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24 FEBRUARY 2017

DACIAN GOLD SUCCESSFULLY COMPLETES PLACEMENT AND INSTITUTIONAL ENTITLEMENT OFFER

Highlights

- A\$92.2 million¹ successfully raised through Placement and Institutional Entitlement Offer at A\$2.00 per New Share
- Placement and Institutional Entitlement Offer heavily oversubscribed and supported by a number of high quality existing and new institutional investors
- Fully underwritten Retail Entitlement Offer to raise approximately A\$17.6 million¹ opens on Tuesday, 28 February 2017
- Post completion of the equity raising, Dacian is fully funded to complete the construction of the MMGP through to production, which remains on track to be achieved in Q1 CY2018

Overview

Dacian Gold Limited (**Dacian Gold** or the **Company**) is pleased to announce the successful completion of its placement (**Placement**) and the institutional component of its fully underwritten 1 for 3.1 accelerated non-renounceable entitlement offer (**Institutional Entitlement Offer**) launched on Wednesday, 22 February 2017.

The Placement and Institutional Entitlement Offer raised a total of approximately A\$92.2 million¹ from the issuance of approximately 46.1m New Shares at A\$2.00 per share. The Placement and Institutional Entitlement Offer was heavily oversubscribed, having been well supported by existing shareholders and introducing several new high quality institutional investors to Dacian Gold's share register.

New Shares issued under the Institutional Entitlement Offer and Placement will rank equally with existing shares on issue and are expected to be allotted on Monday, 6 March 2017.

¹ Before transaction costs

Trading will commence on a normal settlement basis on the Australian Securities Exchange (ASX) on the same day.

Commentary

Dacian Gold's Executive Chairman Rohan Williams said:

"I am delighted with the success of the Placement and Institutional Entitlement Offer which was very strongly supported by investors. We are particularly grateful for the support of our existing shareholders and also pleased to welcome a number of new, high quality institutions onto the Dacian Gold register. Dacian Gold's eligible retail shareholders will have an opportunity to participate through the Retail Entitlement Offer.

"The equity raising completes the last piece of the funding package required to complete the construction of the Mt Morgans Gold Project through to first gold production. We can now focus all our attention on continuing project construction and mine development at Westralia and Jupiter; targeting first gold production in Q1 CY2018, and aggressively pursuing the next major gold discovery at Mt Morgans."

Retail Entitlement Offer

The retail component of the Entitlement Offer seeks to raise approximately A\$17.6 million through a 1 for 3.1 fully underwritten, non-renounceable entitlement offer (**Retail Entitlement Offer**).

Eligible retail shareholders on the Record Date of 10:00pm (AEST)² on Friday, 24 February 2017, with retail addresses in Australia and New Zealand will be invited to participate in the Retail Entitlement Offer at the Offer Price. The Retail Entitlement Offer will open on Tuesday, 28 February 2017 and close at 5:00pm (AEST) on Monday, 20 March 2017.

Further information will be sent to Eligible Retail Shareholders in a booklet (Retail Offer Booklet) expected to be lodged with ASX and despatched on or around Tuesday, 28 February 2017. The Retail Offer Booklet and the accompanying personalised entitlement and acceptance form (Application Form) will contain instructions on how to apply. Application Forms and payments are due by no later than 5:00pm (AEST) on Monday, 20 March 2017.

² AEST refers to Australian Eastern Standard Time

Key Dates

Key dates for the Offer are outlined in the timetable below:

| Key Event | Date ¹ |
|--|----------------------------------|
| Announcement of Outcome Under Placement and Institutional Entitlement Offer | Friday, 24 February 2017 |
| Trading in Dacian Gold Shares Recommences on an Ex-entitlement Basis | Friday, 24 February 2017 |
| Record Date for Entitlement Offer | 10:00pm Friday, 24 February 2017 |
| Retail Entitlement Offer Opens | Tuesday, 28 February 2017 |
| Retail Offer Booklet Dispatched | Tuesday, 28 February 2017 |
| Settlement of New Shares Issued Under Placement and Institutional Entitlement Offer | Friday, 3 March 2017 |
| Allotment and Trading of New Shares Issued Under Placement and Institutional Entitlement Offer | Monday, 6 March 2017 |
| Retail Entitlement Offer Closes | 5:00pm Monday, 20 March 2017 |
| Announcement of Outcome Under the Retail Entitlement Offer | Wednesday, 22 March 2017 |
| Settlement of New Shares Issued Under Retail Entitlement Offer | Friday, 24 March 2017 |
| Allotment of New Shares Issued Under Retail Entitlement Offer | Monday, 27 March 2017 |
| Dispatch of Holding Statements and Trading of New Shares Issued Under Retail Entitlement Offer | Tuesday, 28 March 2017 |

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

Additional Information

Additional information regarding the Equity Raising is contained in the investor presentation released to the ASX on Tuesday, 22 February 2017. The Retail Offer Booklet will be released separately and mailed to eligible retail shareholders.

Nothing contained in this announcement constitutes investment, legal, tax or other advice. You should seek appropriate professional advice before making any investment decision.

Macquarie Capital (Australia) Limited is acting as Sole Lead Manager, Bookrunner and Underwriter. Argonaut Securities Pty Limited has been appointed as Co-Lead Manager to the Offer.

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



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

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For and on behalf of the Board

Rohan Williams

Executive Chairman