DACIAN GOLD
ASX:DCN

POSITIVE PHASE 2 DRILLING AT MCKENZIE WELL ADVANCES EXPLORATION TARGET

HIGHLIGHTS

- Completion of targeted 39 hole, 2,950m of infill RC drilling at McKenzie Well has confirmed BIF-hosted gold mineralisation near surface
- Significant results include:
    - **17m @ 1.51g/t Au** from 49m in 20MWRC0060
    - **20m @ 0.95g/t Au** from 19m in 20MWRC0079
    - **9m @ 2.05g/t Au** from 15m in 20MWRC0062
    - **10m @ 1.27g/t Au** from 142m in 20MWRC0061
    - **5m @ 2.37g/t Au** from 37m in 20MWRC0068
    - **5m @ 2.15g/t Au** from 33m in 20MWRC0085
- This program follows completion of the 51 hole, 5,400m phase one program completed in July 2020
- A number of the historic RC intercepts were twinned and confirm the continuity and distribution of grade around the fold structure
- The mineralisation remains open down plunge to the south
- Structural review of the project has been initiated to determine the extent of thickened zones around the fold hinge

Dacian Gold Limited (**Dacian** or the **Company**) (ASX: DCN) is pleased to announce further RC drilling results from its near surface, BIF-hosted McKenzie Well Project at its 100%-owned Mt Morgans Gold Operation (**MMGO**), located near Laverton in Western Australia.

McKENZIE WELL PROJECT

Located approximately 12km north of Westralia, the McKenzie Well Project has been targeted as part of the Company's FY2020/2021 exploration programs. An initial RC drilling program identified strong mineralisation along 400m of strike length of Banded Iron Formation (BIF). The mineralisation is predominantly BIF hosted with the grade and geometry of high-grade mineralisation being influenced by a large-scale fold closure to the south east of the project.

Following the success of the original phase one program in July 2020, an additional 39 RC drill holes for 2,950m were completed to further test the BIF stratigraphy and confirm the orientation and distribution of grade around the fold structure. The infill holes were targeted and tested to a spacing of 20m x 40m in the core of the fold closure.

