19 DECEMBER 2013

INCREASE IN WESTRALIA RESOURCE TO 610,000oz LIFTS MT MORGANS PROJECT TO OVER 1 MILLION OUNCES

Dacian Gold Limited ("Dacian") is pleased to announce a Mineral Resource increase for the Westralia gold deposit to **3.2Mt at 5.9g/t Au for 610,000oz**.

The increase from the previously reported resource estimate of 364,000 ounces was largely due to the inclusion of mineralisation defined from Dacian's recent successful drilling of the high grade Millionaires Shoot. The Millionaires Shoot by itself comprises a high grade resource of **1.3Mt at 7.6g/t Au for 326,000oz**.

A summary of the updated Westralia Mineral Resource is shown below.

Westralia Deposit December 2013 Mineral Resource Estimate (2g/t Au Lower Cut-off)

Classification	Tonnes	Au g/t	Au Oz
Measured	**150,000**	**5.0**	**24,200**
Indicated	**951,000**	**5.2**	**158,000**
Inferred	**2,112,000**	**6.3**	**428,000**
Total	**3,213,000**	**5.9**	**610,000**

Significantly, the increase of the Mineral Resource for the Westralia deposit brings the total resource inventory for the Mt Morgans project to **9.2Mt at 4.0g/t for 1.17Moz**.

The 610,000oz Mineral Resource at Westralia is defined over a vertical interval of 570m giving an average endowment of over 1,000 ounces per vertical metre.

This major, high grade resource upgrade confirms the Westralia deposit as having the potential for development as an underground mine.

Managing Director Paul Payne commented "The discovery and delineation of the 326,000oz, high grade Millionaires Shoot in less than 12 months demonstrates the potential of the Mt Morgans project for the discovery of further substantial, high grade deposits with clear economic potential. In 2014, we will remain focused on adding further high quality ounces at Mt Morgans as we work towards achieving our goal of building Ore Reserves to underpin a standalone mining operation at the Project."

INVESTMENT HIGHLIGHTS

- 100% ownership of the high grade Mt Morgans Gold Project, Laverton District in WA
- Ore Reserve of 136,000oz at 6.2g/t Au
- Mineral Resources of 1.17Moz at 4.0g/t Au
- Multiple high grade drill targets
- Large scale conceptual targets
- Minimum ore reserve target of 500,000 ounces
- $15.3m in cash as at 30 September 2013

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Westralia Mineral Resource

Gold mineralisation at Westralia occurs within a well-defined, steep east-dipping banded iron formation (BIF) horizon from which approximately 900koz was produced up to 1998. Gold is associated with pyrrhotite and pyrite replacement of magnetite within zones of silica and albite alteration of the BIF. Previous mining at the deposit has demonstrated that the gold is free milling with good recoveries achieved from conventional CIL processing.

Open pit mining at the deposit was carried out to a maximum depth of 120m below surface. Underground mining then proceeded in the northern portion of the deposit to a depth of 240m. Several exploration drives and associated underground drilling was completed in the 1990s to explore the southern portion of the deposit and the geological and assay data from this work has been incorporated into the new Mineral Resource estimate. The extent of historic mining operations and the boundaries of the Mineral Resource are shown in Figure 1.

All mineralisation within the open pit and underground excavations has been excluded from the reported Mineral Resource. In addition, all remnant mineralisation around the main area of workings has been removed from this Mineral Resource estimate even though some areas remain unmined.

