645,246

Deferred tax assets have been recognised to the extent that they extinguish deferred tax liabilities of the Company as at the reporting date.

Net deferred tax assets have not been recognised, in either reporting period, in respect of amounts in excess of deferred tax liabilities.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	Year ended 30 June 2015 $	Year ended 30 June 2014 $
Note 4 Income Tax (continued)		
<u>*d) Deferred tax – Income Statement*</u>		
Liabilities		
(Increase)/decrease in prepaid expenses	**(871)**	(1,145)
(Increase)/decrease in accrued income	**3,775**	19,822
(Increase)/decrease in capitalised exploration expenditure	**(2,007,558)**	-
Assets		
Increase/(decrease) in revenue losses available to offset against future taxable income	**3,996,941**	1,630,273
Increase/(decrease) in rehabilitation provision	**201,201**	10,869
Increase/(decrease) in employee leave provisions	**9,850**	3,981
Increase/(decrease) in accruals	**(2,527)**	11,187
Increase/(decrease) in deductible equity raising costs	**(75,248)**	(79,349)
Deferred tax benefit/(expense) not recognised	**2,125,563**	1,595,638

The deferred tax benefit of tax losses not brought to account will only be obtained if:

(i) The Company derives future assessable income of a nature and an amount sufficient to enable the benefit from the tax losses to be realised;

(ii) The Company continues to comply with the conditions for deductibility imposed by tax legislation; and

(iii) No changes in tax legislation adversely affect the Company realising the benefit from the deduction of the losses.

All unused tax losses of $24,787,951 (2014: $11,464,813) were incurred by Australian entities.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	Year ended 30 June 2015	Year ended 30 June 2014
Note 5 Earnings per Share		
	Cents	Cents
a) Basic earnings per share		
Loss attributable to ordinary equity holders of the Company	**(8.4)**	(5.9)
b) Diluted earnings per share		
Loss attributable to ordinary equity holders of the Company	**(8.4)**	(5.9)
c) Loss used in calculation of basic and diluted loss per share	**$**	$
Loss after tax from continuing operations	**(8,048,428)**	(5,620,640)
d) Weighted average number of shares used as the denominator	**No.**	No.
Weighted average number of shares used as the denominator in calculating basic and dilutive loss per share	**96,100,000**	96,100,000

At 30 June 2015 the Company has on issue 10,150,000 (2014: 7,150,000) unlisted options over ordinary shares that are not considered to be dilutive.

Note 6 Dividends

No dividends were paid or proposed during the financial year ended 30 June 2014 or 30 June 2015.

The Company has no franking credits available as at 30 June 2014 or 30 June 2015.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	30 June 2015 $	30 June 2014 $
Note 7 Cash and Cash Equivalents		
Cash at bank[1]	**4,594,144**	2,918,885
Deposits at call[2]	**30,750**	8,030,000
	4,624,894	10,948,885

[1] Cash at bank earns interest at floating rates based on daily deposit rates.

[2] Short term deposits depending upon the immediate cash requirements of the Company, and earn interest at the respective short term interest rates.

At 30 June 2014 or 30 June 2015 the Company had no undrawn committed borrowing facilities.

Reconciliation to the Statement of Cash Flows:

For the purposes of the Statement of Cash Flows, cash and cash equivalents comprise cash on hand and at bank and investments in money market instruments, net of any outstanding bank overdrafts.

Cash and cash equivalents as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

Cash and cash equivalents	**4,624,894**	10,948,885

Non-cash financing and investing activities:

There have been no non-cash financing and investing activities for the year ended 30 June 2015 (30 June 2014: Nil).

Cash balances not available for use:

Included in cash and cash equivalents as at 30 June 2015 is an amount of $30,750 on deposit in respect of the Company's corporate credit card facility (30 June 2014: $30,000).