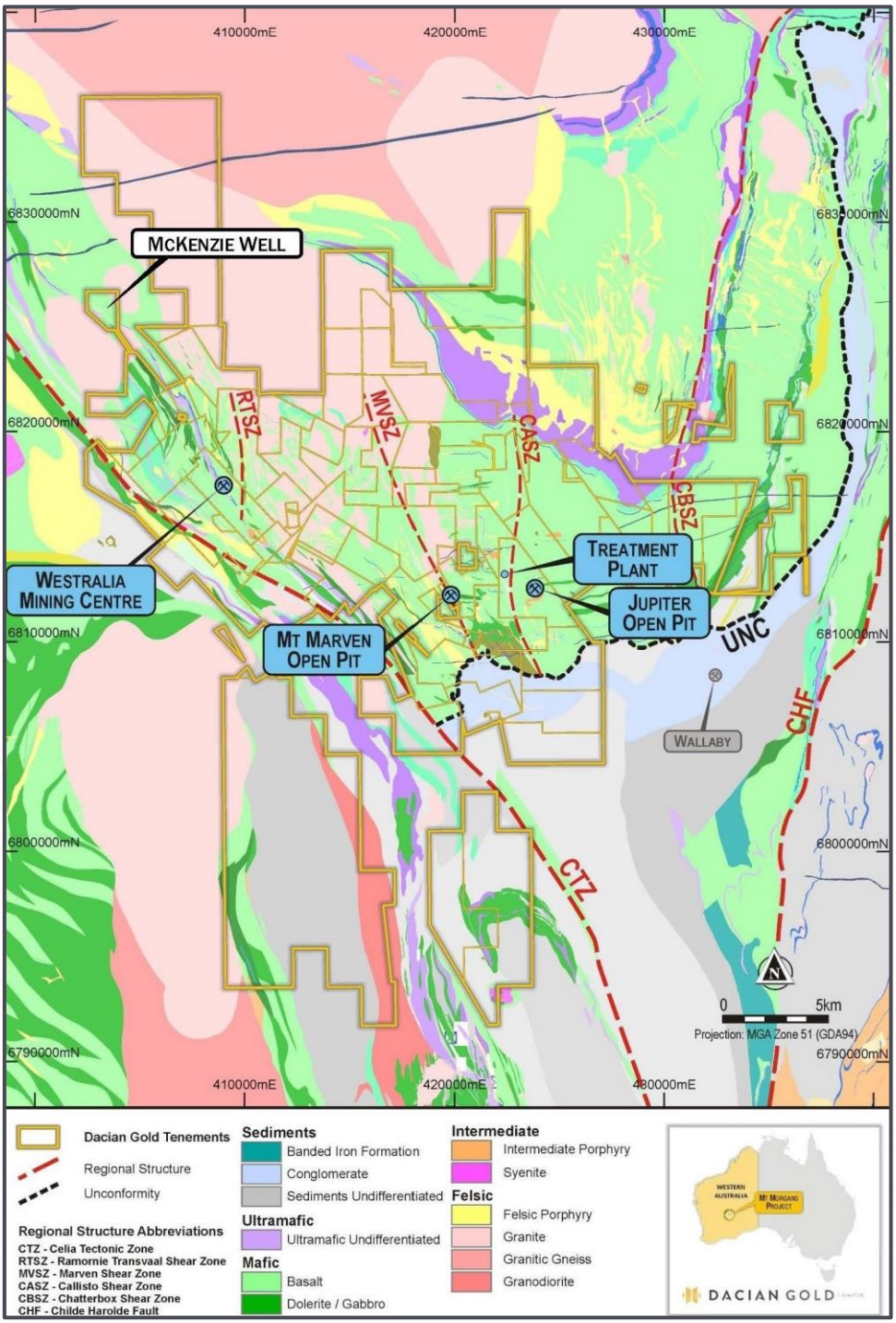

***Figure 1**: Location of the McKenzie Well Project within a regional geology map of Dacian's tenement package showing major regional structures and key mining centres*

The infill drilling has proven stratigraphic continuity of the BIF and confirmed gold concentration proximal to the southern fold closure. Significant intersections from the recently completed program are as follows:

- 17m @ 1.51g/t Au from 49m in 20MWRC0060
- 20m @ 0.95g/t Au from 19m in 20MWRC0079
- 9m @ 2.05g/t Au from 15m in 20MWRC0062
- 10m @ 1.27g/t Au from 142m in 20MWRC0061
- 5m @ 2.37g/t Au from 37m in 20MWRC0068
- 5m @ 2.15g/t Au from 33m in 20MWRC0085

- 5m @ 1.83g/t Au from 56m in 20MWRC0058
- 8m @ 1.08g/t Au from 68m in 20MWRC0065
- 7m @ 1.3g/t Au from 12m in 20MWRC0067
- 7m @ 1.21g/t Au from 19m in 20MWRC0081
- 3m @ 2.35g/t Au from 58m in 20MWRC0069
- 3m @ 2.15g/t Au from 14m in 20MWRC0064
- 6m @ 1.01g/t Au from 18m in 20MWRC0072
- 1m @ 5.47g/t Au from 29m in 20MWRC0062
- 3m @ 1.78g/t Au from 27m in 20MWRC0083

