3 OCTOBER 2019

# MAIDEN MINERAL RESOURCE FOR THE HIGH-GRADE PHOENIX RIDGE DISCOVERY OF 125,000oz @ 8.1g/t

## *Located 15km from the Mt Morgans plant, the new shallow high-grade deposit offers strong potential for further growth and a rapid evaluation and development pathway*

### KEY HIGHLIGHTS

- **Maiden Inferred Mineral Resource for the Phoenix Ridge deposit at the Mt Morgans Gold Operation (MMGO) of 481,000t @ 8.1g/t for 125,000oz**
- **Excellent potential exists for near-surface extensions of the Phoenix Ridge Mineral Resource, with the 100m gap between the top of the Resource and the surface still untested**
- **Phoenix Ridge is located just 15km from the Mt Morgans treatment plant and represents a potential a new high-grade ore source for the MMGO**
- **Increases the total MMGO Mineral Resource to 55.2Mt @ 2.1g/t Au for 3.65Moz**
- **The Company will accelerate infill drilling across the deposit with an initial Ore Reserve targeting the middle of CY2020**

Dacian Gold Ltd (**Dacian Gold** or **the Company**) (ASX: DCN) is pleased to report a maiden Mineral Resource for its newly discovered Phoenix Ridge Deposit (formerly referred to as the new discovery north of the Morgans North open pit – see ASX releases 20 June 2019 and 5 August 2019) at its Mt Morgans Gold Operation (**MMGO**), located near Laverton in Western Australia.

The Inferred Mineral Resource estimate for Phoenix Ridge above a lower cut-off grade of 2 g/t is:

**481,000 tonnes @ 8.1 g/t for 125,000 ounces**

Dacian Gold Executive Chairman, Mr Rohan Williams, said: "After making this shallow discovery earlier this year, we have moved quickly to deliver what is a very strong maiden Resource for Phoenix Ridge, particularly given its impressive grade of more than 8g/t.

"Given its proximity to the Mt Morgans treatment plant, grade and location close to surface, we will commence infill-drilling as soon as possible with the aim of defining a new high-grade additional production source for Mt Morgans.

"We also believe that there is excellent potential to find additional high-grade mineralisation closer to the surface in areas that have not been drilled immediately above the new Resource, plus longer term potential to find extensions and repeats down-plunge within an emerging high-grade trend."

**Background and Introduction**

The maiden Phoenix Ridge Inferred Mineral Resource estimate, which is located just 15km west of the Mt Morgans treatment plant, is contained within a recently discovered mineralised Banded Iron Formation (**BIF**) unit, now called the Phoenix Ridge BIF.

The Phoenix Ridge BIF is one of a number of mineralised BIF units that occurs within a 70-120m wide BIF-dominated stratigraphic package that is also host to the BIF units that contain the Beresford and Allanson gold mines (Westralia Mine Area), located immediately to the south of Phoenix Ridge (see Figure 1).

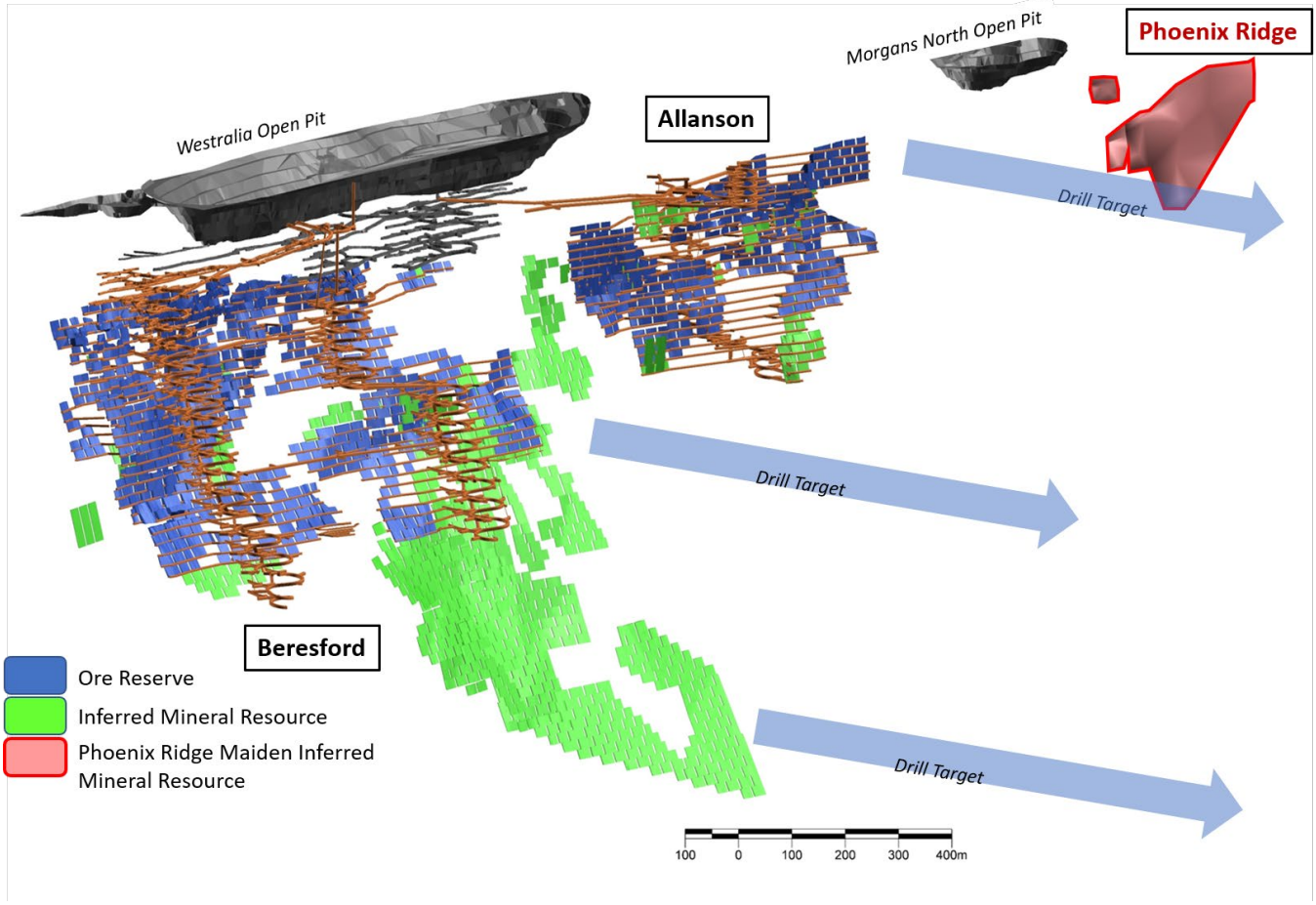


***Figure 1*** *– Location of the maiden Phoenix Ridge Inferred Mineral Resource north (to the right) of the Beresford and Allanson gold mines that comprise the Westralia Mine Area. Note the location of the Morgans North open pit immediately to the south (left) of the new 125,000oz, 8.1g/t gold Phoenix Ridge Inferred Mineral Resource*