Other than the above, there are no amounts included in cash and cash equivalents not available for use as at 30 June 2014 or 30 June 2015.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	30 June 2015 $	30 June 2014 $

Note 7 Cash and Cash Equivalents (continued)

Reconciliation of loss after tax to net cash outflow from operating activities:

Loss from ordinary activities after income tax	**(8,048,428)**	(5,620,640)
Depreciation	**215,319**	233,496
Share based payments expense	**295,179**	283,196
Movement in assets and liabilities:		
(Increase)/decrease in prepaid expenses	**(2,905)**	(3,815)
(Increase)/decrease in accrued income	**(319,911)**	66,073
(Increase)/decrease in other receivables	**(53,950)**	46,922
Increase/(decrease) in rehabilitation provision	**670,669**	36,231
Increase/(decrease) in employee leave provisions	**32,832**	13,272
Increase/(decrease) in trade and other payables	**1,024,644**	(156,953)
Net cash flow from operating activities	**(6,186,551)**	(5,102,218)

Note 8 Trade and Other Receivables

Current assets

R&D Concession tax benefit receivable	**332,495**	-
Accrued income	**-**	12,584
Other receivables	**85,539**	28,684
	418,034	41,268

The R&D concession receivable relates to an application made in respect of qualifying expenditure incurred during the 2014 financial year. This amount has not been received from the Australian Taxation Office at the date of signing this report.

Accrued income $12,584 in the 2014 financial year relates to interest earned but unpaid on un-matured short term cash deposits held as at the end of the reporting period.

The Company has no trading activity and as such has no trading receivables. The Company does not consider any of its current receivables to be subject to impairment.

Note 9 Other Financial Assets

Non-current assets

Security Bonds and Deposits:

Balance at the start of the financial year	**16,335**	1,244,035
Bonds redeemed during the financial year	**(16,335)**	(1,227,700)
Bonds paid during the financial year	**34,211**	-
	34,211	16,335

Other financial assets at 30 June 2015 represent a security deposit of $34,211 in respect of the Company's lease of its Perth administration and registered office.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	30 June 2015 $	30 June 2014 $
Note 10 Property, Plant and Equipment		
Carrying values		
Office and computer equipment:		
Cost	**182,904**	157,741
Depreciation	**(124,892)**	(66,154)
	58,012	91,587
Plant and equipment:		
Cost	**629,427**	629,427
Depreciation	**(396,170)**	(281,282)
	233,257	348,145
Fixtures and fittings:		
Cost	**70,082**	29,775
Depreciation	**(26,516)**	(15,060)
	43,566	14,715
Motor vehicles:		
Cost[1]	**161,753**	161,753
Depreciation	**(100,363)**	(70,126)
	61,390	91,627
	396,225	546,074
Reconciliation of movements		
Office and computer equipment:		
Opening net book value	**91,587**	75,987
Additions	**25,163**	64,214
Depreciation	**(58,738)**	(48,614)
	58,012	91,587
Plant and equipment:		
Opening net book value	**348,145**	334,013
Additions	**-**	146,636
Depreciation	**(114,888)**	(132,504)
	233,257	348,145
Fixtures and Fitting:		
Opening net book value	**14,715**	21,746
Additions	**40,307**	218
Depreciation	**(11,456)**	(7,249)
	43,566	14,715
Motor Vehicles:		
Opening net book value	**91,627**	136,756
Additions	**-**	-
Depreciation	**(30,237)**	(45,129)
	61,390	91,627
	396,225	546,074

[1] Included in the net book value of motor vehicles as at 30 June 2015 of $61,390 (2014: $91,627) are assets secured under finance leases amounting to $49,098 (2014: $73,280).

Details of finance lease liabilities are included at note 12 and note 20b.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	30 June 2015 $	30 June 2014 $
Note 11 Deferred Exploration and Evaluation Expenditure		
Deferred exploration costs at the start of the financial year	**8,131,847**	8,131,847
Exploration and evaluation costs incurred	**6,501,354**	4,283,158
Movement in provision for rehabilitation costs[1]	**670,669**	36,231
Exploration and evaluation costs expensed and written off	**(7,172,023)**	(4,319,389)
	8,131,847	8,131,847

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phase is dependent upon the successful development or commercial exploitation of the respective areas.

[1] The Company renews its estimate for likely rehabilitation costs on an annual basis, and recognises the change in the resulting provision as an exploration expense in the Statement of Profit or Loss and Other Comprehensive Income. Refer Note 14 for details of the provision at the balance sheet date.