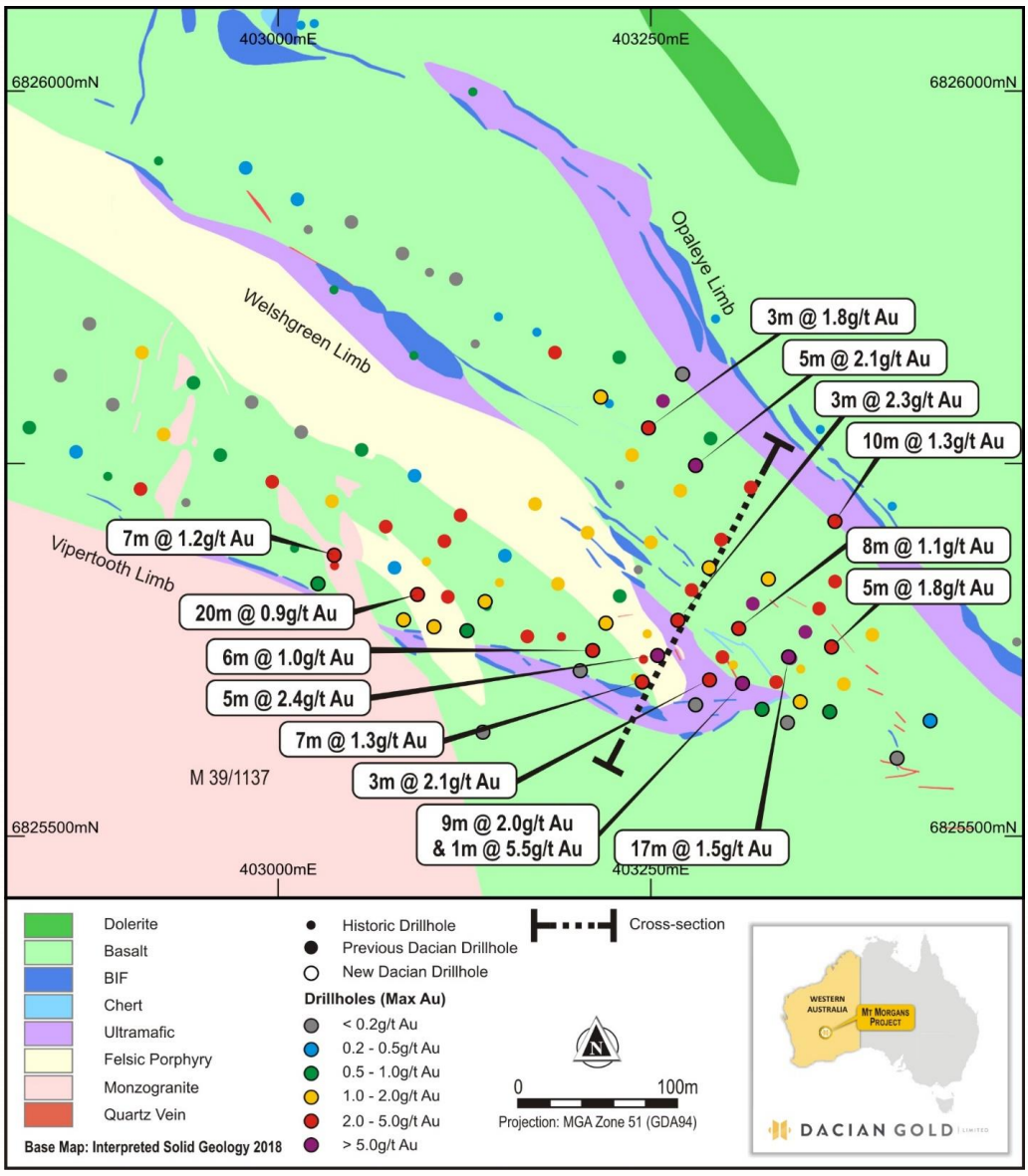

Figure 2: *Geological plan of the McKenzie Well Project highlighting the outcropping BIF and fold closures with results from the two phases of Dacian's drilling shown (collars coloured by max g/t Au)*

Geological interpretation of logging and mutli-element analysis of the stratigraphy indicates that McKenzie Well is a folded sequence with a south east plunge to the fold axis. Further expansion opportunity lies in the down-plunge testing of these fold hinge zones.