As noted in the ASX release of 20 June 2019, the discovery was made after successfully testing below the Morgans North open pit along the same high-grade shoot directions observed in the Beresford and

Allanson gold mines, located to the south of the open pit. The high grade trends are shown in Figure 1 as blue arrows that are labelled "Drill Target."

The addition of the Phoenix Ridge Mineral Resource to the existing MMGO Mineral Resource of 3.5 million ounces (see ASX release 18 December 2018) takes the combined MMGO Mineral Resource to:

**55.2Mt @ 2.1g/t Au for 3.65 million ounces.**

**Geology of the Phoenix Ridge Gold Deposit**

The Phoenix Ridge BIF represents a previously untested BIF unit that lies in the footwall below the well-tested BIF unit that hosts the orebody mined in the Morgans North open pit (see Figure 2 below). The Phoenix Ridge BIF is in a broadly similar stratigraphic position as the Allanson deposit, currently in production.

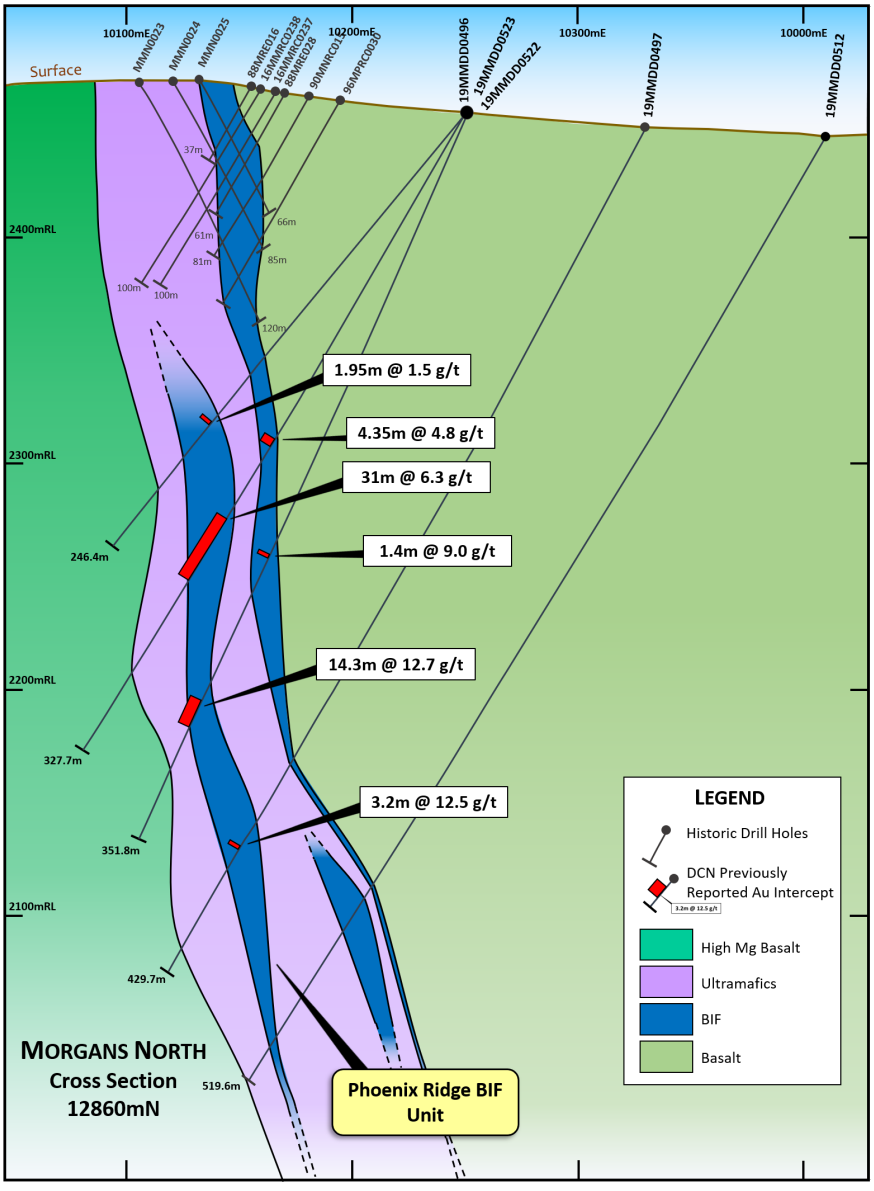


***Figure 2*** *– Discovery cross-section of the highly mineralised Phoenix Ridge BIF unit; previously reported (see ASX release 20 June 2019). Note the Phoenix Ridge BIF lies in the footwall and under the BIF unit that was mined in the Morgans North open pit. See Figure 3 for location of this cross-section in long-section of the mineralised Phoenix Ridge BIF unit.*

The Phoenix Ridge BIF Unit strikes towards the north-west and dips approximately 70 degrees to the east. Mineralisation is interpreted to be continuous within the BIF unit, similar to that observed across the Beresford and Allanson BIF-hosted gold deposits, located within the same broad stratigraphic BIF package to the south.

The mineralised Phoenix Ridge BIF exhibits pyrite and/or pyrrhotite replacement of magnetite banding proximal to fine quartz-chlorite-carbonate filled fractures and veins cross cutting the BIF units.

Figure 3 is a longitudinal section of the mineralised Phoenix Ridge BIF.

