DACIAN GOLD
ASX:DCN

TARGETED SATELLITE DEPOSIT EXPLORATION CAMPAIGN DELIVERS MAIDEN MINERAL RESOURCE ESTIMATE FOR MCKENZIE WELL OF 34,000oz

HIGHLIGHTS

- Maiden Inferred Mineral Resource estimate of 946,000t @ 1.10g/t for 34,000oz for the McKenzie Well project, approximately 25km from the Mt Morgans processing plant
- Initial Mineral Resource estimate follows a targeted two-phase reverse circulation (RC) drilling program that began in May 2020
- McKenzie Well deposit reflects a potential satellite open pit opportunity, on a current mining lease, for the Mt Morgans gold operation outside of the current mine plan
- Further infill drilling programs are set to commence next quarter with mining studies planned thereafter
- Dacian's $15M exploration program is focused on delivering both satellite and base load opportunities across its Mt Morgans tenement package

Dacian Gold Limited (**Dacian** or the **Company**) (ASX: DCN) is pleased to announce a Maiden Mineral Resource estimate for the McKenzie Well project at its 100%-owned Mt Morgans Gold Operation (**MMGO**), located near Laverton in Western Australia.

Managing Director, Leigh Junk commented: "Our exploration strategy of targeting both satellite and base load opportunities at Mt Morgans is culminating in some new discoveries. Satellite open pit opportunities like McKenzie Well have the potential to make a meaningful impact on our production profile, and in combination with our existing pipeline of development projects, support our strategy to bolster and extend the Mt Morgans mine plan over time."

McKENZIE WELL PROJECT

Located approximately 25km from the Mt Morgans processing plant and situated on a mining lease, the McKenzie Well project has been targeted as part of the Company's 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 the mineralisation being influenced by a large-scale fold closure to the south east of the deposit.

A total of 90 RC drill holes for 8,350m were completed as part of the Company's two-phase drill program that commenced in July 2020 (see ASX announcements 24 July 2020 and 16 December 2020). The holes were designed 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 40m x 20m in the core of the fold closure.