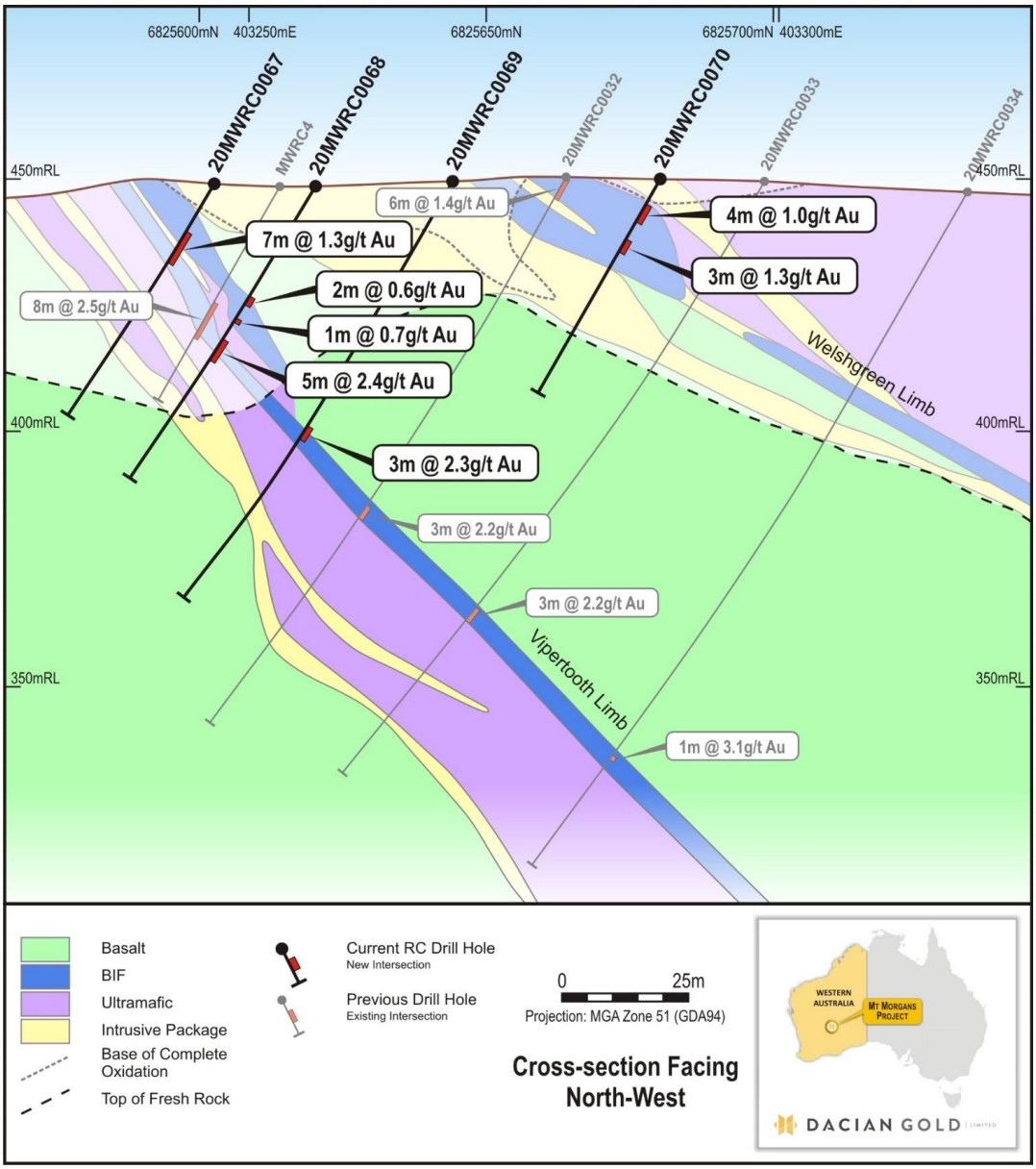

Figure 3: *A cross section view facing north-west showing the BIF limbs with intercepts from the completed RC programs (historic RC intercepts are also shown)*

Future Work

These encouraging results have initiated further structural interpretation and geological modelling of the deposit to refine the understanding for wider mineralisation intersections associated with the fold hinge. This will determine McKenzie Well's ranking and future work program as part of Dacian's extensive pipeline of exploration targets and development opportunities.

Table 1: McKenzie Well RC Drilling Results

Collar Location and Orientation								Intersection > 0.5 g/t Au				Geology
Hole	Type	X	Y	Z	Total Depth		Azimuth	From (m)	To (m)	Length (m)	Grade (g/t Au)	Stratigraphic Position
20MWRC0053	RC	403,415	6,825,553	445	64	-61	208		*NSA*			No BIF
20MWRC0054	RC	403,437	6,825,578	444	110	-60	213		*NSA*			No BIF
20MWRC0055	RC	403,370	6,825,584	446	55	-61	211	14	18	4	0.47	Vipertooth
20MWRC0056	RC	403,342	6,825,577	447	30	-61	210		*NSA*			No BIF
20MWRC0057	RC	403,350	6,825,591	447	50	-60	210	2	7	5	0.98	Porphyry
								16	17	1	0.59	Porphyry
20MWRC0058	RC	403,371	6,825,628	447	115	-61	215	9	11	2	0.79	Welshgreen
								56	61	5	1.83	Vipertooth
								68	70	2	0.99	Vipertooth
								73	74	1	2.85	Vipertooth
								79	81	2	0.93	Vipertooth
20MWRC0059	RC	403,325	6,825,586	448	40	-60	211	3	5	2	0.72	Porphyry / Vipertooth
20MWRC0060	RC	403,342	6,825,621	448	90	-60	210	38	39	1	0.72	Porphyry
								49	66	17	1.51	Vipertooth
20MWRC0061	RC	403,374	6,825,712	446	160	-61	210	142	152	10	1.27	Vipertooth
20MWRC0062	RC	403,312	6,825,603	448	60	-61	211	15	24	9	2.05	Vipertooth
								29	30	1	5.47	Vipertooth
								41	42	1	0.55	Ultramafic
20MWRC0063	RC	403,280	6,825,589	449	45	-61	208		*NSA*			Vipertooth
20MWRC0064	RC	403,289	6,825,606	448	60	-61	210	14	17	3	2.15	Vipertooth
								20	21	1	0.67	Vipertooth
								27	28	1	0.66	Vipertooth
								31	36	5	0.46	Vipertooth
20MWRC0065	RC	403,309	6,825,640	450	113	-61	210	68	76	8	1.08	Porphyry / Vipertooth
20MWRC0066	RC	403,329	6,825,673	449	60	-61	211	1	2	1	0.51	
								27	31	4	0.45	Welshgreen / Porphyry
20MWRC0067	RC	403,244	6,825,604	449	55	-60	211	12	19	7	1.3	Vipertooth
20MWRC0068	RC	403,255	6,825,622	449	70	-60	210	27	29	2	0.64	Vipertooth
								32	33	1	0.68	Vipertooth
								37	42	5	2.37	Vipertooth
20MWRC0069	RC	403,268	6,825,646	450	100	-61	212	58	61	3	2.35	Vipertooth
20MWRC0070	RC	403,289	6,825,681	451	50	-61	211	7	11	4	1.07	Welshgreen
								15	18	3	1.29	Welshgreen
20MWRC0071	RC	403,203	6,825,612	448	34	-60	211		*NSA*			Vipertooth
20MWRC0072	RC	403,211	6,825,626	448	50	-60	212	18	24	6	1.01	Vipertooth
20MWRC0073	RC	403,220	6,825,644	449	76	-61	208	49	51	2	1.35	Vipertooth
20MWRC0074	RC	403,137	6,825,571	444	130	-60	270		*NSA*			No BIF
20MWRC0075	RC	403,127	6,825,639	446	50	-61	210	12	13	1	0.8	Vipertooth / Monzogranite
20MWRC0076	RC	403,139	6,825,658	447	70	-61	211	31	35	4	1.17	Vipertooth
20MWRC0077	RC	403,105	6,825,641	446	50	-61	212	20	22	2	1.18	Vipertooth
20MWRC0078	RC	403,084	6,825,646	446	45	-59	204	2	3	1	0.72	Vipertooth
								12	14	2	0.94	Vipertooth
								28	29	1	1.25	Vipertooth
20MWRC0079	RC	403,094	6,825,663	446	60	-61	210	19	39	20	0.95	Vipertooth
20MWRC0080	RC	403,027	6,825,670	445	35	-60	211	4	5	1	0.78	Granodiorite
20MWRC0081	RC	403,038	6,825,689	446	55	-61	212	19	26	7	1.21	Vipertooth
20MWRC0082	RC	403,216	6,825,796	449	70	-60	210	18	23	5	0.55	Welshgreen
								33	35	2	1.4	Welshgreen
20MWRC0083	RC	403,249	6,825,775	448	60	-60	212	17	18	1	0.81	Welshgreen
								27	30	3	1.78	Welshgreen
20MWRC0084	RC	403,271	6,825,811	448	85	-60	212		*NSA*			Welshgreen

