QUARTERLY ACTIVITIES REPORT

September 2020

DACIAN GOLD

ASX:DCN

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ASX RELEASE
28 October 2020

Issued Capital as at 30 September 2020
556.5M shares outstanding

Market Capitalisation as at 30 September 2020
$189M @$0.34

BOARD

Ian Cochrane
Non-Executive Chairman

Leigh Junk
Managing Director

Barry Patterson
Non-Executive Director

Robert Reynolds
Non-Executive Director

SUBSTANTIAL SHAREHOLDERS
as at 30 September 2020

Franklin Templeton (7.6%)
Sun Valley Gold (5.0%)
Van Eck Global (4.8%)
Acadian Asset Mgmt (4.4%)

REGISTERED OFFICE
Level 2, 1 Preston Street
Como WA 6152
Australia

SEPTEMBER 2020 QUARTERLY ACTIVITIES REPORT

Mt Morgans Gold Operation (MMGO)

- 32,799 ounces recovered in September quarter at an AISC of $1,315/oz
- Ore production predominantly from the Heffernans open pit at Jupiter
- Total development capital spend for the September quarter of $9.5 million
- Underground mining activities ceased at Westralia at the end of August as planned

Corporate

- Cash and unsold gold on hand at 30 September 2020 of $38.5 million
- Debt at 30 September 2020 of $39.1 million following a repayment of $25.0 million
- Subsequent to quarter end remaining hedge commitments were restructured which will bolster near-term cash flows
- Total forward hedge position following restructure is 61,488 ounces at an average gold price of $2,101/oz

Exploration

- Infill and expansionary drilling conducted at Mt Marven, Phoenix Ridge, and McKenzie Well
- Results released from Mt Marven indicate a strongly mineralised trend along strike from the open pit, extending mineralisation a further 800m beyond the current pit design, highlights included:
  - 3m @ 21.79 g/t Au from 27m in 20MVRC0019
  - 3m @ 6.42 g/t Au from 1m in 20MVRC0039
  - 12m @ 1.41 g/t Au from 23m in 20MVRC0014
- Assessment of geophysics and geochemistry datasets conducted across entire land package

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Dacian Gold Limited (Dacian Gold or the Company) (ASX: DCN) is pleased to provide its operating and financial results for the quarter ending 30 September 2020.

Managing Director, Leigh Junk, commented: "Momentum is building with this good start to the financial year. Our operations delivered in line with expectations and our exploration team are having success, particularly the recent results at Mt Marven which look extremely encouraging. Our restructured hedge book now better aligns with our production profile which will provide more cash to the business for the remainder of the financial year due to increased participation in higher spot prices. We look forward to building on these outcomes for the remainder of the year."

OPERATIONS

OVERVIEW

The Company's rolling Total Recordable Injury Frequency Rate (TRIFR) was 24.5 at the end of the quarter (versus 23.3 previously). Recordable injuries include those that result in any days lost from work or where an employee or contractor can only perform part of their normal work, as well as any injury that requires medical treatment.

The Mt Morgans Gold Operation (MMGO) recovered 32,799 ounces during the September quarter at an AISC of $1,315/oz, tracking well against FY2021 production guidance of 110,000-120,000 ounces at an AISC of between $1,400-$1,550/oz.

OPEN PIT

A total of 1,019,998 tonnes @ 1.2 g/t gold containing 38,068 ounces was mined from the Jupiter open pit during the June quarter, with 692,848 tonnes @ 1.4g/t gold containing 31,822 ounces delivered to the processing plant ROM pad for treatment (see Table 1).

At Jupiter, the Heffernans sub-pit was the dominant source of high-grade ore feed to the processing plant during the quarter, while pre-stripping of the Doublejay sub-pit continued as planned.

Mining of the Mt Marven pit commenced in July as planned, with ore contribution increasing as the quarter progressed.

Key Open Pit Statistics	Unit	September Q
Ore Mined – to ROM	t	692,848
Mined Grade	g/t	1.4
Contained Gold Mined	oz	31,822
Ore Mined – to Stockpile	t	327,150
Mined Grade	g/t	0.6
Contained Gold Mined	oz	6,246
Ore Mined – Total	t	1,019,998
Mined Grade	g/t	1.2
Contained Gold Mined	oz	38,068
Waste Mined	t	6,179,341
Total Material Mined	bcm	2,794,196
Open Pit Mining Cost	$/t material moved	3.90

Table 1: *Key Open Pit Statistics for the September Quarter at MMGO*

A total of 2.8M bcm of material was mined from all pits during the quarter, of which 1.2M bcm was attributed to pre-stripping of Doublejay.