Note 12 Borrowings

	30 June 2015 $	30 June 2014 $
Current liabilities		
Finance lease due within 12 months	**18,265**	31,310
Non-current liabilities		
Finance leases due after 12 months	**-**	18,265

Included in borrowings are amounts of $18,265 owing in respect of finance lease liabilities in respect of the acquisition of motor vehicles included as assets of the Company as at 30 June 2015 (30 June 2014: $49,575).

See note 19 for financial instrument disclosures relating to borrowings.

Borrowings are secured over assets of the Company with a net book value of $49,098 (30 June 2014: $73,280). See note 10 for details.

There are no other financing facilities available to the Company as at 30 June 2015 (30 June 2014: Nil).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	30 June 2015 $	30 June 2014 $
Note 13 Trade and other payables		
Current liabilities		
Trade and other payables	**1,308,248**	275,183
Accrued expenses	**60,000**	68,422
Employee leave liabilities	**69,384**	36,551
	1,437,632	380,156

Trade payables are non-interest bearing and normally settled on 30 day terms. See note 19 for financial instrument disclosures relating to trade and other payables.

Note 14 Provisions

Non-current liabilities		
Rehabilitation provision	**1,914,600**	1,243,931

The rehabilitation provision relates to the estimated obligations in relation to the environmental rectification works at the Mt Morgans Gold Project.

Reconciliation of movements in Rehabilitation Provision:		
Balance at the start of the financial year	**1,243,931**	1,207,700
Increase/(decrease) in rehabilitation provision during the financial year (Note 11)	**670,669**	36,231
Balance at the end of the financial year	**1,914,600**	1,243,931

Note 15 Issued Capital

a) Ordinary shares

The Company is a public company limited by shares. The Company was incorporated in Perth, Western Australia. The Company's shares are limited whereby the liability of its members is limited to the amount (if any) unpaid on the shares respectively held by them.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value. There is no limit to the authorised share capital of the Company.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 15 Issued Capital (continued)

	2015 No.	2014 No.	**2015 $**	2014 $
b) Share capital				
Issued share capital	**96,100,000**	96,100,000	**29,204,822**	29,227,606
c) Share movements during the year				
Balance at the start of the financial year	**96,100,000**	96,100,000	**29,227,606**	29,227,606
Less share issue costs[i]	**-**	-	**(22,784)**	-
Balance at the end of the financial year	**96,100,000**	96,100,000	**29,204,822**	29,227,606

[i] *share issue costs for the 2015 financial year relate to costs incurred on the release of securities from escrow.*

d) Option plan
Information relating to the Dacian Gold Limited Limited Employee Option Plan is set out in note 18.

	30 June 2015 No	30 June 2014 No
Note 16 Options		
Options on issue at the start of the financial year	**7,150,000**	11,150,000
Options issued	**3,000,000**	1,000,000
Options cancelled	**-**	(5,000,000)
	10,150,000	7,150,000

a) Options issued during the year
During the financial year the Company issued 3,000,000 options over unissued shares (2014: 1,000,000), as follows:

Options issued to:	**Number of options**	**Exercise price**	**Expiry date**
Employees pursuant to the Dacian Gold Limited Employee Option Plan	1,000,000	65 cents	24 September 2019
A director of the Company pursuant to the terms of his executive services contract and following shareholder approval	2,000,000	46 cents	17 November 2019

Refer Note 18 for share based payments disclosures.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 16 Options (continued)

b) Options exercised during the year
During the financial year the Company issued no shares on the exercise of options (2014: Nil).

c) Options cancelled during the year
During the year no options (2014: 5,000,000) were cancelled upon termination of employment.

d) Options on issue at the balance date
The number of options outstanding over unissued ordinary shares at 30 June 2015 is 10,150,000 (2014: 7,150,000).

The terms of these options are as follows:

Number of options outstanding	*Exercise price*	*Expiry date*
6,150,000	84 cents	9 October 2017
1,000,000	57 cents	28 February 2019
1,000,000	65 cents	24 September 2019
2,000,000	46 cents	17 November 2019

e) Subsequent to the balance date
No options have been granted subsequent to the balance date and to the date of signing this report.

No options have been exercised subsequent to the balance date to the date of signing this report.