Collar Location and Orientation								Intersection > 0.5 g/t Au				Geology
Hole	Type	X	Y	Z	Total Depth		Azimuth	From (m)	To (m)	Length (m)	Grade (g/t Au)	Stratigraphic Position
20MWRC0085	RC	403,280	6,825,750	448	65	-61	210	33	38	5	2.15	Welshgreen
20MWRC0086	RC	402,988	6,826,103	446	202	-61	209	44	45	1	0.53	Opaleye
20MWRC0087	RC	402,878	6,826,381	444	90	-62	181	49	50	1	1.35	Ultramafic
20MWRC0088	RC	402,626	6,826,356	444	200	-62	211		*NSA*			
20MWRC0089	RC	402,693	6,826,013	444	60	-61	216	12	16	4	0.66	
20MWRC0090	RC	402,813	6,825,875	444	100	-60	273	44	45	1	0.53	Granodiorite

- ENDS -

This announcement has been approved and authorised for release by the board of Dacian Gold Limited.

For further information, please contact:

Leigh Junk Managing Director Dacian Gold Limited +61 8 6323 9000 info@daciangold.com.au	Phil Russo GM – Corporate Development Dacian Gold Limited +61 8 6323 9000 info@daciangold.com.au

COMPETENT PERSON STATEMENT EXPLORATION

The information in this report that relates to Exploration Results is based on information compiled by Dr. Stephen Michael Rowins who is a member of the Australian Institute of Geoscientists. Dr. Stephen Michael Rowins is a full-time employee of Dacian Gold Limited, and 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. Dr. Stephen Michael Rowins 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.

The Company confirms that it is not aware of any new information or data that materially affects the information in the relevant ASX releases and the form and context of the announcements has not materially changed.

