

## PRELIMINARY MARCH QUARTER OPERATING RESULTS

### *Quarterly production and AISC in line with guidance as FY2021 preparations begin; Recapitalisation plan continues to move forward*

Dacian Gold Ltd (**Dacian Gold** or **the Company**) (ASX: DCN) is pleased to provide its preliminary operating results for the March quarter.

#### ***March Quarter Preliminary Operating Results***

Gold production for the March quarter of 31,695oz was within guidance of 30,000 - 33,000oz.

MMGO AISC of \$1,750 - \$1,850/oz is anticipated for the March quarter, which is in line with the Company's 2H FY2020 guidance when combined with the Company's June quarter AISC expectation of \$1,400 - \$1,500/oz.

The step-change in AISC for the June quarter is due to mining activities being predominantly in ore within the Heffernans open pit, as well as the reductions in underground capital spend that begun late in the March quarter.

The combined MMGO AISC for the March and June quarters is in line with the stated 2H FY2020 guidance of \$1,550 - \$1,650/oz.

During April, the Company will commence necessary pre-stripping activities at the Doublejay open pit to position itself for a successful FY2021 when the Company will begin its new three year outlook, underpinned by steady-state open pit production at competitive AISC margins.

Complete operating results will be provided with the Company's full quarterly release due by the end of April 2020.

#### ***COVID-19 Management Plan***

Dacian has been proactive in its response to COVID-19 and has implemented a number of protective measures in accordance with the Company's detailed COVID-19 Management Plan.

MMGO is continuing to operate unaffected by COVID-19 however, a number of changes have been made at the MMGO to minimise exposure and transmission risk for site personnel including strong adherence to physical distancing requirements and stringent hygiene standards.

Dacian's COVID-19 Management Plan includes:

- Remote working for non-essential site base personnel for both Dacian and its contractors
- Longer work rosters for both Company and Contractor personnel from 8 days on, 6 days off to 2 weeks on, 2 weeks off to reduce the frequency of travel
- All interstate- based essential site personnel have temporarily relocated to Western Australia

- Only using Company charter flights for site personnel where strict pre-boarding questionnaires and health checks can be enforced and passenger loads controlled to ensure compliance with physical distancing requirements
- As a contingency, a number of site-based personnel within the exploration and mine geology teams are being trained in entry-level processing plant operator roles, such that the plant can continue should members of the processing team fall ill or need to self-isolate
- The stock holding of various consumables and spares on site are currently at acceptable levels and suppliers of business-critical items have so far confirmed continuity of supply
- In the event a scaling-back of the operation is required, Dacian has multiple levers it can engage including the processing of stockpile material totalling 4.4Mt @ 0.6 g/t for 79,000oz (approximately 19 months of processing material)

### ***Recapitalisation Plan***

Dacian remains in ongoing discussions regarding the proposed recapitalisation of the Company. Accordingly, trading in the Company's shares will remain in suspension pending the finalisation of that recapitalisation proposal. Dacian anticipates providing an update on the outcome of this process early this current quarter.

This ASX announcement was approved and authorised for release by the Board of Dacian Gold Limited

For further information please contact:

Leigh Junk Dacian Gold Limited +61 8 6323 9000 leigh.junk@daciangold.com.au	Phil Russo Dacian Gold Limited +61 8 6323 9000 phil.russo@daciangold.com.au
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