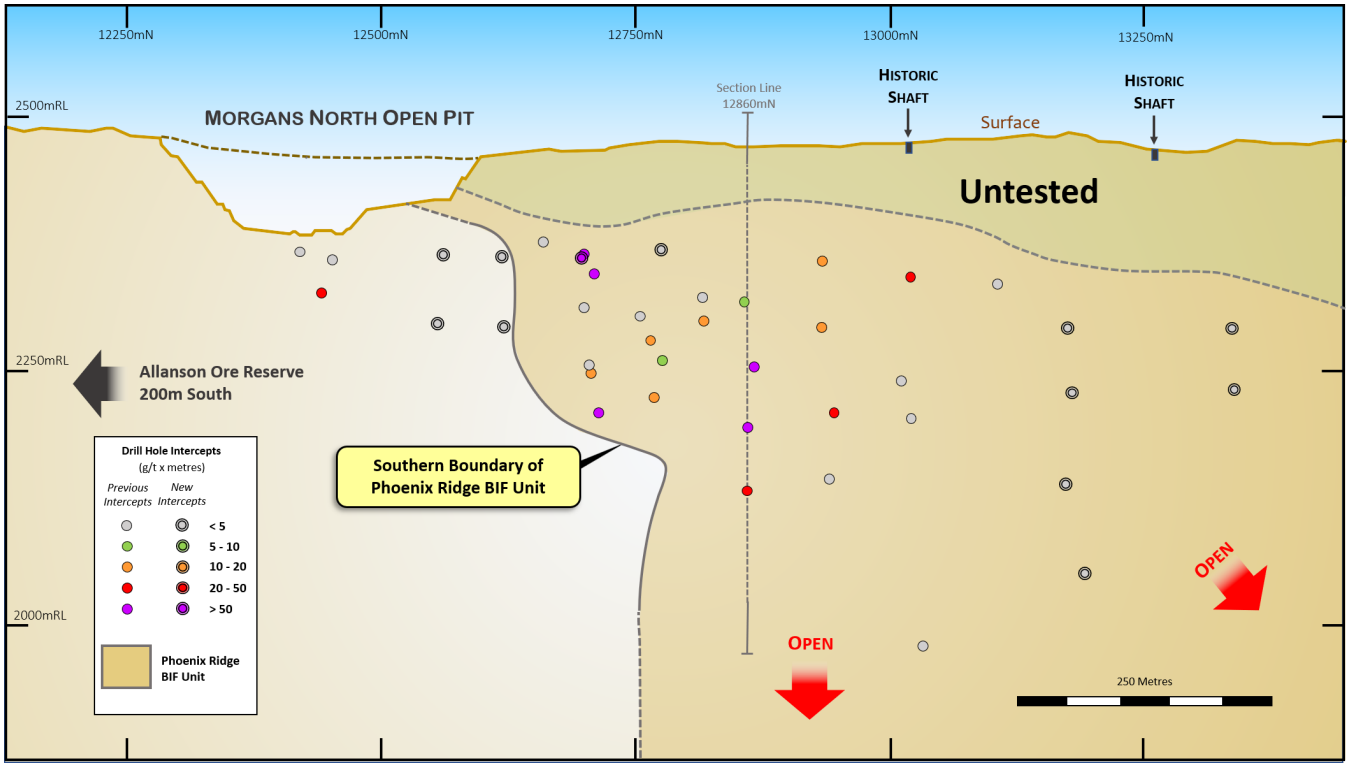


***Figure 3*** *– Long-section of the Phoenix Ridge BIF unit showing intersection pierce points, colour-coded by down-hole grams per tonne multiplied by intersection length (g/t*metres). Also shown is the location of the cross section depicted as Figure 2 in this release. Note that much of the Phoenix Ridge BIF is untested near the surface.*

The Inferred Mineral Resource is based on 24 diamond core holes, for 8,200m of drilling and is defined over a strike length of 350m. Mineralisation is present from 100m below the surface to a depth of approximately 360m below surface, however the 100m gap between the top of the resource and the surface has not been drill tested (see Figures 3 and 4). There is clear potential for the mineralisation to continue toward the surface, and this will be the subject of ongoing drill testing.

Several intersections not previously reported are included in the Inferred Mineral Resource estimate for Phoenix Ridge. Accordingly, the results of these previously unreleased drill holes are included in Table 1 of this announcement. Requisite consents and JORC 2012 table disclosures relating to the new drilling results are included as Appendices 1 and 2 respectively.

## Mineral Resource and Classification of Phoenix Ridge

Figure 4 below shows the location of the Phoenix Ridge Inferred Resource in long section relative to the Morgans North open Pit. As noted above, much of the near-surface expression of the Phoenix Ridge BIF is untested.