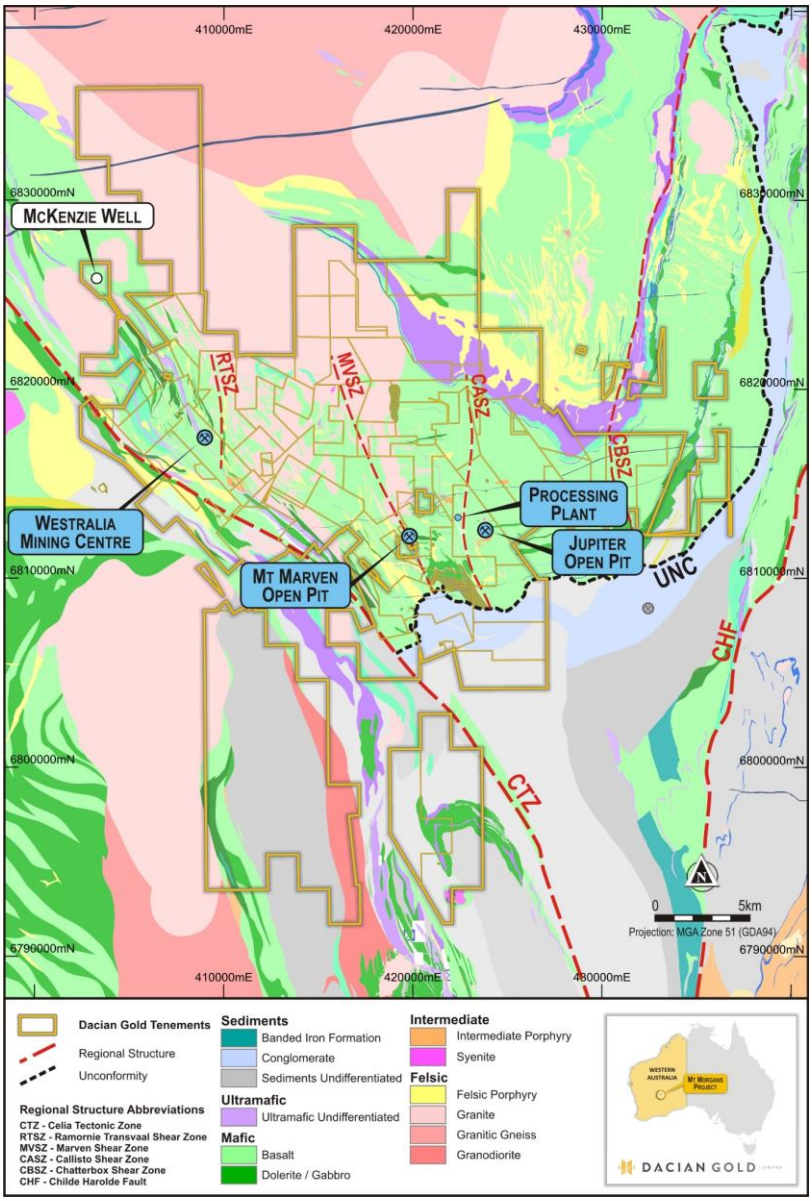

***Figure 1**: Location of the McKenzie Well Project within a regional geology map of Dacian's tenement package showing major regional structures and key mining centres*

Maiden Mineral Resource Estimate

The maiden Mineral Resource estimate for McKenzie Well reported above a cut-off grade of 0.5g/t is 946,000t at 1.10g/t for 34,000oz (see Table 1).

The Mineral Resource estimate follows a staged approach to delineation that began in 2019, where the Company reviewed available data on historical targets across the Mt Morgans tenement package and identified McKenzie Well as a priority greenfields target. Following the geological desktop review, field reconnaissance, mapping and interpretation was completed resulting in an improved geological understanding and an updated interpretation for McKenzie Well.

First phase drilling results to test the interpretation refined the geological model and the project was approved for a second phase of drilling in 2020, aimed at defining continuity of mineralisation on two of the three identified fold limbs.

The drilling techniques applied over the phase 1 and phase 2 exploration drilling programs were surface RC holes, angled to intersect the targeted mineralised zones as close to perpendicular as possible. Drillhole spacing was reduced to 40m x 20m along strike and down dip, respectively. These RC holes were sampled over the entire length at 1m intervals, with samples submitted to a contract laboratory for crushing and

pulverising to produce either a 40g or 50g charge for fire assay. Samples were composited to 1m within the mineralisation for statistical analysis and estimation, with analysis determining a top-cap of 7g/t applied to all lodes of the Welshgreen limb to limit the influence of outliers. No top-cap was applied to the lodes of the Viper Tooth limb.

Classification	Tonnes	g/t	Ounces
Inferred (0.5g/t cut-off)	946,000	1.10	34,000

***Table 2**: Maiden Mineral Resource estimate for McKenzie Well at a 0.5g/t cut-off*

The validated drilling database was used to translate the interpreted conceptual geological model into a 3D geological wireframe using a section by section modelling approach. This resulted in 10 defined lodes of continuous mineralisation, hosted within the BIF stratigraphy associated with a parasitic fold located on the overturned western limb of the Mt Margaret anticline.

The tenor of mineralisation increases toward the fold axis, with a moderate plunge to the mineralisation interpreted from the statistical analysis for both the Vipertooth and Welshgreen limbs. The modelled lodes have allowed for comprehensive statistics, supporting an Ordinary Kriging estimation. This has resulted in a robust estimate and identified areas where a third phase of infill drilling will be implemented to improve confidence in the Mineral Resource continuity, test extensions, and close out on the fold structure.

Kriging neighbourhood analysis was undertaken to assess the effect of changing key neighbourhood parameters on block grade estimates. Kriging efficiency and slope of regression were determined for a range of block sizes, minimum and maximum samples, search dimensions and discretisation grids. The estimate employed a three-pass search strategy to improve the local grade estimate for well-informed blocks and to ensure all blocks received a grade estimate. Dynamic anisotropy was used for lode 1 of the Vipertooth domain, as the wireframe folded around a synformal shape. A very minor number of samples were included in the folded wireframe, and as such did not influence the statistics. Therefore, dynamic anisotropy was used instead of splitting into separate domains.

The Mineral Resource has been classified as Inferred within the mineralisation volumes. It is based on high quality drill samples and a geological model with moderate to high confidence. The Mineral Resource is assumed to be amenable to open pit mining methods based on numerous other similar deposits at MMGO successfully mined by the Company.