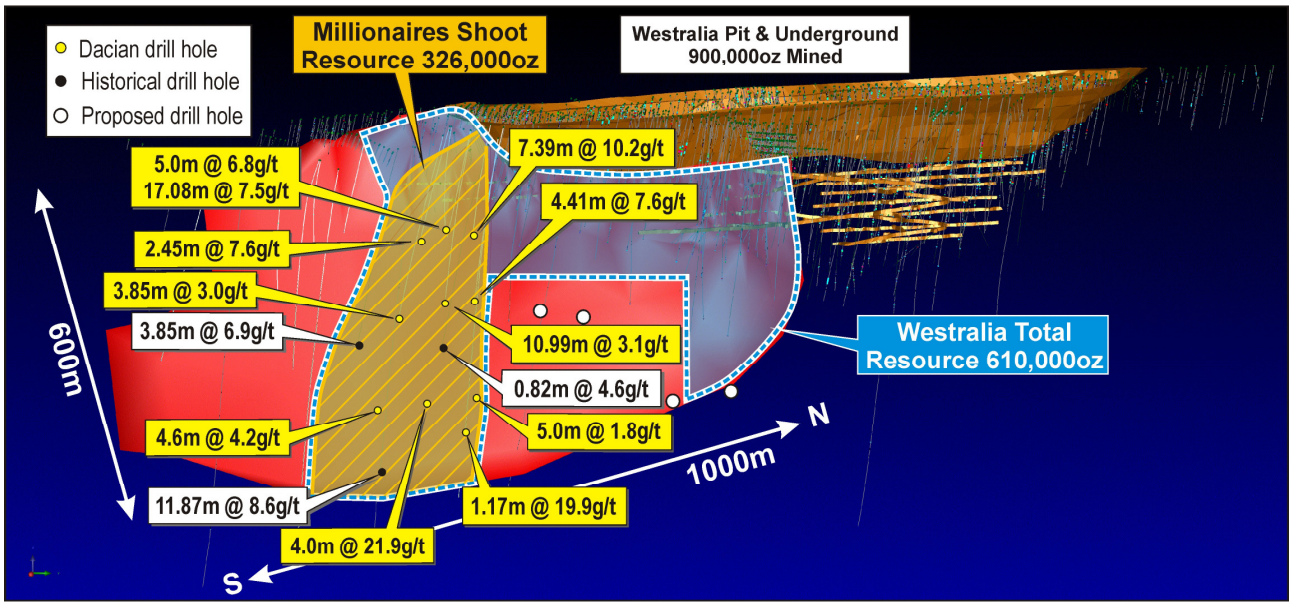

Figure 1: Westralia Deposit showing Mineral Resource boundaries, mine workings and Dacian drilling intersections

The Westralia resource estimate was prepared by consultants RungePincockMinarco Limited (RPM) in accordance with the guidelines of the JORC Code (2012 edition). The deposit has been delineated in the upper levels by face sampling of development drives, underground diamond drilling and surface diamond drilling and minor RC drilling. The deeper portion of the deposit has been delineated by surface diamond drilling. The Millionaires Shoot is largely defined by Dacian diamond drilling from 2013. The Mineral Resource has been reported at a 2g/t lower cut-off to reflect its potential development as an underground mining operation.

The Westralia resource has been estimated using 470 face sample lines, 167 RC holes and 97 diamond holes. Drilling in the deposit extends to a vertical depth of approximately 570m and the mineralisation was modelled to that depth. The estimate is based on good quality surface RC, surface and underground diamond drilling and face sampling data.

Core drilling was predominantly NQ diameter, with sampling based on geological intervals typically 0.2-1.5m in length. Core was cut in half to provide a sample weight of approximately 3kg. All RC drilling was sampled at 1m intervals in the mineralised zones.

Bulk density was determined from 796 samples from Dacian drill core. The density values used for the estimate were 3.12t/m^3 for mineralised BIF and 2.82t/m^3 for other mineralised rock types. This was consistent with historic density values used at the deposit.

Sample preparation and assay procedures for historic work have not been documented, however the work was carried out by contract laboratories using industry best practice at the time. QAQC procedures for historic data were not documented however Dacian drilling has returned results consistent with the historic drilling.

Dacian samples were submitted to Bureau Veritas laboratories in Kalgoorlie and Perth. Samples were crushed and pulverized then sub-sampled for a 40g fire assay with ICP or AAS analysis. Since commencement of drilling, Dacian has implemented a consistent QAQC system utilising standards, blanks and duplicate samples. Results have been satisfactory.