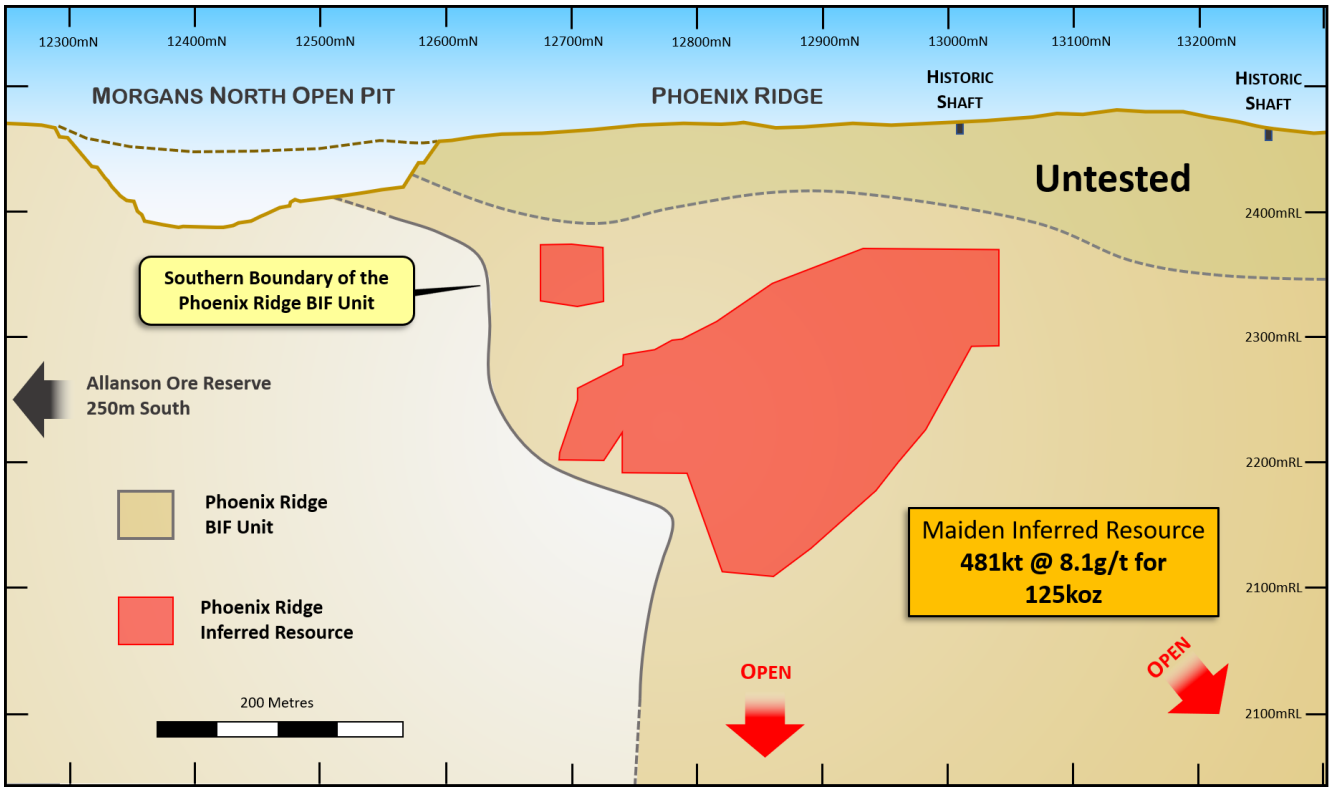


***Figure 4 –*** *Long Section of the Phoenix Ridge Deposit. Note the near-surface expression of the Phoenix Ridge BIF unit is untested and remains open in several directions.*

The Phoenix Ridge Mineral Resource is classified as an Inferred Mineral Resource due to the approximately 80m by 80m spaced drill intersections. This drill spacing is considered sufficient to interpret geological continuity of the BIF-hosted high-grade mineralisation.

Further infill drilling is planned to upgrade the Inferred Mineral Resource to Indicated Mineral Resource.

All requisite explanatory information relating to the Phoenix Ridge Mineral Resource, including all requisite consents are included at the rear of this announcement in Appendices 1 and 2.

## Potential for Mineral Resource Growth

The extents of the currently-defined mineralisation hosted within the Phoenix Ridge BIF package have been well defined by the 80m x 80m spaced drilling.

As noted above, and shown in Figures 3 and 4, there is considerable potential for mineralisation within the Phoenix Ridge BIF to be present near the surface as this area is presently undrilled. Historic shafts

above the Phoenix Ridge deposit suggest that the mineralisation may be present close to surface. Shallow RC drilling is being planned to target potential open pit mineralisation towards the end of the calendar year.

Similarly, there is potential for additional mineralised positions within the Phoenix Ridge BIF to be located down-plunge as shown in Figures 3 and 4. Phoenix Ridge may be one pod of mineralisation that is developed within the high grade trend that led to its discovery.

There is also potential for mineralisation to be hosted in the BIF unit that overlies, and forms the hangingwall to the Phoenix Ridge BIF unit. Figure 2 above shows several intersections, for example: 1.40m @ 9.0g/t Au and 4.35m @ 4.8g/t Au that were returned in the hangingwall BIF unit of the same holes that led to the discovery of Phoenix Ridge (see ASX release 20 June 2019).

The hangingwall BIF unit overlying the Phoenix Ridge BIF unit is broadly similar to the BIF unit that hosts the majority of the Beresford gold deposit, located to the south (see Figure 1). Clearly this BIF unit is an important host for gold mineralisation at Westralia and will be tested with all ongoing drilling at Phoenix Ridge.

Listing Rule 5.8.1

Pursuant to ASX listing rule 5.8.1, and in addition to the information contained in Appendix 2, the Company provides the following in respect of the maiden Mineral Resource for Phoenix Ridge.

*Geology and Geological Interpretation*

The BIF package represents a previously untested stratigraphic position in the footwall below the well tested BIF stratigraphy of the Morgans North open pit, a stratigraphic position similar to the Allanson UG deposit currently in production. The BIF package is striking towards the north-west and dipping approximately 70 degrees to the east with localised variation in strike and dip.

Mineralisation is controlled by the intersection of the well documented D3a and D3b structures that are observed at a regular frequency across the Westralia project area. Mineralisation is interpreted to be stratigraphically continuous within the BIF unit between structures, similar to mineralisation observed across the Beresford and Allanson UG deposits.

The mineralised BIF displays similar characteristics to the mineralised BIF at both Allanson and Beresford, with pyrite and/or pyrrhotite replacement of magnetite banding proximal to fine quartz-chlorite-carbonate filled fractures and veins cross cutting the BIF units.

Figure 2 shows an outline of the Phoenix Ridge maiden Inferred Resource in a long section relative to the Morgans North open Pit.

*Sampling and Sub-sampling Techniques*

Diamond core was sampled as half core at 1m intervals or to geological contacts. To ensure representative sampling, half core samples were always taken from the same side of the core. Samples were submitted to a contract laboratory for crushing and pulverising to produce either a 40g or 50g charge for fire assay.

*Drilling Techniques*

Phoenix Ridge has been drilled with diamond core, carried out with NQ2 sized equipment, using standard tube. Surface drill core was orientated using a Reflex orientation tool.

*Mineral Resource Classification Criteria*

The Phoenix Ridge Mineral Resource is classified entirely as an Inferred Mineral Resource due to the approximately 80m by 80m spaced drill intersections, see figure 2 and 3 below. This drill spacing is considered sufficient to imply stratigraphic and grade continuity based on the geological understanding of the adjacent Beresford and Allanson UG deposits currently in production. Further infill drilling could enable a majority of the Inferred Mineral Resource to be upgraded to Indicated Mineral Resource.