The Mt Morgans operation has established recoveries of 91-92% for BIF-hosted mineralisation from the Westralia underground mine. Metallurgical test work remains to be undertaken for McKenzie Well.

The Mineral Resource has been reported above a lower cut-off of 0.5g/t, which is the cut-off used by the Company and is an industry standard in the Competent Person's experience.

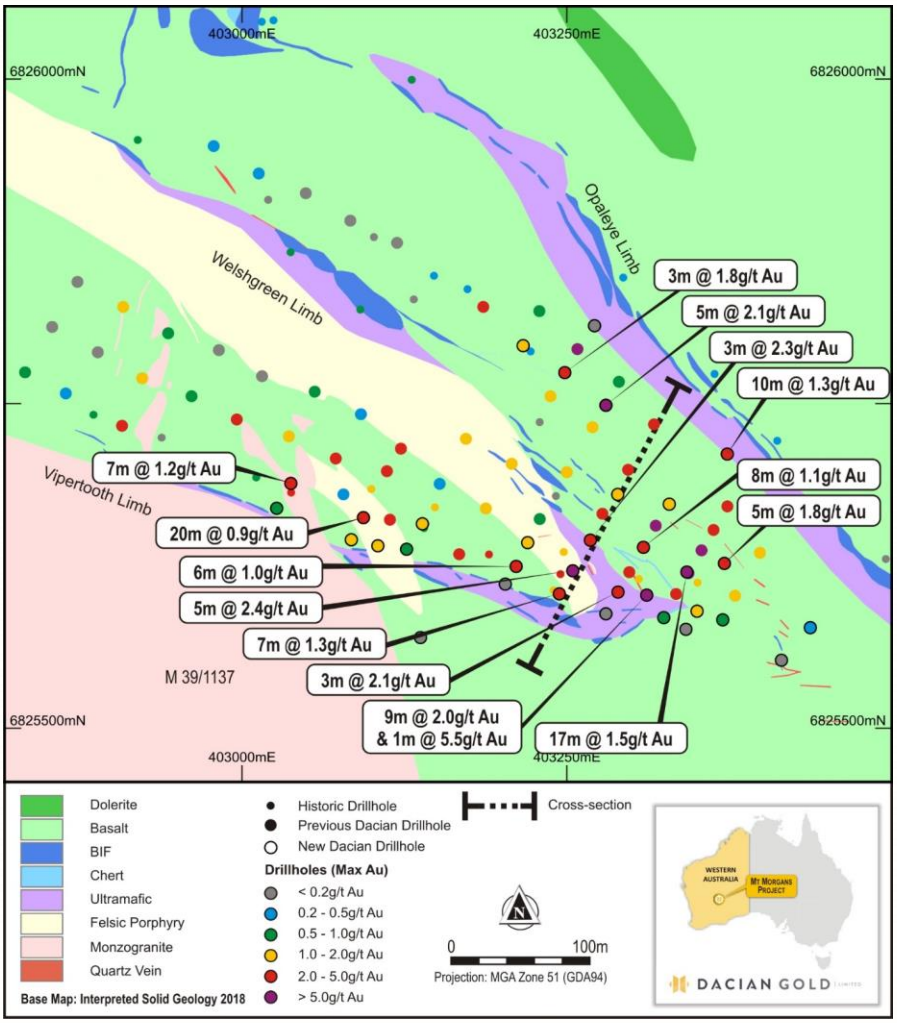

Figure 2: *Geological plan of the McKenzie Well Project highlighting the outcropping BIF and fold closures with results from the two phases of Dacian's drilling shown (collars coloured by max g/t Au)*

