

MT MORGANS JULY OPERATIONAL UPDATE

Rebound in July monthly performance positions Mt Morgans for improved operational momentum during FY2020

Dacian Gold Ltd (**Dacian Gold** or the **Company**) (ASX: DCN) is pleased to provide an operational update for the month of July for its Mt Morgans Gold Operation (**MMGO**), located near Laverton in Western Australia.

Key operational benchmarks improved during July compared with the June quarter with total ore movement rates across both the underground and open pit stabilising at planned levels in July. Importantly, total mined ore grade at the Westralia underground increased to 3.5g/t (versus 2.5g/t in the June quarter) as underground productivities across Beresford South, Beresford North and Allanson met expectations.

The Company expects total production at Mt Morgans will be weighted approximately 45%/55% between the first half and the second half of FY2020. A commensurate adjustment in the Company's cost profile is also anticipated.

The Company forecasts production for FY2020 of 150,000-170,000oz at an MMGO All-in-Cost (**AIC**) of A\$1,400-\$1,500/oz (see ASX release 10 July 2019).

FY2020		July
Underground		
Stope Ore Mined	kt	55
Development Ore Mined	kt	17
Total Ore Mined	kt	72
Mined Ore Grade	g/t	3.5
Contained Gold	oz	8,042
Open Pit		
Total Ore Mined (HG + LG)	kt	174
Mined Ore Grade (HG + LG)	g/t	1.7
Contained Gold	oz	9,644
Waste Mined	kbcm	678
Processing		
Ore Milled	kt	249
Processed Grade	g/t	2.2
Contained Gold	oz	17,304
Gold Recoveries	%	94.0%
Gold Produced	oz	16,188

Figure 1 – Summary of Key Operating Statistics for July at MMGO

Dacian Gold Executive Chairman Rohan Williams said “It is pleasing to start the FY2020 year with a plus 16,000-ounce month, positioning us to meet expectations set with our recently updated Life-of-Mine.”

“Importantly the mill to claimed production reconciliation was excellent at 102%, again confirming the good correlation between grade control models and mill production.”

For and on behalf of the Board



Rohan Williams
Executive Chairman & CEO

ABOUT DACIAN GOLD LIMITED

Dacian Gold Limited (ASX: DCN) has cemented its position as a new mid-tier Australian gold producer with the declaration of Commercial Production at its 100%-owned Mt Morgans Gold Operation (**MMGO**), located near Laverton in Western Australia, on 1 January 2019.

With an Ore Reserve of 1.4Moz, a Mineral Resource of 3.5Moz (including Ore Reserves) and highly prospective exploration tenure, Mt Morgans is one of the largest new gold mines to come on stream in Australia over the last ten years.

The Board comprises Rohan Williams as Executive Chairman & CEO; and Robert Reynolds, Barry Patterson and Ian Cochrane as non-executive directors.

For further information please visit www.daciangold.com.au to view the Company's presentation or contact:

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APPENDIX 1

2018 MINERAL RESOURCES & ORE RESERVES STATEMENT (DCN: 100%)

Table 1: Mt Morgans Gold Operation Mineral Resources as at 31 July 2018
 (Refer ASX release dated 6 August 2018)

Mt Morgans Gold Operation Mineral Resources as at 31 July 2018

Deposit	Cut-off Grade 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
Westralia	2.0	1,304,000	5.3	222,000	4,662,000	5.1	767,000	4,018,000	4.1	528,000	9,985,000	4.7	1,518,000
Jupiter	0.5	2,363,000	1.3	101,000	21,979,000	1.3	954,000	5,353,000	1.1	188,000	29,695,000	1.3	1,242,000
Jupiter UG	1.5	-	-	-	-	-	-	525,000	2.0	34,000	525,000	2.0	34,000
Jupiter LG Stockpile	0.5	3,494,000	0.5	58,000	-	-	-	-	-	-	3,494,000	0.5	58,000
Cameron Well	0.4	-	-	-	3,465,000	1.1	117,000	2,808,000	1.4	127,000	6,273,000	1.2	245,000
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	-	-	-	160,000	4.1	21,000	422,000	4.0	55,000	582,000	4.1	76,000
Maxwells	0.5	-	-	-	413,000	1.2	16,000	309,000	0.9	9,000	722,000	1.1	25,000
Craic*	2.0	-	-	-	69,000	8.2	18,000	120,000	7.1	27,000	189,000	7.5	46,000
King St*	0.5	-	-	-	-	-	-	532,000	2.0	33,000	532,000	2.0	33,000
Low Grade Stockpiles	0.5	-	-	-	1,276,000	0.7	30,000	-	-	-	1,276,000	0.7	30,000
Mine Stockpiles	0.5	151,000	0.9	4,000	-	-	-	-	-	-	151,000	0.9	4,000
Total		7,678,000	1.8	453,000	32,428,000	1.9	1,992,000	14,570,000	2.3	1,075,000	54,676,000	2.0	3,520,000

* JORC 2004 Resource. Rounding errors will occur.