*Sample Analysis Method*

Assaying for DCN drilling conducted during 2019 was undertaken by Bureau Veritas Minerals Pty Ltd in either the Perth or Kalgoorlie laboratories. All samples were assayed for Au using 40 or 50g charge Fire Assay with Pb collection, analysed using Atomic Absorption Spectrometry.

*Estimation Methodology*

The mineralisation was constrained by wireframes prepared using a nominal 0.5g/t Au cut-off grade and logged sedimentary iron formation ("SIF"). High grade cuts were applied to the data based on statistical analysis of individual lodes. High grade cuts ranging between 30g/t to 50g/t Au were determined by statistical analysis and applied to the 1m composite data within certain lodes, resulting in nine composites being cut.

The block model parent block dimensions used were 10m NS by 5m EW by 5m vertical with sub-cells of 0.625m by 0.625m by 0.625m. The parent block size dimension was selected on the results obtained from KNA that suggested this was the optimal block size for the Phoenix Ridge dataset. The Mineral Resource block model was created and estimated in Surpac using Ordinary Kriging ("OK") grade interpolation. An orientated 'ellipsoid' search was used to select data and adjusted to account for the variations in lode orientations, however all other parameters were taken from the variography. Up to three passes were used for each domain. First pass had a range of 40 to 60m, with a minimum of 6 samples. For the second pass, the range was extended to 80 to 120m, with a minimum of 4 samples. For the third pass, the range was extended to 150 to 200m, with a minimum of 2 samples. A maximum of 16 samples was used for all passes, with a maximum of 4 samples per hole. In addition, high grade distance limits were applied to restrict the influence of high grades in some lodes.

Bulk densities ranging between 2.0t/$m^3$ and 3.2t/$m^3$ were assigned in the block model dependent on lithology, mineralisation and weathering. These densities were applied after averaging the bulk density measurements obtained from core over the deposit.

*Cut-off Grade*

The Mineral Resource has been reported at a 2.0g/t Au cut-off. The underground reporting cut-off parameters were selected based on known underground economic cut-off grades at the MMGO.

*Mining and Metallurgical Methods and Parameters*

The adjacent Beresford and Allanson deposits are currently being mined using underground techniques. It is assumed that the Phoenix Ridge Mineral Resource could also be mined using similar underground techniques.

It is anticipated the ore would be processed at the nearby Jupiter Processing Facility, part of the MMGO. It is assumed that recoveries would be similar to the Beresford recoveries achieved to date of 90.9%.

**Next Steps**

The Company will commence further infill drilling activities at Phoenix Ridge during the December quarter with the aim of converting the Inferred Mineral Resource to an Indicated Mineral Resource.

Following completion of an Indicated Mineral Resource estimate, mine design studies will commence for an Ore Reserve estimate and development decision targeting mid-year CY2020.

The Company is highly encouraged that further delineation activities through the course of the year will support the potential of this new ore source as a supplemental ore feed for the MMGO treatment plant.

**For and on behalf of the Board**

**Rohan Williams**
**Executive Chairman & CEO**

| Collar Location and Orientation | | | | | | | | Intersections > 2 grade (g/t Au) x length (m) | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Hole** | **Type** | **X** | **Y** | **Z** | **Total Depth** | **Dip** | **Azimuth** | **From (m)** | **To (m)** | **Length (m)** | **Grade (g/t Au)** |
| 19MMDD0539 | DD | 408,290 | 6,818,870 | 459 | 205 | -50 | 245 | 89.1 | 91.3 | 2.2 | 1.33 |
| 19MMDD0538 | DD | 408,309 | 6,818,795 | 458 | 211 | -55 | 245 | **124** | **131** | **7** | **7.57** |
| 19MMDD0537 | DD | 408,398 | 6,818,747 | 448 | 262 | -50 | 245 | **157** | **170** | **13.9** | **2.39** |
| | | | | | | | incl. | 158 | 160.5 | 2.5 | 3.69 |
| | | | | | | | incl. | 164.6 | 168 | 3.4 | 2.65 |
| | | | | | | | incl. | 170 | 170.9 | 0.9 | 9.27 |
| 19MMDD0535 | DD | 408,411 | 6,818,686 | 447 | 268 | -50 | 245 | 145.8 | 148 | 2.15 | 3.95 |
| | | | | | | | | 158.7 | 160.6 | 1.9 | 1.79 |
| 19MMDD0536 | DD | 408,362 | 6,818,731 | 453 | 204 | -50 | 245 | 94 | 96.2 | 2.2 | 1.05 |
| | | | | | | | | 112.65 | 116.5 | 3.8 | 1.02 |
| 19MMDD0534 | DD | 408,220 | 6,818,601 | 457 | 187 | -50 | 65 | 161.3 | 162.5 | 1.15 | 2.05 |
| 19MMDD0547 | DD | 408,154 | 6,819,256 | 454 | 320 | -60 | 240 | NSA | | | |
| 19MMDD0548 | DD | 408,197 | 6,819,279 | 450 | 351 | -60 | 240 | 151.2 | 156 | 4.8 | 1.24 |
| 19MMDD0549 | DD | 408,247 | 6,819,307 | 447 | 445 | -62 | 240 | 278.45 | 279.1 | 0.65 | 2.99 |
| | | | | | | | | 291.7 | 292.2 | 0.45 | 1.68 |
| 19MMDD0550 | DD | 408,299 | 6,819,335 | 444 | 508 | -62 | 238 | 373.6 | 375.6 | 2.1 | 1.37 |
| 19MMDD0553 | DD | 408,096 | 6,819,404 | 452 | 310 | -60 | 243 | 100 | 101 | 0.85 | 2.28 |
| | | | | | | | | 105.9 | 106.9 | 1 | 2.91 |
| | | | | | | | | 126.36 | 127.9 | 1.5 | 1.35 |
| 19MMDD0554 | DD | 408,096 | 6,819,404 | 452 | 418 | -62 | 240 | 220.7 | 221.6 | 0.9 | 3.5 |

***Table 1:*** *Phoenix Ridge Exploration Drilling Results*

## 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 3.65Moz (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:

| | |
|---|---|
| Phil Russo<br>Investor Relations<br>Dacian Gold Limited<br>+61 8 6323 9000<br>phil.russo@daciangold.com.au | Paul Armstrong<br>Media Relations<br>Read Corporate<br>+61 8 9388 1474 |