Reconciliation of movement of options over unissued shares during the period including weighted average exercise price (WAEP)

	2015		2014	
	No.	**WAEP (cents)**	No.	WAEP (cents)
Options outstanding at the start of the year	**7,150,000**	**80.2**	11,150,000	84.0
Options granted during the year	**3,000,000**	**52.3**	1,000,000	57.0
Options expiring unexercised during the year	**-**	**-**	(5,000,000)	84.0
Options outstanding at the end of the year	**10,150,000**	**72.0**	7,150,000	80.2

Weighted average contractual life
The weighted average contractual life for un-exercised options is 30 months (2014: 46 months).

Note 17 Accumulated Losses and Reserves

	2015		2014	
	Accumulated losses	**Share based payments reserve (i)**	Accumulated losses	Share based payments reserve (i)
	$	**$**	$	$
Balance at the beginning of the year	**(11,696,566)**	**479,707**	(6,288,125)	408,710
Loss for the period	**(8,048,428)**	**-**	(5,620,640)	-
Transfer to accumulated losses on cancellation of options	**-**	**-**	212,199	(212,199)
Share based payments for the period	**-**	**295,179**	-	283,196
Balance at the end of the year	**(19,744,994)**	**774,886**	(11,696,566)	479,707

(i) The share based payments reserve is used to recognise the fair value of options issued but not exercised.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 18 Share Based Payments

During the financial year 1,000,000 options over unissued shares were issued pursuant to the Company's Employee Share Option Plan and 2,000,000 options issued following shareholder approval. These options have been valued and included in the financial statements over the periods that they vest.

Basis and assumptions used in the valuation of options.
The options issued during the year were valued using the Black-Scholes option valuation methodology.

Date granted	Number of options granted	Exercise price (cents)	Expiry date	Risk free interest rate used	Volatility applied	Value per Option (cents)
25 September 2014	1,000,000	65	24 September 2019	3.07%	78%	12.82
18 November 2014	2,000,000	46	17 November 2019	2.80%	75%	10.07

Historical volatility has been used as the basis for determining expected share price volatility, as it is assumed that this is an indicator of future tender, which may not eventuate. A discount of 30% in respect of a lack of marketability has been applied to the Black-Scholes option valuation to reflect the non-negotiability and non-transferability of the unlisted options granted.

Dacian Gold Limited Employee Option Plan

The establishment of the Dacian Gold Limited Employee Option Plan ('the Plan") was last approved by a resolution of the shareholders of the Company on 9 October 2012. All eligible Directors, executive officers and employees of Dacian Gold Limited who have been continuously employed by the Company are eligible to participate in the Plan.

The Plan allows the Company to issue free options to eligible persons. The options can be granted free of charge and are exercisable at a fixed price in accordance with the Plan. Options issued under the Plan have vesting periods prior to exercise, except under certain circumstances whereby options may be capable of exercise prior to the expiry of the vesting period.

During the financial year ended 30 June 2015, 1,000,000 options over unissued shares were issued to an employee, pursuant to the terms of the Dacian Gold Limited Employee Share Option Plan.

Note 19 Financial Instruments

The Company has exposure to a variety of risks arising from its use of financial instruments. This note presents information about the Company's exposure to the specific risks, and the policies and processes for measuring and managing those risks. The Board of Directors has the overall responsibility for the risk management framework and has adopted a Risk Management Policy.

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from transactions with customers and investments.

Trade and other receivables

The nature of the business activity of the Company does not result in trading receivables. The receivables that the Company does experience through it's normal course of business are short term and the most significant recurring by quantity is receivable from the Australian Taxation Office, the risk of non-recovery of receivables from this source is considered to be negligible.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 19 Financial Instruments (continued)

Credit risk (continued)

Cash deposits
The Directors believe any risk associated with the use of predominantly only one bank is addressed through the use of at least an A-rated bank as a primary banker and by the holding of a portion of funds on deposit with alternative A-rated institutions. Except for this matter the Company currently has no significant concentrations of credit risk.

The Directors do not consider that the Company's financial assets are subject to anything more than a negligible level of credit risk, and as such no disclosures are made.