APPENDIX 1

Mineral Resources (as at 31 December 2019) – Refer ASX release 27 February 2020

Deposit	Cut-off grade	Measured			Indicated			Inferred			Total			Comments
	Au g/t	Tonnes	g/t	Oz	Tonnes	g/t	Oz	Tonnes	g/t	Oz	Tonnes	g/t	Oz	
Westralia UG	2.0	303,000	5.5	53,000	1,950,000	6.0	375,000	1,648,000	4.3	227,000	3,902,000	5.2	655,000	
Ramornie UG	2.0	-	-	-	212,000	3.2	22,000	61,000	3.1	6,000	274,000	3.1	27,000	
Transvaal UG	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	
Morgans North	2.0	27,000	3.5	3,000	174,000	3.2	18,000	306,000	3.5	34,000	507,000	3.4	55,000	
Phoenix Ridge UG	2.0	-	-	-	-	-	-	481,000	8.1	125,000	481,000	8.1	125,000	
Jupiter UG	2.0	-	-	-	583,000	3.00	57,000	615,000	2.40	47,000	1,197,000	2.7	104,000	
Jupiter OP	0.5	917,000	1.2	35,000	13,891,000	1.30	584,000	1,182,000	1.10	42,000	15,990,000	1.3	661,000	Reported within an AUD $2400/oz pit optimisation
Mt Marven OP	0.5	-	-	-	469,000	1.80	27,000	42,000	1.50	2,000	511,000	1.8	29,000	
Cameron Well OP	0.5	-	-	-	2,511,000	1.10	89,000	373,000	1.30	16,000	2,884,000	1.1	105,000	
Maxwells OP	0.5	-	-	-	250,000	1.40	11,000	40,000	1.60	2,000	290,000	1.3	12,000	
Mine Stockpiles	0.5	241,000	0.6	5,000	-	-	-	-	-	-	241,000	0.6	5,000	
LG Stockpiles	0.5	938,000	0.70	22,000	-	-	-	-	-	-	938,000	0.70	22,000	
Jupiter LG Stockpiles	0.5	3,494,000	0.5	57,000	-	-	-	-	-	-	3,494,000	0.5	57,000	
Total		**6,287,000**	**1.2**	**243,000**	**20,444,000**	**1.9**	**1,252,000**	**5,230,000**	**3.4**	**574,000**	**31,962,000**	**2.0**	**2,067,000**	

Rounding errors will occurr

Ore Reserves (as at 1 January 2020) – Refer ASX release 27 February 2020

Deposit	Cut off Grade	Proven			Probable			Total		
	Au g/t	Tonnes t	Au g/t	Au oz	Tonnes t	Au g/t	Au oz	Tonnes t	Au g/t	Au oz
Jupiter OP	0.5	956,000	1.0	32,000	8,754,000	1.3	358,000	9,711,000	1.3	390,000
Mt Marven OP	0.5	-	-	-	460,000	1.4	20,000	460,000	1.4	20,000
Westralia UG	*0.5/2.2	172,000	3.6	20,000	1,332,000	4.1	175,000	1,504,000	4.0	195,000
Transvaal UG	1.4	193,000	4.7	29,000	325,000	3.4	36,000	518,000	3.9	65,000
Mine Stockpiles	0.5	241,000	0.6	5,000	-	-	-	241,000	0.6	5,000
Hostorical LG Stockpiles	0.5	938,000	0.7	22,000	-	-	-	938,000	0.7	22,000
Jupiter LG Stockpile	0.5	3,494,000	0.5	57,000	-	-	-	3,494,000	0.5	57,000
Total	**-**	**5,994,000**	**0.9**	**165,000**	**10,871,000**	**1.7**	**589,000**	**16,866,000**	**1.4**	**754,000**

** Development and stoping grades respectively. Rounding errors will occur*

Where the Company refers to the Mineral Resources and Ore Reserves in this announcement (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 the Mineral Resources and Ore Reserves were prepared and disclosed under the JORC Code 2012.

APPENDIX 2 – JORC TABLE 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	• Surface Reverse Circulation (RC) drilling was carried out over the McKenzie Well Project. • Surface (RC) holes were angled to intersect the targeted mineralised zones at optimal angles. • DCN RC holes are sampled over the entire length of hole. DCN RC drilling was sampled at 1m intervals via an on-board cone splitter. • DCN samples were submitted to a contract laboratory for crushing and pulverising to produce either a 40g or 50g charge for fire assay. • For all historical RC drilling the original logs and laboratory results are retained by Dacian as either original hard copies or as scanned copies. • McKenzie Well Historic RC drilling was undertaken by Carpentaria Exploration Company Pty Ltd between 1987 and 1990 using a RC rig contracted from Robinson Drilling in Kalgoorlie. • McKenzie Well historical RC samples were collected at 1m intervals into plastic bags using a riffle splitter. 2m composites were then collected for analysis. • McKenzie Well historical RC samples were submitted to Australian Assay Laboratories Group in Leonora for crushing and pulverising to produce a 50g charge for fire assay with a 0.01ppm detection limit.
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• For Dacian RC holes, a 5¼" face sampling bit was used. • For Historic RC drilling across the McKenzie Well Project RC holes were completed using a Schram rig contracted from Robinson Drilling (Kalgoorlie), hole diameters are not recorded, field observations of historic RC collars suggest the bit size was approximately 5 inch.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• RC drilling sample volumes, quality and recoveries are monitored by the supervising geologist, with a geologist always supervising RC drilling activities. • RC holes are drilled with a powerful rig with compressor and booster compressor to ensure enough air to maximise sample recovery. The splitter is cleaned at the end of each rod, to ensure that efficient sample splitting. The weight of each sample split is monitored. Drilling is stopped if the sample split size changes significantly • Recoveries from historical drilling are unknown. • In DCN drilling no relationship exists between sample recovery and grade.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in*	• RC drilling was logged by passing a portion of each sampled metre into a sieve to remove rock flour from course chips, the chips are then washed and placed into metre marked chip trays for logging. Where the material type does not allow for the recovery of coarse rock chips