Mining activities at Jupiter during the December quarter will see Heffernans remain the dominant source of high-grade ore feed to the processing plant and pre-stripping at Doublejay continue. Mining at Mt Marven will continue during the quarter with ore production increasing throughout FY2021.

A total of 22,060m of RC grade control drilling was completed during the quarter across the Heffernans, Doublejay and Mt Marven pits. Resource definition drilling at Ganymede commenced for potential conversion of the Ganymede Mineral Resource to Ore Reserves.

The open pit mining cost of $3.90/t of total material moved was improved on the previous quarter ($4.36/t), which was largely a function of mining a greater volume of material from Doublejay.

UNDERGROUND

The Westralia underground mined 60,317 tonnes @ 4.5 g/t gold for 8,782 contained ounces during the September quarter (see Table 2).

All ore was produced from previously developed stopes until the end of August, after which the mine was placed on care and maintenance.

As previously reported, the Company is progressing a scoping study on an underground mining strategy. During the quarter, the first phase of an underground diamond drilling program at Westralia was completed, which aimed to infill ore blocks currently classified as Inferred Mineral Resource across the Beresford North and Allanson mine areas. A total of 12,008m were drilled with geological interpretation and estimation to be updated ahead of mining study work.

The underground mining cost for the quarter was $133/t, inclusive of the cost of mining contractor demobilisation.

Key Underground Statistics	Unit	September Q
Stope Ore Mined	t	60,317
Development Ore Mined	t	-
Total Ore Mined	t	60,317
Mined Ore Grade	g/t	4.5
Contained Gold Mined	oz	8,782
Metres Developed – Capital	m	14
Metres Developed – Operating	m	-
Total Development	m	14
Underground Mining Cost	$/t ore mined	133

Table 2: *Key Underground Statistics for the September Quarter at MMGO*

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PROCESSING

A total of 707,040 ore tonnes were processed during the quarter at an average feed grade of 1.6 g/t gold containing 35,581 ounces (see Table 3).

A total of 32,799 ounces was recovered for the September quarter, representing a plant recovery of 92.2%.

Key Processing Statistics	Unit	September Q
Ore Milled	t	707,040
Processed Grade	g/t	1.6
Contained Gold	oz	35,581
Gold Recovery	%	92.2%
Processing Cost	$/t	17.15
G&A Cost	S/t	3.21
Gold Recovered	oz	32,799
Gold Sold	oz	34,017
Gold-on-Hand	oz	1,108
Average Sale Price	A$/oz	2,142

Table 3: *Key Processing Statistics for the September Quarter at MMGO*

EXPLORATION

The Company has been active across its large tenement package with multiple exploration work streams advancing during the quarter. Exploration activities were focused in the following areas:

- Infill and expansionary drilling programs at the Mt Marven, Phoenix Ridge and McKenzie Well deposits were completed with further results expected during the December quarter.
- Initial diamond drilling at Mt McKenzie was also completed, testing the stratigraphy and historical RC drilling with results expected during the December quarter.
- Assessment of the Company's geophysical and geochemical datasets were initiated over all tenements, including the Mt Margaret Dome, Lake Carey and Yundamindera geological domains.

During the September quarter, the Company completed the following drilling across its key exploration targets:

- Mt Marven: 44 Reverse Circulation (RC) holes for 5,671m – results released
- Phoenix Ridge: 11 RC holes for 1,440m – additional results pending
- McKenzie Well: 39 RC holes for 2,984m – results pending
- Mt McKenzie: 12 Diamond Drill (DD) holes for 3,884m – results pending
- Cameron Well: 6 RC holes for 1,002m and 12 DD holes for 3,905m – program ongoing

At the Cameron Well project, drilling programs commenced that included framework diamond drilling aimed at delineating structural trends at the deposit with results due later in FY2021. Geochemical anomaly testing at several targets within Cameron Well is also planned in the current quarter, including Mayan Star, Thestral, Piccolo Star and Purple Congo.