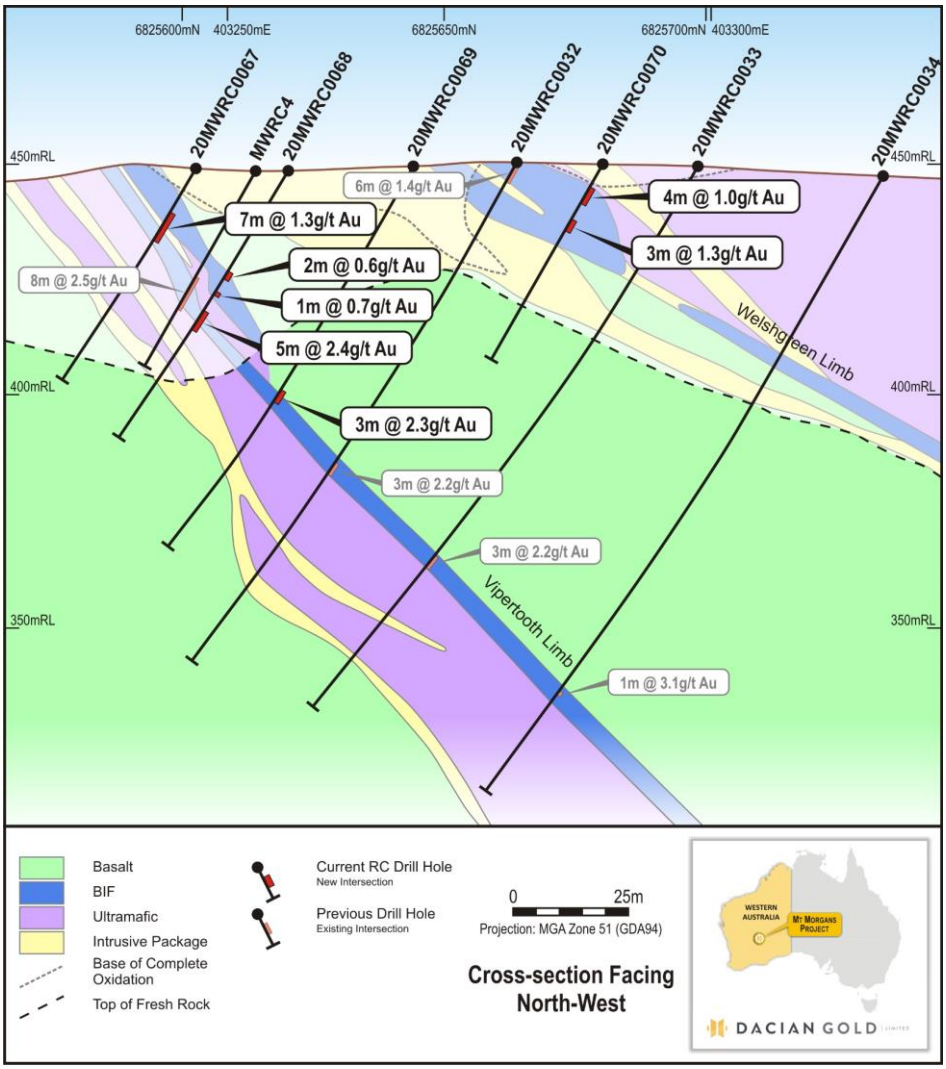

Figure 3: *A cross section view facing north-west showing the BIF limbs with intercepts from the completed RC programs (historic RC intercepts are also shown)*

Future Work

A third-phase Mineral Resource definition drill program of 56 holes for 3,715m is planned to commence next quarter to improve the confidence of the Mineral Resource estimation with mining studies for potential inclusion into the mine plan to begin thereafter.

Further expansion opportunities at McKenzie Well lie in testing of the Opaleye limb with the Company considering a further expansionary drill program later in 2021.

- ENDS -

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

For further information, please contact:

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COMPETENT PERSON STATEMENT

The information in this report that relates to Mineral Resources is based on information compiled by Mr. Alex Whishaw, a Competent Person who is a Member of The Australian Institute of Mining and Metallurgy. Mr. Whishaw is a full-time employee of Dacian Gold Limited. Mr Whishaw has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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. Whishaw consents to the inclusion in the report of the matters based on his information 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 in this section apply to all succeeding sections.)