# 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)

**Mount Morgans Gold Project Mineral Resources as at 31 July 2018**

| Deposit | Cut-off Grade | Measured | | | Indicated | | | Inferred | | | Total Mineral Resource | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Au g/t | 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 |
| **Phoenix Ridge** | 2.0 | - | - | - | - | - | - | 481,000 | 8.1 | 125,000 | 481,000 | 8.1 | 125,000 |
| 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** | **15,051,000** | **2.5** | **1,200,000** | **55,157,000** | **2.1** | **3,645,000** |

* JORC 2004

Other than Cameron Well and the above Phoenix Ridge Resource, all Mineral Resource estimates are as of 30th June 2018. Cameron Well Mineral Resource estimate is of 31 July 2018 and the Phoenix Ridge Mineral Resource estimate is of the 3rd of October 2019.

### 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 | Proved | | | Probable | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Au g/t | 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 Stoping 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), Transvaal (see ASX release 16 September 2015) and Phoenix Ridge (this announcement) 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.

# APPENDIX 2

## Section 1 Sampling Techniques and Data

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Sampling techniques*** | • *Nature and quality of sampling (eg 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.*<br>• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*<br>• *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 (eg '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 (eg submarine nodules) may warrant disclosure of detailed information.* | • DCN utilises and diamond drilling. Surface RC and diamond holes were angled to intersect the targeted mineralised zones at optimal angles.<br>• Surface diamond core was sampled as half core at 1m intervals or to geological contacts. To ensure representative sampling, half core samples were always taken from the same side of the core.<br>• RC holes are sampled over the entire length of hole. DCN RC drilling was sampled at 1m intervals via an on-board cone splitter. Historical RC samples were collected at 1m using riffle splitters.<br>• DCN samples were submitted to a contract laboratory for crushing and pulverising to produce either a 40g or 50g charge for fire assay. |
| ***Drilling techniques*** | • *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).* | • Diamond drilling was mostly carried out with NQ2 sized equipment, along with minor HQ3 and PQ2, using standard tube. Surface drill core was orientated using a Reflex orientation tool.<br>• For RC holes, a 5¼" face sampling bit was used.<br>• For deeper holes, RC pre-collars were followed with diamond tails. |
| ***Drill sample recovery*** | • *Method of recording and assessing core and chip sample recoveries and results assessed.*<br>• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*<br>• *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.* | • Recoveries from historical drilling are unknown.<br>• Recoveries from DCN core drilling were measured and recorded in the database<br>• Recoveries average 99.5% with minor core loss in oxidised material, fresh core that is very broken due to the interaction of multiple structures or pervasively talc altered ultramafic.<br>• 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.*<br>• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*<br>• *The total length and percentage of the relevant intersections logged.* | • All diamond drill holes were logged for recovery, RQD, geology and structure. RC drilling was logged for various geological attributes. For Dacian drilling, diamond core was photographed both wet and dry.<br>• All RC and AC drill holes were logged for geology, alteration and structure. All RC chip trays were photographed.<br>• All drill holes were logged in full. |
| ***Sub-sampling techniques and sample preparation*** | • *If core, whether cut or sawn and whether quarter, half or all core taken.*<br>• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*<br>• *For all sample types, the nature, quality and* | • DCN core was cut in half using an automatic core saw at either 1m intervals or to geological contacts; core samples were collected from the same side of the core.<br>• Historical RC samples were collected at the rig |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *appropriateness of the sample preparation technique.*<br>• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*<br>• *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.*<br>• *Whether sample sizes are appropriate to the grain size of the material being sampled.* | using riffle splitters. Samples were generally dry. For historic RC drilling, information on the QAQC programs used is acceptable. DCN RC samples were collected via on-board cone splitters. Most samples were dry. For RC drilling, sample quality was maintained by monitoring sample volume and by cleaning splitters on a regular basis.<br>• Field duplicates were mostly taken at 1 in 25.<br>• Sample preparation was conducted by a contract laboratory. After drying, the sample is subject to a primary crush, then pulverised to 85% passing 75µm.<br>• 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. |
| ***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.*<br>• *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.*<br>• *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.* | • 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 and Intertek Laboratories in Perth or Kalgoorlie, Western Australia.<br>• For DCN drilling, sieve analysis was carried out by the laboratory to ensure the grind size of 85% passing 75µm was being attained.<br>• For DCN RC and diamond 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.<br>• QAQC data has been reviewed for historic RC drilling and is acceptable.<br>• Laboratory QAQC includes the use of internal standards using certified reference material, blanks, splits and replicates.<br>• Certified reference materials demonstrate that sample assay values are accurate.<br>• Umpire laboratory testwork was completed in 2019 over mineralised intersections with good correlation of results.<br>• Commercial laboratories used by DCN were audited in February 2018. |
| ***Verification of sampling and assaying*** | • *The verification of significant intersections by either independent or alternative company personnel.*<br>• *The use of twinned holes.*<br>• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*<br>• *Discuss any adjustment to assay data.* | • Significant intersections were visually field verified by company geologists and by Shaun Searle of Ashmore during the 2018 site visits.<br>• Twin holes were completed at the nearby Westralia underground. Results were within expectation for orogenic gold deposits.<br>• Primary data was collected into an Excel spread sheet and then imported into a Data Shed database.<br>• Assay values that were below detection limit were adjusted to equal half of the detection limit value. |
| ***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.*<br>• *Specification of the grid system used.* | • Historic drill hole collar coordinates were tied to a local grid with subsequent conversion to MGA94 Zone 51. Historic near surface mine workings support the locations of historic drilling. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | • *Quality and adequacy of topographic control.* | • All DCN hole collars were surveyed in MGA94 Zone 51 grid using differential GPS.<br>• DCN holes were down hole surveyed either with multi-shot EMS, Reflex multi-shot tool or north seeking gyro tool.<br>• Topographic surfaces were prepared from detailed ground and mine surveys. |
| ***Data spacing and distribution*** | • *Data spacing for reporting of Exploration Results.*<br>• *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.*<br>• *Whether sample compositing has been applied.* | • For the DCN drilling at Phoenix Ridge, the nominal hole spacing of surface drilling is approximately 80m.<br>• The mineralised domains have sufficient continuity in both geology and grade to be considered appropriate for the Mineral Resource and Ore Reserve estimation procedures and classification applied under the 2012 JORC Code.<br>• Samples have been composited to 1m lengths in mineralised lodes using best fit techniques. |
| ***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.*<br>• *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 Phoenix Ridge, surface drill holes are angled to 60 degrees which is approximately perpendicular to the orientation of the expected trend of mineralisation.<br>• 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.* | • Shaun Searle of Ashmore reviewed RC and diamond core sampling techniques in April 2018 and concluded that sampling techniques are satisfactory.<br>• Commercial laboratories used by DCN have been audited in February, 2018. |