(b) Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages its liquidity risk by monitoring its cash reserves and forecast spending. Management is cognisant of the future demands for liquid finance resources to finance the Company's current and future operations, and consideration is given to the liquid assets available to the Company before commitment is made to future expenditure or investment.

Liquidity risk
The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
	$	$	$	$	$	$	$
2015							
Trade and other payables	**1,308,248**	**1,308,248**	**1,308,248**	**-**	**-**	**-**	**-**
Finance lease liabilities	**18,265**	**19,886**	**17,046**	**2,840**	**-**	**-**	**-**
	1,326,513	**1,328,134**	**1,325,294**	**2,840**	**-**	**-**	**-**
2014							
Trade and other payables	275,183	275,183	275,183	-	-	-	-
Finance lease liabilities	49,575	53,977	17,046	17,046	19,885	-	-
	324,758	329,160	292,229	17,046	19,885	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 19 Financial Instruments (continued)

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising any return.

Interest rate risk

The Company has significant cash assets which may be susceptible to fluctuations in changes in interest rates. Whilst the Company requires the cash assets to be sufficiently liquid to cover any planned or unforeseen future expenditure, which prevents the cash assets being committed to long term fixed interest arrangements; the Company does mitigate potential interest rate risk by entering into short to medium term fixed interest investments.

The Company does not have any direct contact with foreign exchange or equity risks other than their effect on the general economy.

At the reporting date the interest profile of the Company's interest-bearing financial instruments was:

	Carrying amount ($)	
	30 June 2015	30 June 2014
Fixed rate instruments		
Financial assets	**-**	-
Variable rate instruments		
Financial assets	**4,624,894**	10,948,885

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit or loss		Equity	
	1% increase	**1% decrease**	**1% increase**	**1% decrease**
2015				
Variable rate instruments	**46,249**	**(46,249)**	**46,249**	**(46,249)**
2014				
Variable rate instruments	109,489	(109,489)	109,489	(109,489)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 19 Financial Instruments (continued)

d) Fair values

Fair values versus carrying amounts
The fair values of financial assets and liabilities, together with the carrying amounts shown in the balance sheet are as follows:

	2015		2014	
	Carrying amount	**Fair value**	Carrying amount	Fair value
	$	**$**	$	$
Cash and cash equivalents	**4,624,894**	**4,624,894**	10,948,885	10,948,885
Trade and other receivables	**418,034**	**418,034**	41,268	41,268
Borrowings	**(18,265)**	**(18,265)**	(49,575)	(49,575)
Trade and other payables	**(1,308,248)**	**(1,308,248)**	(275,183)	(275,183)
Net financial assets	**3,716,415**	**3,716,415**	10,665,395	10,665,395

e) Impairment losses

The Directors do not consider that any of the Company's financial assets are subject to impairment at the reporting date.

No impairment expense or reversal of impairment charge has occurred during the reporting period, other than the write off of deferred exploration assets at note 11.

	30 June 2015	30 June 2014
	$	$
Note 20 Commitments		
a) Operating lease commitments:		
Due within 1 year	**92,082**	48,021
Due after 1 year but not more than 5 years	**135,584**	-
Due after more than 5 years	**-**	-
	227,666	48,021

The operating lease commitment relates to the lease of the Company's Perth office and car parking for a 36 month term from 1 December 2014. The lease includes an option to extend for an additional 3 year period following expiry of the initial lease term on 30 November 2017.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 20 Commitments (continued)

b) *Finance lease commitments*:

The Company has entered into finance lease arrangements in respect of the purchase of 2 vehicles. Amounts contracted for under the finance lease agreements have been included as liabilities of the Company as at the end of the financial year, see note 12.

Details of the cash obligations in relation to the finance leases are included at note 19b.

	30 June 2015 $	30 June 2014 $
Due within 1 year	**18,265**	31,310
Due after 1 year but not more than 5 years	**-**	18,265
Due after more than 5 years	**-**	-
	18,265	49,575

Finance lease liabilities are secured over the underlying assets, see note 10.

c) *Capital commitments:*

The Company has no capital commitments contracted for at 30 June 2015 (30 June 2014: Nil).

d) *Exploration commitments*

The Company has certain obligations for payment of tenement rent, shire rates and to perform minimum exploration work on mineral leases held. These obligations may vary over time, depending on the Company's exploration programmes and priorities. At 30 June 2015, the Company had satisfied all of its exploration commitments pursuant to the leases, which are currently approximately $3,049,460 per annum.