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 prospect. • Surface (RC) holes were angled to intersect the targeted mineralised zones at optimal angles to pierce as close to perpendicular as possible. • The 90 DCN RC holes all intercepted mineralisation and were sampled over the entire length of hole on 1 m intervals via the inner tube to a cyclone and over an on-board cone splitter to produce a primary sample split of approximately 3 kg. • DCN samples were submitted to a contract laboratory for crushing and pulverising to produce either a 40 g or 50 g charge for fire assay. • For all historical RC drilling, Dacian has retained the original logs and laboratory results as either original hard copies or as scanned copies. • The 25 historical RC drillholes—17 of which intercepted mineralisation—were drilled by Carpentaria Exploration Company Pty Ltd between 1987 and 1990 using a RC rig contracted from Robinson Drilling in Kalgoorlie. • The original logs for the historical drilling and laboratory results are retained by Dacian as either original hard copies or as scanned copies. The samples were collected on 1 m intervals into plastic bags using a riffle splitter, and composited to 2 m for analysis by Australian Assay Laboratories Group in Leonora for crushing and pulverising to produce a 50 g charge for fire assay with a 0.01 ppm 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, but 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 were monitored by the supervising geologist, with a geologist always supervising RC drilling activities. • RC holes were 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 was 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	• 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

Criteria	JORC Code explanation	Commentary
	studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. • The total length and percentage of the relevant intersections logged.	for logging. Where the material type does not allow for the recovery of coarse rock chips 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 were 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 3 kg 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 make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (e.g.	• For DCN drilling, the analytical technique used was a 40 g or 50 g 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 considered appropriate for this project. • For DCN drilling, sieve analysis was carried out by the laboratory to ensure the grind size of 85%

Criteria	JORC Code explanation	Commentary
	standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	passing 75 µm 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 limit of 0.01 ppm for all results. Information on the QAQC programs used is limited, although original batch reports have 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. • At McKenzie Well, historic RC drilling has been twinned by the 2020 drilling. A twin of a Dacian RC hole was also undertaken. The results confirm high repeatability of the mineralised intervals, although statistical analysis has not yet been undertaken. • Primary data was collected into an Excel spread sheets and then imported into a Data Shed drillhole 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 were removed during the statistical compositing process to ensure many half-detection limit samples did not overly influence statistics and the grade estimate.
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 30 m 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 were located in the field and surveyed in MGA94 Zone 51 grid using differential GPS to confirm the original and subsequently translated coordinates. • The topographic surface was prepared from triangulation of the DGPS collars, which resulted in a relatively flat-lying surface with minimal risk to the Mineral Resources.

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 40 m x 40 m, and 20 m x 40 m in the central area of the prospect. • Samples were not composited prior to or during chemical analysis. Samples were statistically composited within the estimation software, Surpac, to 1 m.
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. • As the drilling provides evenly spaced pierce points intersecting the mineralisation at a high-angle, the Competent Person deems that the orientation of the drillholes poses minimal risk to use of samples in preparing the Mineral Resource estimate.
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. Bureau Veritas, an ISO and NATA certified analysis company, have a robust sample management system based on bar coding, LIMS and other controls.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• Regular reviews of RC sampling techniques are completed by DCN geologists, and concluded that sampling techniques are satisfactory. The Competent Person reviewed the sampling practices of the drilling contractor, and found that the practices presented minimal risk to reporting Mineral Resources. • Commercial laboratories used by DCN have been audited in November, 2019. • Review of QAQC data has been carried out by the Competent Person, who deemed the sampling and results to be of minimal risk to reporting the Mineral Resource estimate.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

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, as described in Section 1.

Criteria	JORC Code explanation	Commentary
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. • The Mineral Resources are hosted within two banded iron formation limbs of an overturned, south plunging syncline with vergence to the ESE at the fold hinge, where several axial planar lodes have developed.
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 meters) of the drill hole collar ○ dip and azimuth of the hole ○ down hole length and interception depth ○ hole length. • 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.	Exploration results are not being reported.
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 not being reported.
Relationship between mineralisation	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with	• At McKenzie Well, surface drill holes are angled to –60 degrees which is approximately perpendicular to the orientation of the expected

Criteria	JORC Code explanation	Commentary
widths and intercept lengths	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').	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 for the Mineral Resources. Exploration results are not being reported.
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	• Exploration results are not being reported.
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.	• All interpretations for McKenzie Well mineralisation are consistent with observations made and information gained during mining at the analogous Westralia UG mining projects including Beresford and Allanson. • Exploration results are not being reported.
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.	• Infill drilling to increase Mineral Resource confidence, mine studies and metallurgical testwork are all planned.

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.