The deposit was estimated by RPM using Ordinary Kriging grade interpolation, constrained by resource outlines based on geological interpretation of the BIF horizons. Mineralisation envelopes were prepared using a nominal 0.5g/t Au cut-off grade. The Millionaires Shoot was domained separately with hard boundaries used for estimation.

The block dimensions used in the model were 20m NS by 5m EW by 10m vertical with sub-cells of 2.5m by 0.625m by 1.25m and the model was rotated -30° to match the approximate strike of the mineralisation. Samples were composited to 1m intervals for estimation. A high grade cut of 70g/t Au was determined by statistical analysis and applied to the 1m composite data within certain lodes.

The resource 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 and underground grade control drilling (10m strike spacing) and face sampling which confirmed the 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 30m by 30m, 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 30m by 30m, where small isolated pods of mineralisation occur outside the main mineralised zones, and to geologically complex zones.

A summary of the Mineral Resource is shown in Table 1.

Table 1: Westralia Deposit December 2013 Mineral Resource Estimate (2g/t Au Cut-off)

Millionaires Shoot

Classification	Tonnes	Au g/t	Au Oz
Measured	35,000	4.0	4,500
Indicated	146,000	5.9	27,600
Inferred	1,151,000	8.0	294,200
Total	**1,331,000**	**7.6**	**326,300**

Westralia Other Zones

Classification	Tonnes	Au g/t	Au Oz
Measured	115,000	5.3	19,700
Indicated	805,000	5.0	130,300
Inferred	961,000	4.3	133,800
Total	**1,881,000**	**4.7**	**283,700**

Total Mineral Resource

Classification	Tonnes	Au g/t	Au Oz
Measured	150,000	5.0	24,200
Indicated	951,000	5.2	158,000
Inferred	2,112,000	6.3	428,000
Total	**3,213,000**	**5.9**	**610,000**

About Dacian Gold Limited

Dacian Gold Limited is a well-funded, Western Australian focused gold exploration and development company, headquartered in Perth. In November 2012, the company raised $20 million in its IPO to explore its 100% owned Mt Morgans gold project, located in the Laverton District of Western Australia's North Eastern Goldfields.

The Mt Morgans Project hosts high grade Mineral Resources of 1.2 million ounces at an average grade of 4.0g/t gold, including JORC Code compliant Ore Reserves of 136,000 ounces at an average grade of 6.2g/t gold. In addition, the Company has identified multiple exploration targets and resource extension opportunities. If proven, they will enable growth of the Mt Morgans' existing Mineral Resource and Ore Reserve base.

Dacian Gold has a strong Board and Management team which includes Rohan Williams as non-executive Chairman and Paul Payne as Managing Director; and Robert Reynolds (formerly non-executive Chairman of Avoca Resources Ltd) and Barry Patterson (co-founder and non-executive Director of GR Engineering Ltd) as non-executive directors.

Dacian's exploration strategy at Mt Morgans is aimed at delivering on the company's corporate objective of defining at least 500,000 ounces of Ore Reserves at Mt Morgans. Dacian considers mining an Ore Reserve of at least 500,000 ounces of gold is reasonably likely to provide sufficient returns to justify the investment capital required to construct an ore processing facility at the project.

For further information visit: www.daciangold.com.au or please contact:

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Mineral Resources and Ore Reserves

A summary of the Mineral Resources and Ore Reserves at the Mt Morgans Project is shown below.