## 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.*<br>• *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.* | • Westralia is an active underground gold mine which started in May 2017. The Westralia and Ramornie deposits are located within Mining Lease 39/18 and is owned by Mt Morgans WA Mining Pty Ltd, a wholly owned subsidiary of Dacian Gold Ltd.<br>• The tenements are in good standing. |
| ***Exploration done by other parties*** | • *Acknowledgment and appraisal of exploration by other parties.* | • At Westralia and Transvaal, open pit and underground mining has occurred since the 1890's. Other companies to have explored the deposit area include Whim Creek Consolidated NL, Dominion Mining, Plutonic Resources, Homestake Gold, Barrick Gold Corporation, Delta Gold and Range River Gold. |
| ***Geology*** | • *Deposit type, geological setting and style of mineralisation.* | • All deposits are located within the Yilgarn Craton of Western Australia.<br>• The Westralia gold deposits, including Phoenix Ridge, are Archaean BIF hosted with sulphide replacement mineralisation. |
| ***Drill hole information*** | • *A summary of all information material to the under-standing of the exploration results including a tabulation of the following information for all Material drill holes:*<br>  • *easting and northing of the drill hole collar*<br>  • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*<br>  • *dip and azimuth of the hole*<br>  • *down hole length and interception depth*<br>  • *hole length*<br>• *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.* | • For drilling not previously reported, the locations and mineralised intersections for are summarised in the tables of this ASX release<br>• All exploration results that have previously been reported by DCN between 2013 and 2019.<br>• All information has been included in the appendices. No drill hole information has been excluded. |
| ***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.*<br>• *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.*<br>• *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.<br>• No high grade cuts have been applied to the reporting of exploration results.<br>• For RC and diamond drilling, Intersections have been reported using a 0.5g/t lower cut-off, and can include up to 2m of internal dilution.<br>• Metal equivalent values have not been used. |
| ***Relationship between mineralisation widths and intercept lengths*** | • *These relationships are particularly important in the reporting of Exploration Results.*<br>• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*<br>• *If it is not known and only the down hole lengths are reported, there should be a clear statement* | • At Phoenix Ridge, surface drill holes are angled to 60 degrees which is approximately perpendicular to the orientation of the expected trend of mineralisation.<br>• It is interpreted that true width is approximately 60-100% of down hole intersections. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *to this effect (e.g. 'down hole length, true width not known').* | |
| ***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 of text. |
| ***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.*<br>• *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.* | • All DCN hole collars were surveyed in MGA94 Zone 51 grid using differential GPS. DCN holes were down-hole surveyed either with multi-shot EMS or Reflex multi-shot tool.<br>• 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 Phoenix Ridge mineralisation are consistent with observations made and information gained during previous and current mining. |
| ***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).*<br>• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | • Shallow RC drilling to test for up dip extensions of the Phoenix Ridge discovery are being planned<br>• Infill diamond drilling of the Phoenix Ridge inferred Resource is underway<br>• Refer to diagrams in the body of text within the Mineral Resource report and resource announcement. |