Criteria	JORC Code explanation	Commentary
Database integrity	• Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.	• Ongoing database (DB) validation is undertaken by a dedicated DB administration geologist on an ongoing basis, who communicates with geologists to ensure the primary data sources and labs maintain high quality and remain within validation limits. • Extensive validation has been and is undertaken by the database administrator. Data was loaded into DataShed with a back-end SQL Server DB via a relational data schema, providing a referentially integral database with primary key relations and look-up validation fields. • Additional validation was completed in Surpac by Dacian geologists, with any validation issues relayed to DB administrator.

Criteria	JORC Code explanation	Commentary
	• Data validation procedures used.	All data were checked for the following errors: • Duplicate drillhole IDs • Missing collar coordinates • Mis-matched or missing FROM or TO fields in the interval tables (assays, logging etc.) • FROM value greater than TO value in interval tables • Non-contiguous sampling intervals • Sampling interval overlap in the assay table • The first sample in the interval file not starting at 0 m • Interval tables with depths greater than the collar table EOH depth. • Survey data were checked for large deviations in azimuth and dip between consecutive records, with none found.
Site visits	• Comment on any site visits undertaken by the Competent Person and the outcome of those visits. • If no site visits have been undertaken indicate why this is the case.	• The Competent Person has not visited the site of McKenzie Well, but has made several visits to the Mt Morgans area, including the same BIF stratigraphy that hosts the Westralia Area deposits. The Competent Person relied on colleagues for their knowledge and guidance in the preparation of the MRE, and has reviewed the drilling and sampling practices for the same drilling contractor as the RC drilling campaign that sampled the deposit for Dacian Gold. • The Competent Person has not visited Bureau Veritas, the laboratory in Kalgoorlie, that undertook the assaying for Dacian samples.
Geological interpretation	• Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.	• The confidence in the geological model is moderately high. The BIF stratigraphy conforms well to the nominal mineralisation modelling cut-off of 0.3 g/t Au. Geological mapping of the BIF outcrops was used to guide the surface extension of the mineralisation wireframe interpretations. The mapping and wireframes broadly showed high correlation. Geological logging was informed by strong knowledge of the Westralia stratigraphy, in which the resources are located.
	• Nature of the data used and of any assumptions made.	• Detailed geological, alteration and structural logging in conjunction with chemical assays have been used during the interpretation process to minimise assumptions and risk. • The DGPS collar pick-ups in 2019 of the pegs of the 17 historic drillholes completed in 1988 (“MWRC1” through “MWRC19”), and which informed the Mineral Resource estimate, are assumed to be in the original positions of the collars without significant movement. Although it is possible that the pegs may have moved to a significant degree, these historic holes have been infilled to a high degree by the density of recent 2020 drilling by Dacian Gold (90 holes), meaning that the Mineral Resource estimate does not rely on any clusters of historic holes. Although no holes have been twinned, the mineralisation intercepts between the historic and recent drilling shows good visual correlation.
	• The effect, if any, of alternative interpretations on Mineral Resource estimation.	• A change in the mineralisation modelling cut-off used may yield different tonnages and grades. However, the Competent Person expects the variance in volumes to be low, while the estimate