Resource definition drilling of the Ganymede deposit at Jupiter commenced, with completion expected during the December quarter.

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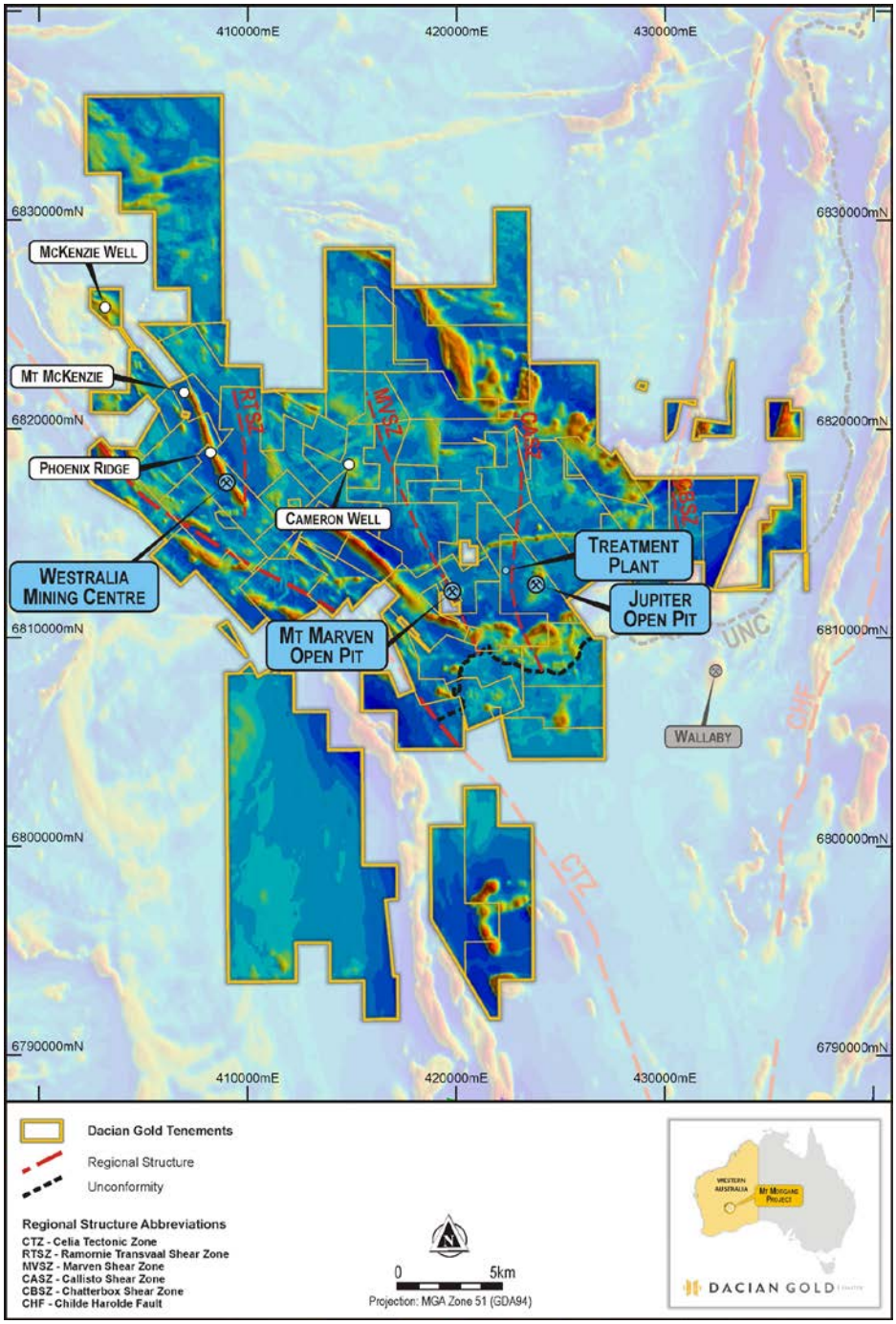


Figure 1: *Regional locations of Dacian's operations and exploration projects*

MT MARVEN OPEN PIT

The Company released a total of 44 RC holes at Mt Marven that were completed on an approximately 80m x 120m drill spacing (see ASX announcement 23 October 2020). The program was aimed at testing future open pit potential in the vicinity of the existing Ore Reserve. The drilling highlights a strong mineralised trend coincident with the strike of the Marven Shear Zone (MVSZ) and linking with the active open pit.

