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9 NOVEMBER 2015

## FULLY UNDERWRITTEN A\$25M EQUITY RAISING TO FUND THE MT MORGANS GOLD PROJECT DFS AND ONGOING EXPLORATION DRILLING

### Key Points

- Dacian launches a fully underwritten \$25 million equity raising comprising an Institutional Placement to raise approximately \$10 million and an Accelerated Non-Renounceable Entitlement Offer to raise approximately \$15 million
- Approximately 36 million new shares to be issued at \$0.69 per share, representing a 4.2% discount to last close<sup>1</sup> and an 13.9% discount to the 10 day VWAP<sup>2</sup>
- Following the issue, Dacian will be fully funded to complete the Definitive Feasibility Study on the 3.0 million ounce Mt Morgans Gold Project while continuing its aggressive exploration drilling program

Dacian Gold Limited (**Dacian** or the **Company**) is today pleased to announce the launch of a fully underwritten \$25 million equity raising to fund the next stage of its 100% owned Mt Morgans Gold Project (**MMGP**), located 20km west of in the Laverton Gold District in Western Australia.

The \$25 million equity raising will comprise the placement of 14.42 million shares to raise \$9.95 million (**Placement**) and the issue of 21.84 million shares from a 5 for 22 accelerated non-renounceable entitlement offer to raise up to \$15.07 million (**Entitlement Offer**) (together, the **Offer**). Any shortfall from the Entitlement Offer will be placed to new and/or existing shareholders.

At the Completion of the Offer, the Company will have approximately 132 million shares on issue.

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<sup>1</sup> Based on the last close price of \$0.72 per share as at 6 November 2015

<sup>2</sup> Based on the 10 day VWAP of \$0.80 per share as at 6 November 2015

The proceeds from the Offer will be used to:

1. fund the MMGP Definitive Feasibility Study (DFS), scheduled to be completed by the end of the September quarter in 2016. This will include:
  - a. a targeted drilling program aimed at upgrading the majority of Inferred Mineral Resources used in the production schedule of the Company's MMGP Scoping Study (see ASX announcement dated 30 September 2015) to Indicated Mineral Resources;
  - b. completion of all requisite engineering study and design works;
2. maintain an aggressive exploration program at multiple drill-ready targets already identified at Callisto, Cameron Well and Jupiter; and
3. provide working capital for corporate expenditure up to the procurement of project finance that will fund the construction of the MMGP.

Dacian's Executive Chairman Rohan Williams commented:

*"The equity raising follows the detailed Scoping Study announced on 30 September 2015 showing that Mt Morgans is likely to become an outstanding gold project at every level, underpinned by strong production rates, low costs and likely robust margins and cashflow, particularly at the current Australian-dollar gold price."*

*"This transaction will see the MMGP DFS fully funded. This study is scheduled for completion by late next year and with the benefit of extensive infrastructure already in place we continue to target the commencement of construction in 2017 and first production in 2018."*

CBA Equities Limited is acting as sole underwriter. CBA Equities Ltd and Argonaut Securities Pty Ltd are joint lead managers to the transaction.

Treadstone Resource Partners acted as strategic and financial advisor to Dacian.

The timetable of the Placement and Entitlement Offer is as follows:

Key Event	Date <sup>1</sup>
Trading Halt and Announcement of Equity Raising	Monday, 9 November 2015
Placement and Institutional Entitlement Offer Opens	10:00am Monday, 9 November 2015
Placement and Institutional Entitlement Offer Closes	12:00pm Tuesday, 10 November 2015
Announcement of Outcome Under Placement and Institutional Entitlement Offer	Wednesday, 11 November 2015
Trading in Dacian Shares Recommences on an Ex-entitlement Basis	Wednesday, 11 November 2015
Record Date for Entitlement Offer	7:00pm Thursday, 12 November 2015
Settlement of New Shares Issued Under Placement and Institutional Entitlement Offer	Monday, 16 November 2015
Retail Entitlement Offer Opens	Tuesday, 17 November 2015
Retail Offer Booklet Dispatched	Tuesday, 17 November 2015
Allotment and Trading of New Shares Issued Under Placement and Institutional Entitlement Offer	Tuesday, 17 November 2015
Retail Entitlement Offer Closes	5:00pm Friday, 27 November 2015
Announcement of Outcome Under the Retail Entitlement Offer	Tuesday, 1 December 2015
Settlement of New Shares Issued Under Retail Entitlement Offer	Thursday, 3 December 2015
Allotment of New Shares Issued Under Retail Entitlement Offer	Friday, 4 December 2015
Dispatch of Holding Statements and Trading of New Shares Issued Under Retail Entitlement Offer	Monday, 7 December 2015

Note: (1) The above timetable is indicative and subject to change. Dacian, in conjunction with the Joint Lead Managers, reserves the right to amend any or all of these events, dates and times subject to the Corporations Act 2001 (Cth), the ASX Listing Rules and other applicable laws. All times and dates are in reference to AEDT

For further information on the equity raising please visit [www.daciangold.com.au](http://www.daciangold.com.au) to view the Company's presentation or contact:

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For and on behalf of the Board



**Rohan Williams**

**Executive Chairman**

## About Dacian Gold Limited

The Mt Morgans Project hosts high grade Mineral Resources of 3.0 million ounces at an average grade of 2.2g/t gold, including Ore Reserves of 8,000 ounces at an average grade of 9.2g/t gold. In addition, the Company has identified multiple exploration targets and resource extension opportunities. If proven, they will enable growth of the Mt Morgans' existing Mineral Resource and Ore Reserve base.