Criteria	JORC Code explanation	Commentary
		of global metal is likely to balance when compared to alternate estimates of tonnages and grade.
	• The use of geology in guiding and controlling Mineral Resource estimation.	• Geology, alteration, structure and chemistry have been used to guide the model. Wireframes have been constructed for the host BIF mineralisation as determined by the geological logging and chemical assays. The Mineral Resources are hosted within two banded iron formation limbs of an overturned, south plunging syncline with vergence to the SSE at the fold hinge, where several axial planar lodes have developed. The geological model of the banded iron formation (BIF) forms the basis of the mineralisation model, as the two showed high visual correlation. The wireframes of BIF encompass 10 lodes of mineralisation, lodes 1 through 5 lying on the western-most Viper Tooth limb, and lodes 6 through 10 lying on the eastern-most Welshgreen limb. The lodes were used to select and composite samples as hard-boundaries, determine statistics, and estimate grades by each individual lode by the corresponding composites within the lode. • Following statistical analysis, two statistical domains representing the lodes of the two limbs were created to group mineralisation lenses together. Composites were selected within the mineralisation discretely. The block model was coded with the wireframes and the MRE was conducted by constraining composites and blocks to each relevant domain • Investigation of the geological logging was undertaken for the presence porphyry dykes that commonly deplete the mineralisation in the Westralia deposits, but only insignificant intercepts were identified, and no geological continuity was established.
	• The factors affecting continuity both of grade and geology.	• The geology has a substantial impact on the grade and continuity. Spatial statistics were undertaken on the Viper Tooth and Welshgreen domains, resulting in variogram models with moderate nuggets and a single, short range structure in the major, along strike direction for 32 m and 40 m respectively. These ranges were approximately 1.5-times higher than the semi-major, down-dip direction, and up to 15-times higher than across the strike, which is across the bedding of the banded iron formation units.
Dimensions	• The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.	• The lodes all outcrop at surface in part. The true thickness ranges from 2 m to 14 m, averaging approximately 4 m. • The lodes of the Viper Tooth limb exhibit a strike length of approximately 550 m in a WSW direction, and extend 170 m NNE across strike, where lode 1 synformally folds under the Welshgreen limb. The depth from surface to the base of lode 1 is 150 m, although the nominal average depth of all Viper Tooth lodes is 45 m. Lodes formed in the axial plane as fold nose cleavage style mineralisation are shorter in length – these are coplanar with the Viper Tooth lodes, and therefore have been grouped with this

Criteria	JORC Code explanation	Commentary
		domain. • The Welshgreen domain lodes strike 335 m NW, exhibit a plan extent across strike of 65 m, and extend 65 m from surface, averaging approximately 40 m.

Estimation and modelling techniques	• The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.	• Samples were composited to 1 m intervals based on assessment of the raw drillhole sample intervals.
		• The following high-grade top-cuts were applied to the mineralisation domains following statistical analysis completed in Snowden Supervisor™ software:
		  ○ Viper Tooth domain: no top-cut.
		  ○ Welshgreen domain lodes: 7 g/t Au top-cap.
		• Quantitative kriging neighbourhood analysis (QKNA) was undertaken using Supervisor™ software to assess the effect of changing key kriging neighbourhood parameters on block grade estimates. Kriging efficiency (KE) and slope of regression (SOR) were determined for a range of block sizes, minimum and maximum samples, search dimensions and discretisation grids.
		• Ordinary kriging was adopted to interpolate grades into cells for the mineralised domains.
		• The block size appropriately reflects the inputs of the open-pit scenario, and the drillhole spacing, which varies from 20 m to 40 m sections along strike. Mineralisation pierce points are evenly spaced, varying from 20 m to 40 m in the Viper Tooth domain and 40 m to 80 m in the Welshgreen domain.
		• The estimate employed a three-pass search strategy to improve the local grade estimate for well-informed blocks and to ensure all blocks received a grade estimate. The first pass was equal to the full range of the variogram model—32 m for the Viper Tooth domain lodes and 40 m for the Welshgreen domain lodes—honouring the anisotropic ratios orthogonally (approximately 1.5:1 major:semi-major and 14:1 major:minor for lodes of both domains). The second pass equated to 200% of the full range, and the third was set to 200 m. All blocks received an estimated grade, and therefore no assignment was necessary.
		• Dynamic anisotropy was used for lode 1 of the Viper Tooth domain, as the wireframe folded around in a synformal shape. A very minor number of samples were included in the folded wireframe, and as such did not influence the statistics. Therefore, dynamic anisotropy was used instead of splitting into separate domains.
		• All geological modelling and grade estimation was undertaken using Surpac™ 2020 software.

	• The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. • The assumptions made regarding recovery of by-products. • Estimation of deleterious elements or other non-grade variables of economic significance (e.g.	• Unpublished, internal estimates undertaken by a previous DCN geologist in alternate software yielded comparable results. • No assumptions have been made regarding recovery of by-products. • No deleterious or other non-grade variables have been estimated.