Other than Cameron Well, all Mineral Resource estimates are as of 30 June 2018. Cameron Well Mineral Resource estimate is of 31 July 2018

Table 2: Mt Morgans Gold Operation Ore Reserves as at 1 July 2018
 (Refer ASX release dated 18 December 2018)

Mt Morgans Gold Operation Ore Reserves as at 1 July 2018

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
Beresford UG	1.2 / 2.1*	749,000	4.3	104,000	2,355,000	3.5	265,000	3,104,000	3.7	369,000
Allanson UG	1.2 / 2.1*	-	-	-	1,175,000	5.0	188,000	1,175,000	5.0	188,000
Westralia UG Low Grade	0.5 / 1.8*	-	-	-	458,000	1.2	18,000	458,000	1.2	18,000
Transvaal UG	1.4	193,000	4.7	29,000	325,000	3.4	36,000	518,000	3.9	65,000
Jupiter OP	0.5	2,213,000	1.2	88,000	13,049,000	1.3	523,000	15,262,000	1.2	611,000
Cameron Well OP	0.4	-	-	-	1,300,000	1.1	45,000	1,300,000	1.1	45,000
Jupiter Low Grade Stockpile	0.5	3,494,000	0.5	58,000	-	-	-	3,494,000	0.5	58,000
Low Grade Stockpiles	0.5	-	-	-	1,276,000	0.7	30,000	1,276,000	0.7	30,000
Mine Stockpiles	0.5	151,000	0.9	4,000	-	-	-	151,000	0.9	4,000
ORE RESERVE		6,799,000	1.3	284,000	19,938,000	1.7	1,105,000	26,737,000	1.6	1,389,000

* Development and Stopping cut-off grades. Rounding errors will occur.

Competent Person Statement

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.

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

The information in this report that relates to Mineral Resources for Westralia, Jupiter, Cameron Well, Ramornie, Mine and Low Grade Stockpiles (See ASX release 6 August 2018), and Transvaal (see ASX release 16 September 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 Ashmore Advisory. Mr Searle has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Searle consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources for Craic and King Street 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 2004 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.

Ore Reserves

The information in this report that relates to Ore Reserves for the Westralia Mining Area is based on information compiled or reviewed by Mr James Howard. Mr Howard has confirmed that he has read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012 Edition). Mr Howard is a Competent Person as defined by the JORC Code 2012 Edition, having more than five years’ experience which is relevant to the style of mineralisation and type of deposit under consideration and to the

activity for which they are accepting responsibility. Mr Howard is a Member of the Australasian Institute of Mining and Metallurgy and a full time employee of Dacian Gold Limited and 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 Ore Reserves for the Transvaal Mining Area (see ASX announcement 21 November 2016) is based on information compiled or reviewed by Mr Matthew Keenan and Mr Shane McLeay. Messrs. Keenan and McLeay have confirmed that they have read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012 Edition). They are Competent Persons as defined by the JORC Code 2012 Edition, having more than five years' experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity for which they are accepting responsibility. Messrs. Keenan and McLeay are both a Member of the Australasian Institute of Mining and Metallurgy and full time employees of Entech Pty Ltd and consent 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 Ore Reserves for the Jupiter Mining Area and Cameron Well Area is based on information compiled or reviewed by Mr Mathew Lovelock. Mr Lovelock has confirmed that he has read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012 Edition). He is a Competent Person as defined by the JORC Code 2012 Edition, having more than five years' experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity for which he is accepting responsibility. Mr Lovelock is a member of The Australasian Institute of Mining and Metallurgy and a full-time employee of Dacian Gold Limited and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Where the Company refers to the Mineral Resources and Ore Reserves in this report (referencing previous releases made to the ASX), it confirms that it is not aware of any new information or data that materially affects the information included in that announcement and all material assumptions and technical parameters underpinning the Mineral Resource estimate and Ore Reserve estimate with that announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons findings are presented have not materially changed from the original announcement.

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 King Street and Craic Mineral Resource has 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.