**Section 3 Estimation and Reporting of Mineral Resources**

| 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.*<br>• *Data validation procedures used.* | • The data base has been systematically audited by a DCN geologist. Original drilling records were compared to the equivalent records in the data base (where original records were available). Any discrepancies were noted and rectified by the data base manager.<br>• All DCN drilling data has been verified as part of a continuous validation procedure. Once a drill hole is imported into the data base a report of the collar, down-hole survey, geology, and assay data are produced. This is then checked by a DCN geologist and any corrections are completed by the data base manager. |
| ***Site visits*** | • *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.*<br>• *If no site visits have been undertaken indicate why this is the case.* | • A site visit was conducted by Shaun Searle of Ashmore during 2018. Shaun inspected the deposit area, drill core, outcrop, the Morgans North pit and the core logging and sampling facility. During this time, notes and photos were taken. Discussions were held with site personnel regarding drilling and sampling procedures. No major issues were encountered.<br>• A site visit was conducted, therefore not applicable. |
| ***Geological interpretation*** | • *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.*<br>• *Nature of the data used and of any assumptions made.*<br>• *The effect, if any, of alternative interpretations on Mineral Resource estimation.*<br>• *The use of geology in guiding and controlling Mineral Resource estimation.*<br>• *The factors affecting continuity both of grade and geology.* | • The confidence in the geological interpretation is considered to be good and is based on previous mining history and current mining activity. Visual confirmation of lode orientations has been observed in outcrop, the Morgans North open pit.<br>• Geochemistry and geological logging have been used to assist identification of lithology and mineralisation.<br>• The deposit consists of sub-vertical to steeply dipping BIF units within a shear zone. Mineralisation is mostly confined to the BIF units. Infill drilling has supported and refined the model and the current interpretation is considered robust.<br>• Outcrops of mineralisation and host rocks within the open pits and underground faces confirm the geometry of the mineralisation.<br>• Infill drilling has confirmed geological and grade continuity. |
| ***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 Phoenix Ridge Mineral Resource area extends over a SE-NW strike length of 370m (from 12,670mN – 13,040mN), has a maximum width of 50m (10,110mE – 10,160mE) and includes the 265m vertical interval from 2,375mRL to 2,110mRL. |
| ***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.*<br>• *The availability of check estimates, previous* | • Using parameters derived from modelled variograms, Ordinary Kriging ("OK") was used to estimate average block grades in up to three passes using Surpac software. Linear grade estimation was deemed suitable for the Phoenix Ridge Mineral Resource due to the geological control on mineralisation. Maximum extrapolation of wireframes from drilling was 40m down-dip. This was equal to one drill hole spacing in this region of the |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.*<br>• *The assumptions made regarding recovery of by-products.*<br>• *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).*<br>• *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.*<br>• *Any assumptions behind modelling of selective mining units.*<br>• *Any assumptions about correlation between variables.*<br>• *Description of how the geological interpretation was used to control the resource estimates.*<br>• *Discussion of basis for using or not using grade cutting or capping.*<br>• *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.* | deposit. Maximum extrapolation was generally half drill hole spacing.<br>• No recent mining by DCN has occurred at Phoenix Ridge, therefore reconciliation could not be conducted.<br>• No recovery of by-products is anticipated.<br>• Only Au was interpolated into the block model.<br>• The Mineral Resource parent block dimensions used were 10m NS by 5m EW by 5m vertical with sub-cells of 1.25m by 1.25m by 1.25m. The parent block size dimension was selected on the results obtained from Kriging Neighbourhood Analysis that suggested this was the optimal block size for the Phoenix Ridge dataset.<br>• For the Mineral Resource area, an orientated 'ellipsoid' search was used to select data and adjusted to account for the variations in lode orientations, however all other parameters were taken from the variography. Up to three passes were used for each domain. First pass had a range of 40 to 60m, with a minimum of 6 samples. For the second pass, the range was extended to 80 to 120m, with a minimum of 4 samples. For the third pass, the range was extended to 150 to 200m, with a minimum of 2 samples. A maximum of 16 samples was used for all passes, with a maximum of 4 samples per hole. In addition, high grade distance limits were applied to restrict high grade smearing in some lodes.<br>• Only Au assay data was available, therefore correlation analysis was not possible.<br>• Within the Mineral Resource area, the deposit mineralisation was constrained by wireframes constructed using a 0.5g/t Au cut-off grade. Mineralisation wireframes were generally constrained to the BIF units. The wireframes were applied as hard boundaries in the estimate.<br>• Statistical analysis was carried out on data from 31 lodes. The moderate to high coefficient of variation and the scattering of high grade values observed on the histogram for some of the domains suggested that high grade cuts were required if linear grade interpolation was to be carried out. As a result, variable high grade cuts between 30g/t and 50g/t Au were applied, resulting in a total of 10 composites being cut.<br>• Validation of the model included detailed comparison of composite grades and block grades by northing and elevation. Validation plots showed good correlation between the composite grades and the block model grades. |
| ***Moisture*** | • *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.* | • Tonnages and grades were estimated on a dry in situ basis. |
| ***Cut-off parameters*** | • *The basis of the adopted cut-off grade(s) or quality parameters applied.* | • The Mineral Resource has been reported at 2.0g/t Au cut-off.<br>• The reporting cut-off parameters were selected based on known underground economic cut-off grades at the MMGO. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***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 adjacent Beresford and Allanson deposits are currently being mined using underground techniques. It is assumed that there could be some open pit mining to the north of the existing Morgans North pit, with the remainder of the Phoenix Ridge deposit being mined with underground techniques. |
| ***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 ore is being processed at the adjacent Jupiter Processing Facility, part of the MMGO. Recoveries achieved to date are 90.9%. |
| ***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.* | • Westralia is an active underground mine at the Mount Morgans Gold Operation with all requisite environmental approvals in place. Phoenix Ridge forms part of the Westralia group of deposits |
| ***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.*<br>• *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.*<br>• *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.* | • DCN collected 13,722 density measurements since 2013. The vast majority of samples were in fresh rock. Ashmore extracted the density measurements within the various mineralisation and weathering zones and assigned averages in the block model.<br>• Bulk density is measured. Moisture is accounted for in the measuring process and measurements were separated for lithology and mineralisation.<br>• It is assumed there are minimal void spaces in the rocks at Phoenix Ridge. The Phoenix Ridge resource contains minor amounts of oxide and transitional material above the fresh bedrock. Values for these zones were derived from known bulk densities from similar geological terrains. |
| ***Classification*** | • *The basis for the classification of the Mineral Resources into varying confidence categories.*<br>• *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and* | • The Mineral Resource estimate is reported here in compliance with the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' by the Joint Ore Reserves Committee (JORC). The Mineral Resource |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *metal values, quality, quantity and distribution of the data).*<br>• *Whether the result appropriately reflects the Competent Person's view of the deposit.* | was classified as Measured, Indicated, and Inferred Mineral Resource based on data quality, sample spacing, and lode continuity. The Measured portion of the deposit was assigned to areas of the deposit defined by extensive open cut grade control drilling (20m strike spacing) with robust geological and grade continuity of the mineralisation. The Indicated Mineral Resource was defined within areas of close spaced diamond and RC drilling of less than 40m by 40m, and where the continuity and predictability of the lode positions was good. The Inferred Mineral Resource was assigned to areas of the deposit where drill hole spacing was greater than 40m by 40m, where small isolated pods of mineralisation occur outside the main mineralised zones, and to geologically complex zones.<br>• The input data is comprehensive in its coverage of the mineralisation and does not favour or misrepresent in-situ mineralisation. The definition of mineralised zones is based on high level geological understanding producing a robust model of mineralised domains. This model has been confirmed by infill drilling and underground mining, which supported the interpretation. Validation of the block model shows good correlation of the input data to the estimated grades.<br>• The Mineral Resource estimate appropriately reflects the view of the Competent Person. |
| ***Audits or reviews*** | • *The results of any audits or reviews of Mineral Resource estimates.* | • Internal audits have been completed by Ashmore and DCN which verified the technical inputs, methodology, parameters and results of the estimate. |
| ***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.*<br>• *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.*<br>• *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.* | • The lode geometry and continuity has been adequately interpreted to reflect the applied level of Measured, Indicated and Inferred Mineral Resource. The data quality is good and the drill holes have detailed logs produced by qualified geologists. A recognised laboratory has been used for all analyses.<br>• The Mineral Resource statement relates to global estimates of tonnes and grade.<br>• No recent mining by DCN has occurred at Phoenix Ridge, therefore reconciliation could not be conducted. |