Mt Morgans Gold Project Mineral Resources

Deposit	Cutoff Grade Au g/t	Measured			Indicated			Inferred			Total		
		Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz
King Street	0.5							532,000	2.0	33,000	532,000	2.0	33,000
Jupiter	1.5							811,000	2.8	73,000	811,000	2.8	73,000
Westralia	2.0	150,000	5.0	24,000	951,000	5.2	158,000	2,112,000	6.3	428,000	3,213,000	5.9	610,000
Craic	0.5				69,000	8.2	18,000	120,000	7.1	27,000	189,000	7.5	46,000
Transvaal	0.5	1,549,000	3.2	159,000	1,176,000	2.7	102,000	926,000	2.2	66,000	3,650,000	2.8	327,000
Ramornie	0.5				189,000	3.6	22,000	138,000	2.8	13,000	326,000	3.3	34,000
Morgans North	0.5				290,000	2.6	25,000	169,000	3.8	20,000	459,000	3.1	45,000
Total		**1,699,000**	**3.4**	**184,000**	**2,674,000**	**3.8**	**324,000**	**4,808,000**	**4.3**	**660,000**	**9,180,000**	**4.0**	**1,168,000**

Mt Morgans Gold Project Ore Reserves

Deposit	Cutoff Grade Au g/t	Proved			Probable			Total		
		Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz
Craic	3.9			-	28,000	9.2	8,000	28,000	9.2	8,000
Transvaal	3.4	380,000	6.2	76,000	271,000	6.0	52,000	651,000	6.1	128,000
Total		**380,000**	**6.2**	**76,000**	**299,000**	**6.3**	**61,000**	**679,000**	**6.2**	**136,000**

Competent Person Statement

The information in this report that relates the Westralia Mineral Resource is based on information compiled by Mr Trevor Stevenson who is a Fellow of The Australasian Institute of Mining and Metallurgy, a member of MICA and a full time employee of RPM. Mr Stevenson 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 Stevenson 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 (other than Westralia), Exploration Targets and Exploration Results is based on information compiled by Mr Paul Payne, a director and full time employee of Dacian Gold Limited and a Member of The Australasian Institute of Mining and Metallurgy. The information in this report that relates to Ore Reserves is based on information compiled by Mr Bill Frazer, a director and full time employee of Mining One Pty Ltd and a Member of The Australasian Institute of Mining and Metallurgy. Mr Payne and Mr Frazer have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Payne and Mr Frazer consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

APPENDIX 1 – JORC TABLE 1

The following Table and Sections are provided to ensure compliance with the JORC Code (2012) edition requirements for the reporting of exploration results and Mineral Resources.

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.*	• Drill holes used in the resource estimate included 470 face sample lines (FACE), 167 reverse circulation holes (RC), 82 diamond holes (DD), and 15 RC holes with diamond tails (RCD) for a total of 2,715m within the resource wireframes. Rotary air blast (RAB) and underground sludge (S) drilling were also carried out, but were not used in the estimate. Holes were generally angled towards grid southwest to optimally intersect the mineralised zones.
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	• Drill hole collar locations and down hole surveys were carried out by contract surveyors. RC samples were collected by a cone splitter at the rig and split with a riffle splitter to obtain duplicate samples. Diamond half core samples were always taken from the same side of the core. Sampling and QAQC procedures were carried out to industry standards.
	• *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.*	• Historical RC samples were collected at 1m intervals. RC sampling intervals for DCN drilling were determined initially by the supervising project geologist based on the observation of favourable alteration assemblages and structural characteristics. Where favourable geology was observed, 1m cone split samples were collected. Typically 1m samples were collected 4m either side of the favourable zone to ensure the entire mineralised zone was captured. The remainder of the hole was sampled using 4m composites using a sample spear. If any of the 4m composites returned a grade greater than 0.1g/t Au, the 1m samples for that interval were collected and sent to the lab for analysis. When received by the laboratory, RC samples were sorted and then dried. Diamond core was sampled as half core at 1m intervals or to geological contacts. Core was sampled 10 to 15m either side of visible mineralisation or alteration. After the sample was prepared by the laboratory a 40g split of each sample was then subject to fire assay with Pb collection, and analysed using ICP-AES.
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*	• RC drilling used a 140mm diameter face sampling bit. Diamond drilling was carried out with NQ2 sized equipment with standard tube. Diamond core was orientated using a Reflex orientation tool,