Criteria	JORC Code explanation	Commentary
	Sulphur for acid mine drainage characterisation). • In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.	• Drilling chiefly lies on 40 m by 40 m grid angled obliquely to the SSW to intersect the strike of the stratigraphy and mineralisation at a high-angle. The grid was infilled to 20 m by 20 m on 5 sections. Kriging neighbourhood analysis statistics showed with is nominally 40 m by 20in the Y direction
	• Any assumptions behind modelling of selective mining units.	• No assumptions have been made regarding SMUs.
	• Any assumptions about correlation between variables.	• No assumptions have been made about correlation between variables.
	• Description of how the geological interpretation was used to control the resource estimates.	• The mineralisation lodes, representing the banded iron formation
	• Discussion of basis for using or not using grade cutting or capping.	• Top-cuts (or caps) were reviewed by statistical domain. The Viper Tooth lodes were not cut, as their maxima (approximately 7 g/t) did not display outliers beyond the classically log-normal distributions, and the CV was below 1.0. The Welshgreen lodes were top-capped at 7 g/t.
	• The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.	• Standard model validation has been completed using numerical methods (histogram and swath plots) and validated visually against the input raw drillhole data, composites and blocks.
Moisture	• Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.	• The tonnages are estimated on a dry basis. The densities taken from other deposits of the Westralia area were adjusted to remove moisture content, and were taken from mining reconciliation.
Cut-off parameters	• The basis of the adopted cut-off grade(s) or quality parameters applied.	• The Mineral Resources have been reported above a lower cut-off of 0.5 g/t Au, which is the cut-off used by Dacian Gold for low-grade stockpiles in active mining, and also an industry standard in the Competent Person's experience.
Mining factors or assumptions	• Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	• The Mineral Resources are assumed to be amenable to open pit mining methods based on numerous other similar deposits in the Mt Morgans successfully mined by Dacian Gold and previous operators. The Mineral Resources lie approximately 9.6 km from the historic Westralia pit and approximately 23.7 km and 29 km respectively as the crow flies and via potential haul route to the Jupiter mill. It is assumed that these distances will not cause any issues with haulage that would prevent the Mineral Resources from achieving reasonable prospects for eventual economic extraction.
Metallurgical factors or assumptions	• The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	• The Mt Morgans mine site is an active mining operation that has established high recoveries for BIF-hosted mineralisation recently mined by Dacian Gold within the same Westralia stratigraphy as that modelled for the McKenzie Well Mineral Resources. Therefore, any material mined and processed from the deposit is assumed to conform to results of processing of Westralia mineralisation.

Criteria	JORC Code explanation	Commentary
Environmental factors or assumptions	• Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	• The Mt Morgans mine site is an active mining operation with waste and residue disposal in place. The Mineral Resource model includes the same Westralia stratigraphy as that recently mined by Dacian Gold, and therefore any material mined and processed from the deposit is assumed to conform to the same material and methods that gained environmental approval in recent mining.
Bulk density	• Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.	• The bulk density has been assumed, as no density data were available for the McKenzie Well drilling. The densities chosen were selected from information on other Westralia deposits. The densities for these deposits have been determined by immersion method.
	• The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.	• The immersion method used for the density values taken from other Westralia deposits has adequately accounted for void spaces. Moisture has not been considered in the original density, and therefore a conservative density assignment has been used. The densities of various rock types have not been considered in the assignment. The Competent Person has reflected the risk of density to the MRE in the classification.
	• Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	• The bulk density is assumed to be influenced by the host rock and not the gold content. No other chemical analyses are available to determine the relationship to density, e.g. sulphide content.
Classification	• The basis for the classification of the Mineral Resources into varying confidence categories. • Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data). • Whether the result appropriately reflects the Competent Person's view of the deposit.	• The Mineral Resources have been classified as entirely Inferred within the mineralisation volumes. Although the Competent Person deems that a reasonable confidence has been established in the geological model, the quality of the samples is deemed to be high, and a moderate confidence lies in the grade estimate, the confidence in the quality control and density data is low.
Audits or reviews	• The results of any audits or reviews of Mineral Resource estimates.	• The Mineral Resource estimate has been the subject of Dacian Gold's internal peer review process prior to public release.
Discussion of relative accuracy/ confidence	• Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate. • The statement should specify whether it relates to global or local estimates, and, if local, state	• The Mineral Resource accuracy is communicated through the classification of Inferred assigned to the deposit. The MRE has been classified in accordance with the JORC Code using a qualitative approach. All factors that have been considered have been adequately communicated in Section 1 and Section 3 of this Table.

Criteria	JORC Code explanation	Commentary
	the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. • These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	