Criteria	JORC Code explanation	Commentary
	nature. Core (or costean, channel, etc) photography. • *The total length and percentage of the relevant intersections logged.*	the rock flour is retained as a record. The un-sieved sample is also observed for logging purposes. The detail is considered common industry practice and is at the appropriate level of detail to support mineralization studies. • RC drilling is logged qualitatively by company geologists for various geological attributes including weathering, primary lithology, primary & secondary textures, colour and alteration. All drill chips are photographed in the chip trays and RC chip trays are retained on site. • At McKenzie Well, historic RC holes were logged for geology, alteration and structure, The Company retains copies of either the original or scanned copies of the geological logs. • All DCN and historic drill holes were logged in full from start of hole to bottom of hole.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• DCN RC samples were collected via on-board cone splitters. A majority of samples were dry. Any wet samples are recorded as wet under sample condition, this data is then entered into a database. • The RC sample was split using the cone splitter to give an approximate 3kg sample. The remainder was collected into a plastic sack as a retention sample. At the grain size of the RC chips, this method of splitting is considered appropriate. • For RC drilling, sample quality was maintained by monitoring sample volume and by cleaning splitters on a regular basis. If due to significant groundwater inflow or drilling limitations sample quality is degraded (consecutive intervals of wet sample or poor sample recovery) the RC hole is abandoned. • Sample sizes are considered appropriate to correctly represent the gold mineralisation based on the style of mineralisation, the thickness and consistency of the intersections, the sampling methodology and assay value ranges for gold. • Externally prepared Certified Reference Materials are inserted as QAQC. • RC field duplicates were taken at 1 in 50. • For DCN samples, sample preparation was conducted by a contract laboratory. After drying, the sample is subject to a primary crush, then pulverised to 85% passing 75µm. • All historical RC samples were collected at the rig using riffle splitters. Samples condition was not recorded for a majority of the historic sampling. For historic RC drilling, information on the QAQC programs used is limited but acceptable with original batch reports having been reviewed and retained by DCN.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument*	• For DCN drilling, the analytical technique used was a 40g or 50g lead collection fire assay and analysed by Atomic Absorption Spectrometry. This is a full digestion technique. Samples were analysed at Bureau Veritas in Perth or Kalgoorlie, Western Australia. This is a commonly used method for gold analysis and is

Criteria	JORC Code explanation	Commentary
	make and model, reading times, calibrations factors applied and their derivation, etc. • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	considered appropriate for this project. • For DCN drilling, sieve analysis was carried out by the laboratory to ensure the grind size of 85% passing 75µm was being attained. • For DCN RC drilling, QAQC procedures involved the use of certified reference materials (1 in 20) and blanks (1 in 50). • Results were assessed as each laboratory batch was received and were acceptable in all cases. • QAQC data has been reviewed for historic RC drilling and is acceptable. • Laboratory QAQC includes the use of internal standards using certified reference material, blanks, splits and replicates. • Certified reference materials demonstrate that sample assay values are accurate. • Umpire laboratory test work was completed in 2019 over mineralised intersections with good correlation of results. • Commercial laboratories used by DCN were audited in November 2019. • For historic RC drilling, a fire assay technique was used and are viewed as appropriate with a detection limits of 0.01ppm for all results. Information on the QAQC programs used is limited but acceptable with original batch reports having been reviewed and retained by DCN. Historic RC assay results will not be used for resource estimation or economic evaluation until a number of the historic assays have been validated through the completion of twinned RC holes by DCN.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Significant intersections were verified visually in the field by company geologists and Senior Geologists. • Twin holes: ○ At McKenzie Well, two historic RC holes have been twinned in this round of drilling. A twin of a Dacian RC hole was also undertaken. • Primary data was collected into an Excel spread sheet and then imported into a Data Shed drill hole database. The logging spreadsheet includes validation processes to ensure the entry of correct data. • Assay values that were below detection limit are stored in the database in this form, but are adjusted to equal half of the detection limit value when exported for reporting.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• All DCN hole collars were surveyed in MGA94 Zone 51 grid using differential GPS. • DCN holes were down hole surveyed with a north-seeking gyro tool at 30m intervals down the hole. • Historic drill hole collar coordinates were tied to a local grid or were surveyed in AMG with subsequent conversion to MGA94 Zone 51. For McKenzie Well, the historic RC hole collars have been located in the field and surveyed in MGA94 Zone 51 grid using differential GPS to confirm the original and subsequently translated coordinates. • Topographic surfaces were prepared from detailed aerial surveys.