Note 21 Contingencies

a) *Contingent liabilities*

Other than the below there are no material contingent liabilities at the reporting date.

As the royalty noted below, was not paid on or by 31 January 2015, the Company must instead pay Macquarie Bank a royalty of 1% of gross revenue earned on 491,617 troy ounces of gold produced on the Tenements and sold to an offtaker.

Pursuant to the Smelter Return Deed, signed between the Company and Macquarie Bank Limited on 31 January 2012, the Company was to pay to Macquarie Bank Limited a royalty equal to the sum of:

- $20 per troy ounce of gold produced from the Tenements, and sold by the Company to offtakers, up to a total of 150,000 troy ounces of gold; and
- a cash payment of $500,000 that is due and payable at the time of the pour of the 50,000th troy ounce of gold produced from the Tenements.

b) *Contingent assets*

There are no material contingent assets at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 22 Related Party Disclosures

Other than the key management personnel related party disclosure in the Remuneration Report and in Note 23, there are no related party transactions to report.

Note 23 Key Management Personnel

(a) Directors and key management personnel

The following persons were directors of Dacian Gold Limited during the current and prior financial year:

Rohan Williams	Executive Chairman	(Non-Executive Chairman until 14 March 2014)
Robert Reynolds	Non-Executive Director	
Barry Patterson	Non-Executive Director	
Paul Payne	Managing Director	(Resigned 14 March 2014)

There were no other persons employed by or contracted to the Company during the financial year, having responsibility for planning, directing and controlling the activities of the Company, either directly or indirectly.

(b) Key management personnel compensation

Details of key management personnel remuneration are contained in the Audited Remuneration Report in the Directors' Report. A summary of total compensation paid to key management personnel during the year is as follows:

	2015 **$**	2014 $
Total short-term employment benefits	**483,000**	759,903
Total share based payments	**173,223**	198,385
Total post-employment benefits	**42,600**	46,546
	698,823	1,004,834

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 24 Events Subsequent to the Reporting Date

There has not arisen in the interval between the end of the reporting period and the date of this report, any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company to affect substantially the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

	30 June 2015 $	30 June 2014 $
Note 25 Auditors Remuneration		
Total remuneration paid to auditors during the financial year:		
Audit and review of the Company's financial statements	**32,978**	31,355
Other services	**-**	-
Total	**32,978**	31,355

DIRECTORS' DECLARATON
FOR THE YEAR ENDED 30 JUNE 2015

In the opinion of the directors of Dacian Gold Limited (the 'Company'):

a. The accompanying financial statements and notes are in accordance with the Corporations Act 2001, including:
   i. give a true and fair view of the Company's financial position as at 30 June 2015 and of its performance for the year then ended; and
   ii. comply with Australian Accounting Standards, the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements.

b. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

c. The financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

This declaration has been made after receiving the declarations required to be made to the directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2015.

This declaration is signed in accordance with a resolution of the Board of Directors.

DATED at Perth this 25th day of September 2015.

Rohan Williams
Executive Chairman

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Independent Auditor's Report
To the Members of Dacian Gold Limited

Report on the financial report

We have audited the accompanying financial report of Dacian Gold Limited (the "Company"), which comprises the statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Company.

Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. The Directors also state, in the notes to the financial report, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's opinion

In our opinion:

a the financial report of Dacian Gold Limited is in accordance with the Corporations Act 2001, including:

  i giving a true and fair view of the Company's financial position as at 30 June 2015 and of its performance for the year ended on that date;

  ii complying with Australian Accounting Standards and the Corporations Regulations 2001; and

b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.

Report on the remuneration report

We have audited the remuneration report included in pages 8 to 14 of the directors' report for the year ended 30 June 2015. The Directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion on the remuneration report

In our opinion, the remuneration report of Dacian Gold Limited for the year ended 30 June 2015, complies with section 300A of the Corporations Act 2001.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

C A Becker
Partner - Audit & Assurance

Perth, 25 September 2015