Dacian Gold has a strong Board and Management team which includes Rohan Williams as Executive Chairman; Robert Reynolds (formerly non-executive Chairman of Avoca Resources Ltd) and Barry Patterson (co-founder and non-executive Director of GR Engineering Ltd) as non-executive directors.

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

For further information visit: [www.daciangold.com.au](http://www.daciangold.com.au) or please contact:

Rohan Williams  
Executive Chairman  
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## Appendix I

Mount Morgans Gold Project Mineral Resources as at 15 September 2015

Deposit	Cut-off Au g/t	Measured			Indicated			Inferred			Total Mineral Resource		
		Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz
King Street*	0.5	-	-	-	-	-	-	532,000	2.0	33,000	532,000	2.0	33,000
Jupiter	0.5	-	-	-	13,066,000	1.4	605,000	13,484,000	1.1	480,000	26,550,000	1.3	1,085,000
Jupiter LG Stockpile	0.5	3,494,000	0.5	58,000	-	-	-	-	-	-	3,494,000	0.5	58,000
Westralia	2.0	235,000	4.6	35,000	1,961,000	4.7	293,000	7,074,000	5.2	1,192,000	9,269,000	5.1	1,520,000
Craic*	0.5	-	-	-	69,000	8.2	18,000	120,000	7.1	27,000	189,000	7.5	46,000
Transvaal	2.0	367,000	5.8	68,000	404,000	5.3	69,000	482,000	4.7	73,000	1,253,000	5.2	210,000
Ramornie	2.0	-	-	-	156,000	4.1	21,000	285,000	3.9	36,000	442,000	4.0	57,000
<b>Total</b>		<b>4,096,000</b>	<b>1.2</b>	<b>161,000</b>	<b>15,656,000</b>	<b>2.0</b>	<b>1,006,000</b>	<b>21,978,000</b>	<b>2.6</b>	<b>1,842,000</b>	<b>41,730,000</b>	<b>2.2</b>	<b>3,008,000</b>

Mt Morgans Gold Project Ore Reserves as at 15 September 2015

Deposit	Cut-off Grade Au g/t	Proved			Probable			Total		
		Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz
Craic	3.9	-	-	-	28,000	9.2	8,000	28,000	9.2	8,000
<b>Total</b>		-	-	-	<b>28,000</b>	<b>9.2</b>	<b>8,000</b>	<b>28,000</b>	<b>9.2</b>	<b>8,000</b>

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

### Competent Person Statement

#### Exploration

The information in this report that relates to Exploration Results is based on information compiled by Mr Rohan Williams who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Williams holds shares and options in, and is a director and full time employee of, Dacian Gold Ltd. Mr Williams has sufficient experience which is relevant to the style of mineralisation under consideration to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves." Mr Williams consents to the inclusion in the report of the matters based on the information compiled by him, in the form and context in which it appears.

#### Mineral Resources and Ore Reserves

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

appears.

The information in this report that relates the Jupiter Low Grade Stockpile (see ASX announcement – 16<sup>th</sup> September, 2015) and is based on information compiled by Mr Rohan Williams who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Williams holds shares and options in, and is a director and full time employee of, Dacian Gold Ltd. Mr Williams has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Williams consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources (other than Westralia, Jupiter, Jupiter Low Grade Stockpile, Transvaal, and Ramornie which are reported under JORC 2012) is based on information compiled by Mr Rohan Williams, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Williams holds shares and options in, and is a director and full time employee of, Dacian Gold Ltd.

Where the Company refers to the Mineral Resources in this report, it confirms that it is not aware of any new information or data that materially affects the information included in that announcement and all material assumptions and technical parameters underpinning the resource estimate with that announcement continue to apply and have not materially changed.

The information in this report that relates to Ore Reserves is based on information compiled by Mr Bill Frazer, a director and full time employee of Mining One Pty Ltd and a Member of The Australasian Institute of Mining and Metallurgy. Mr. Williams and Mr Frazer have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Williams and Mr Frazer consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

All information relating to Mineral Resources and Ore Reserves (other than the King Street and Craic) were prepared and disclosed under the JORC Code 2012. The JORC Code 2004 Mineral Resource and Ore Reserves have not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last updated.