

Mt Morgans Operation Suspended

Key points:

- **Operations now suspended**
- **Mt Morgans processing plant and surrounding infrastructure being placed on care and maintenance**
- **A number of initiatives are underway that provide significant opportunities for future sustainable production and growth, including:**
 - **Exploration and Resource and Reserve growth**
 - **Mining studies including review of a low-cost open-pit owner mining model**
 - **Expansion of water supply and tailings storage capacity for long life operations**
 - **Assessment of third-party ore sources within the Leonora-Laverton District**
- **Cash balance at 31 March 2023 was \$34.8M plus \$2.8M gold on hand**

Further to the announcement dated 30 January 2023, Dacian Gold Limited (ASX: DCN) (Company) has now suspended its Mt Morgans mine and processing of ore indefinitely at the ~2.9Mtpa Mt Morgans mill. The operational hiatus will enable Dacian to pursue a number of optimisation initiatives in the absence of production and cost pressures. The targeted outcome is a robust, low risk, sustainable mine plan that will underpin the resumption of operations.

Specifically, the mine closure provides the Company with the opportunity to:

- improve longer term water security targeting >5 years line of sight on required volumes of processing water,
- improve longer term Tails Storage capacity targeting > 5 years line of sight on required volumes of tails to be stored, and
- assess and develop existing and third-party ore source options targeting a > 5 year mine plan to support the recommencement of operations.

Dacian Non-Executive and Independent Chair Craig McGown said:

“It was a very difficult decision to suspend operations at Mt Morgans, however the risks in the current operating environment have been emphasised during our final operating month with a maintenance shut being extended on the back of supply chain and labour shortage challenges. It is a great credit to the skills and determination of the Mt Morgans workforce whose dedication has ensured Mt Morgans operations processed for the maximum possible time to the planned shut this month. We will now balance cash preservation with active exploration and development of a mine plan to support a future restart of operations at Mt Morgans. We would like to thank our entire workforce for the professional and safe approach they have taken in finalising production at Mt Morgans. We are conscious the strong labour market has been pursuing the quality individuals that make up the Mt Morgans processing team and we wish our leaving team members all the very best for their futures. We would also like to thank a number of quality suppliers who have partnered us for the journey.”

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