Criteria	JORC Code explanation	Commentary
	diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	marking the bottom of the drill hole. Underground face samples were collected as representative grab samples of geological units.
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.*	• Recoveries from historical drilling are unknown. Recoveries from DCN drilling were recorded in the database with no significant issues noted. • RC samples were visually checked for recovery, moisture and contamination. Diamond core recovery was recorded in the drill logs. • No relationship exists between sample recovery and grade for DCN drilling. For historical drilling, it is unknown if sample recovery and grades are related.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *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. • Logging of diamond core and RC samples recorded lithology, mineralogy, mineralisation, weathering, colour and other features of the samples. For DCN drilling, diamond core was photographed both wet and dry. • 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.* • *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*	• NQ2 core was cut in half using a core saw. All samples were collected from the same side of the core. • Historical RC samples were collected at the rig using riffle splitters. Samples were wet below the water table. DCN RC samples were collected at the rig using rig mounted cone splitters and all samples were dry. • Sampling of diamond core and RC chips used industry standard techniques. After drying the sample was subject to a primary crush, then pulverised so that 90% passed a 75um sieve. • Apart from the Plutonic drill programs, detailed information on the QAQC programs implemented prior to 2013 were not available. No standards or blanks were submitted with the Plutonic drilling. Repeats were selected randomly by the laboratory. No check sampling was routinely carried out, resampling of coarse rejects was done when assays could not be reconciled with the local geology or with location. Field QC procedures for DCN drilling involved the use of certified reference materials (1 in 20), blanks (1 in 50) and duplicates (taken through significant intervals). • Field duplicates were taken on 1m

Criteria	JORC Code explanation	Commentary
	field duplicate/second-half sampling. • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	composites for RC using a riffle splitter and results were acceptable. • Sample sizes are considered appropriate to correctly represent the moderately nuggetty gold mineralisation based on: the style of mineralisation, the thickness and consistency of the intersections, the sampling methodology and assay value ranges for Au.
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 (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• The analytical techniques used a fire assay with Pb collection, with an ICP-AES or AAS finish. This method approaches total dissolution of most minerals. Samples were analysed at Bureau Veritas Laboratories in Perth and Kalgoorlie, Western Australia. • No geophysical tools were used to determine any element concentrations used in this resource estimate. • For DCN drilling, sample preparation checks for fineness were carried out by the laboratory as part of internal procedures to ensure the grind size of 90% passing 75µm was being attained. 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. There was notable variation in high grade duplicates. All intra laboratory repeats returned satisfactory results. No independent laboratory checks have been completed to date.
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.*	• RPM has independently verified significant intersections of mineralisation by inspecting drill core from the 2013 drilling at the DCN core yard. • No twin holes were drilled. • Primary data was collected into either an Excel spread sheet or GEOBANK software and then imported into a Data Shed database. • 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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Prior to 2009, drill hole collar coordinates were tied to a local grid. Since then all collar positions have been surveyed with a DGPS system. • The MGA 1994 grid system has been used. The historic holes surveyed in local grid have been transformed into MGA 1994. • Topographic surface uses 50m Lidar data.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is*	• The nominal drill hole spacing is 40m by 40m with infill drilling to 10m by 10m. Face samples were taken every 2m on underground drive faces. • The mineralised domains have

Criteria	JORC Code explanation	Commentary
	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.*	demonstrated sufficient continuity in both geological and grade continuity to support the definition of Mineral Resource, and the classifications applied under the 2012 JORC Code. • Samples have been composited to 1m lengths using best fit techniques. One residual sample length was excluded.
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.*	• Drill holes are angled to grid southwest, which is approximately perpendicular to the orientation of the mineralised trend. • 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 in a locked yard. Samples are then collected for transport by truck to Bureau Veritas Laboratories in Perth or Kalgoorlie. DCN personnel have no contact with the samples once they are picked up for transport to the laboratory. 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.*	• RPM reviewed RC and diamond core sampling techniques during the October 2013 site visit. RPM concludes that sampling techniques are conducted to industry standards.