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• For the DCN RC drilling at McKenzie Well, the nominal hole spacing of surface drilling is approximately 40x40m, and 20x40m in the central area of the project. • Samples have not been composited.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• At McKenzie Well, RC holes were drilled at a bearing (Azimuth) of 210^{o} relative to MGA94 grid north, at a dip of -60^{o} which is approximately perpendicular to orientation of the host stratigraphy. • No orientation-based sampling bias has been identified in the data.
Sample security	• *The measures taken to ensure sample security.*	• Chain of custody is managed by DCN. Samples are stored on site until collected for transport to the sample preparation laboratory in Kalgoorlie. DCN personnel have no contact with the samples once they are picked up for transport. Tracking sheets have been set up to track the progress of samples.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Regular reviews of RC sampling techniques are completed by the DCN Exploration Manager, and concluded that sampling techniques are satisfactory. • Commercial laboratories used by DCN have been audited in November, 2019. • Review of QAQC data has been carried out by company geologists

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	• McKenzie Well exploration project is located within Mining Lease M39/1137. M39/1137 is 100% owned by Dacian Gold Ltd. • The above tenement is in good standing.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• At McKenzie Well, previous exploration activities were completed by Carpentaria Exploration Company Pty Ltd between 1987 and 1990.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• All Dacian Gold deposits are located within the Yilgarn Craton of Western Australia. • The McKenzie Well exploration project occurs within the same stratigraphy as the Westralia Project and it is assumed that the mineralisation type, setting and style is comparable to Westralia. • The Westralia (including the Phoenix Ridge deposit) group of deposits are BIF hosted, sulphide replacement, mesothermal Archaean gold deposits comprising sedimentary packages composed predominantly of BIF but also including chert, mudstone, shales, conglomerate and minor felsic volcaniclastic rocks. All are intercalated within or separated by ultramafic volcanic rocks and variably intruded by felsic porphyry dykes and lamprophyres. Gold mineralisation is associated with quartz carbonate fractures and fine veinlets within BIF. BIF acts as the primary host for mineralisation though other rock types including basalt, porphyry intrusive and ultramafic may also be mineralised in smaller volumes and with less continuity. The grade and geometry of mineralisation is controlled by cross cutting structures that are interpreted to introduce reduced fluids into the oxidised BIF host.

Drill hole information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  • *easting and northing of the drill hole collar*
	  • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  • *dip and azimuth of the hole*
	  • *down hole length and interception depth*
	  • *hole length*
		• All information that is material to the understanding of exploration and infill drilling results completed by DCN is documented in the appendices (results table) that accompany this announcement.
		• Previous Dacian and historical RC results referenced in this release, drilling information and significant intercepts have been included as appendices in the previous announcement about McKenzie Well dated 24 July 2020 “Mt Morgan’s Gold Operation Exploration Update”.

Criteria	JORC Code explanation	Commentary
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Exploration results are reported as length weighted averages of the individual sample intervals. • No high-grade cuts have been applied to the reporting of exploration results, where an intercept includes a much higher-grade interval, a second, shorter high grade intercept is also reported within the results table. • For McKenzie Well RC drilling, intersections have been reported, using a 0.5g/t lower cut-off, and can include 2m of internal dilution. • Historic RC drilling intersections have been reported using a 0.5g/t lower cut-off, and can include 2m of internal dilution. • No metal equivalent values have been used.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	• At McKenzie Well, surface drill holes are angled to -60 degrees which is approximately perpendicular to the orientation of the expected trend of mineralisation. It is interpreted that true width is approximately 60-100% of down hole intersections depending on the orientation of the target which varies along strike and down dip.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Relevant diagrams have been included within the main body this ASX release.
Balanced Reporting	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades*	• All DCN hole collars were surveyed in MGA94 Zone 51 grid using differential GPS. DCN holes were down-hole surveyed either with a north seeking gyroscopic tool. • All exploration results relating to the McKenzie Well Project are reported either within announcement or a previous announcement.

Criteria	JORC Code explanation	Commentary
	and/or widths should be practiced to avoid misleading reporting of Exploration Results.	
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples - size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• The DCN RC drilling subject of this announcement is part of a larger RC drilling program and further information will be reported when data become available.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Discussed in the main body of this ASX release