APPENDIX 2 – JORC TABLE 2

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	• The deposit is located within Mining Lease 39/18, which is wholly owned by Dacian and subject to a 1% third party production royalty. • . • The tenements are in good standing with no known impediment to future grant of a mining lease
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Extensive mining has occurred at Westralia since the 1890's. Previous companies to have held the ground include Whim Creek Consolidated NL, Dominion Mining Limited, Plutonic Resource Limited, Homestake Gold Limited, Barrick Gold Corporation and Range River Gold Limited.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Westralia gold deposit is a BIF hosted, sulphide replacement ore body located in

Criteria	JORC Code explanation	Commentary
		the Eastern Goldfields Super Terrane within the Yilgarn Craton of Western Australia.

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:*
	  • *easting and northing of the drill hole collar*
	  • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  • *dip and azimuth of the hole*
	  • *down hole length and interception depth*
	  • *hole length*
	• *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.*
		• Drill hole locations and the resource wireframes are shown in Figure 1 of this report.
		• In the opinion of DCN material drill results have been adequately reported previously to the market as required under the reporting requirements of the ASX Listing Rules.

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. • Not applicable as a Mineral Resource is being reported. • Metal equivalent values are not being reported.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g.'down hole length, true width not known').*	• Drill holes are angled to grid southwest, which is approximately perpendicular to the orientation of the mineralised trend.
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 Mineral Resource report 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.* • *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.*	• Drill holes have been accurately located by contract surveyor using the MGA94 grid system. • Exploration results are not being reported.

Criteria	JORC Code explanation	Commentary
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.*	• Resource infill drilling has progressed over several campaigns as the size and extent of the mineralisation became clear.
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.*	• Further infill drilling is planned. Ongoing characterisation of the ore deposit is intended to optimise the resource and will be reported when complete. • Refer to diagrams in the body of text within the Mineral Resource Report.

APPENDIX 3 – JORC TABLE 3

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.* • *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. • 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 is 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.* • *If no site visits have been undertaken indicate why this is the case.*	• A site visit was conducted by Shaun Searle of RPM during October 2013. Shaun conducted the visit on behalf of Trevor Stevenson of RPM, who is acting as the Competent Person. Shaun inspected the deposit area, drill core, outcrop, the Westralia open 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. • Not applicable.

Criteria	JORC Code explanation	Commentary
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *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 visual confirmation in outcrop and within the Westralia open pit. • Geochemistry and geological logging has been used to assist identification of lithology and mineralisation. • 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. • Outcropping of mineralisation and host rocks within the open pit confirm the geometry of the mineralisation. • Infill drilling and mining 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 Westralia resource area extends over a SE-NW strike length of 1,250m (from 6,816,245mN – 6,817,220mN), has a maximum width of 40m (409,480mE – 409,520mE) and includes the 600m vertical interval from 455mRL to -145mRL.
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.* • *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*	• Using parameters derived from modelled variograms, Ordinary Kriging (OK) was used to estimate average block grades in four passes using Surpac software. Linear grade estimation was deemed suitable for the Westralia Mineral Resource due to the geological control on mineralisation. Maximum extrapolation of wireframes from drilling was 60m down-dip. This was half drill hole spacing in this region of the deposit. Maximum extrapolation was generally half drill hole spacing. • Reconciliation could not be conducted due to the absence of mining stope shapes for the underground mining completed by Plutonic. To be conservative, an all-encompassing void wireframe was constructed. Mined material from the hanging wall BIF unit within this void wireframe reports 157,000t at 3.9g/t Au for 19,800 ounces at a 2g/t Au cut-off. Material north of 6,817,220mN was not wireframed or estimated as the deposit is presumed to be mined out or unrecoverable to the north. Therefore, the reported production between November 1994 to January 1998 of 711,940t at 3.7g/t Au for 77,178 ounces cannot be directly reconciled with the current block model, however it is noted that the grades were similar. • No recovery of by-products is anticipated. • Only Au was interpolated into the block model.

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	(eg 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.*	• The parent block dimensions used were 20m NS by 5m EW by 10m vertical with sub-cells of 2.5m by 0.625m by 1.25m. The model was rotated -30° to align with the general strike of the mineralisation. The parent block size dimensions were selected to provide sufficient resolution to the block model in the across-strike and down-dip direction. The along-strike block size was selected to adequately reflect the combination of close spaced (less than 2m) face sampling along ore drives spaced at 20m, and exploration drilling on a nominal 40m spacing along strike. • 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 derived from Objects 1, 2, 8 and 9. Three passes were used for each domain. First pass had a range of 50 to 60m, with a minimum of 10 samples. For the second pass, the range was extended to 100 to 120m, with a minimum of 6 samples. For the final pass, the range was extended to 300 to 400m, with a minimum of 2 samples. A maximum of 40 samples was used for all 4 passes.
	• *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	• No assumptions were made on selective mining units. • Only Au assay data was available, therefore correlation analysis was not possible. • 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. • Statistical analysis was carried out on data from 9 lodes. The high coefficient of variation and the scattering of high grade values observed on the histogram for some of the objects suggested that high grade cuts were required if linear grade interpolation was to be carried out. As a result a high grade cut of 70g/t was applied, resulting in a total of 11 samples being cut. • Validation of the model included detailed comparison of composite grades and block grades by strike panel 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. No moisture values were reviewed.

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Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• The Mineral Resource has been reported at a 2g/t Au cut-off based on assumptions about economic cut-off grades for underground mining.
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.*	• RPM has assumed that the deposit could potentially be mined using underground techniques. Underground mining has previously occurred at Westralia prior to the 1930's and open pit and underground mining occurred during the 1990's.
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.*	• Metallurgical testing was carried out on samples from Westralia Underground and Westralia Deeps in 1992. Test work results indicated significant gravity recoverable gold was evident in the tested ore samples, but the Westralia Deeps samples were particularly sensitive to grind size. Gold recoveries of >95% and >90% were achieved with cyanidation leaching at grind sizes <75µm for the Westralia Underground and Westralia Deeps samples respectively. • It is assumed that extraction of gold will be achieved by gravity and cyanide leaching methods, with recoveries greater than 90% based on these results.
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.*	• No assumptions have been made regarding environmental factors. Historical mining has occurred at the Westralia deposit. DCN will work to mitigate environmental impacts as a result of any future mining or mineral processing.
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.*	• DCN collected 1,086 specific gravity measurements during the 2013 drilling program. All samples were in fresh rock. RPM extracted the specific gravity measurements that coincided with the geological logging. Any measurements that transgressed logged intervals were not extracted. In total, 796 samples coincided within the geological logging intervals. RPM then subdivided the measurements

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	• *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.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	into BIF and non-BIF lithologies and determined whether the measurements were in waste or mineralisation. • Bulk density is measured. Moisture is accounted for in the measuring process and measurements were separated for lithology and mineralisation. • It is assumed there are minimal void spaces in the rocks at Westralia. The Westralia 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.* • *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 metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• 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 resource 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 and underground grade control drilling (10m strike spacing) and face sampling which confirmed the 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 30m by 30m, 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 30m by 30m, where small isolated pods of mineralisation occur outside the main mineralised zones, and to geologically complex zones. • 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 which supported the interpretation. Validation of the block model shows good correlation of the input data to the estimated grades. • 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 RPM which verified the technical inputs, methodology, parameters and results of the estimate.

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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 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.*	• The Westralia Mineral Resource estimate has been reported with a high degree of confidence. The continuity of the main lodes have been defined by good quality close spaced drill and face samples, and the resultant block estimates have accurately reflected the composite input data. The confidence in the estimate is further highlighted by the classification of Measured and Indicated material within the deposit. • The Mineral Resource statement relates to global estimates of tonnes and grade. • Reconciliation could not be conducted due to the absence of mining stope shapes for the underground mining completed by Plutonic.