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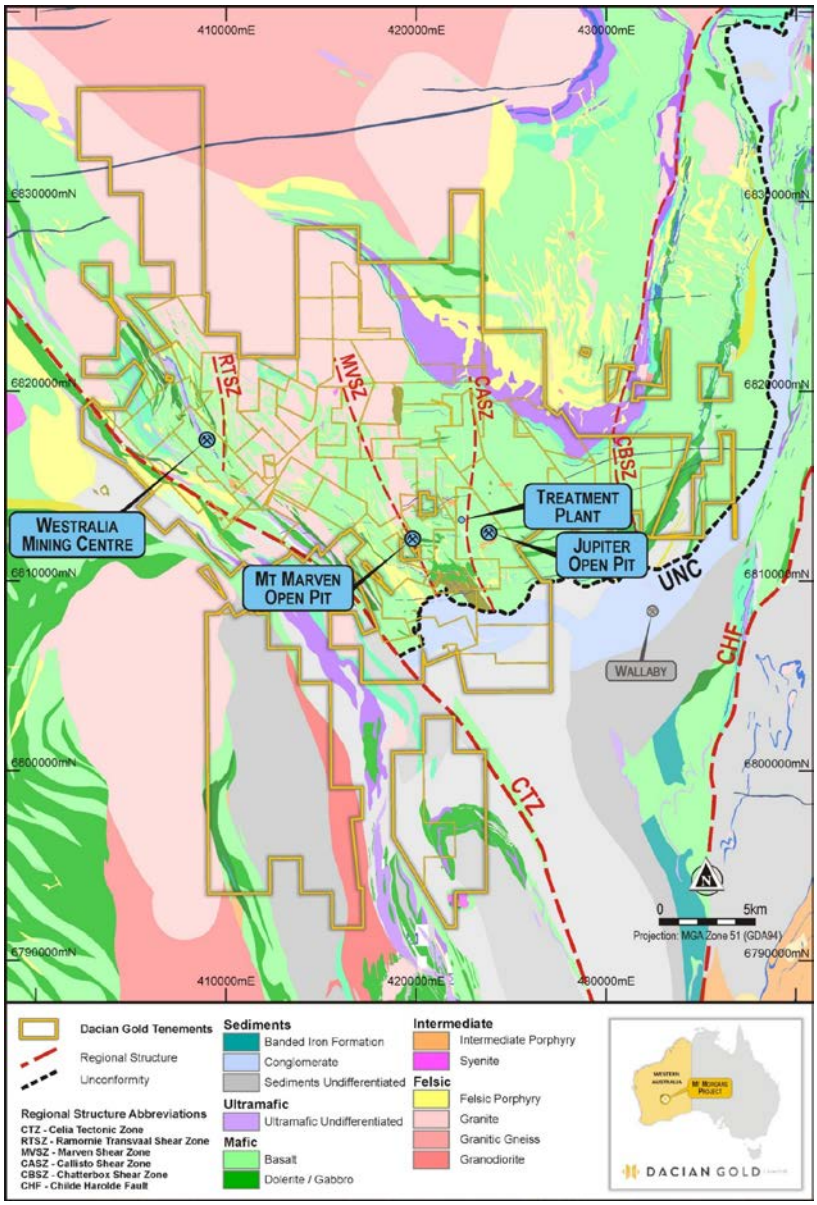


***Figure 2**: Regional Geology of Dacian's tenement package showing major regional structures and key mining centres*

Significant intercepts from the initial RC program include:

- 3m @ 21.79g/t Au from 27m in 20MVRC0019
- 3m @ 6.42g/t Au from 1m in 20MVRC0039
- 12m @ 1.41g/t Au from 23m in 20MVRC0014
- 2m @ 5.97g/t Au from 58m in 20MVRC0031
- 3m @ 3.13g/t Au from 13m in 20MVRC0031
- 2m @ 4.05g/t Au from 79m in 20MVRC0021
- 2m @ 3.96g/t Au from 112m in 20MVRC0015
- 2m @ 3.64g/t Au from 89m in 20MVRC0020
- 4m @ 1.49g/t Au from 39m in 20MVRC0014
- 4m @ 1.43g/t Au from 18m in 20MVRC0019

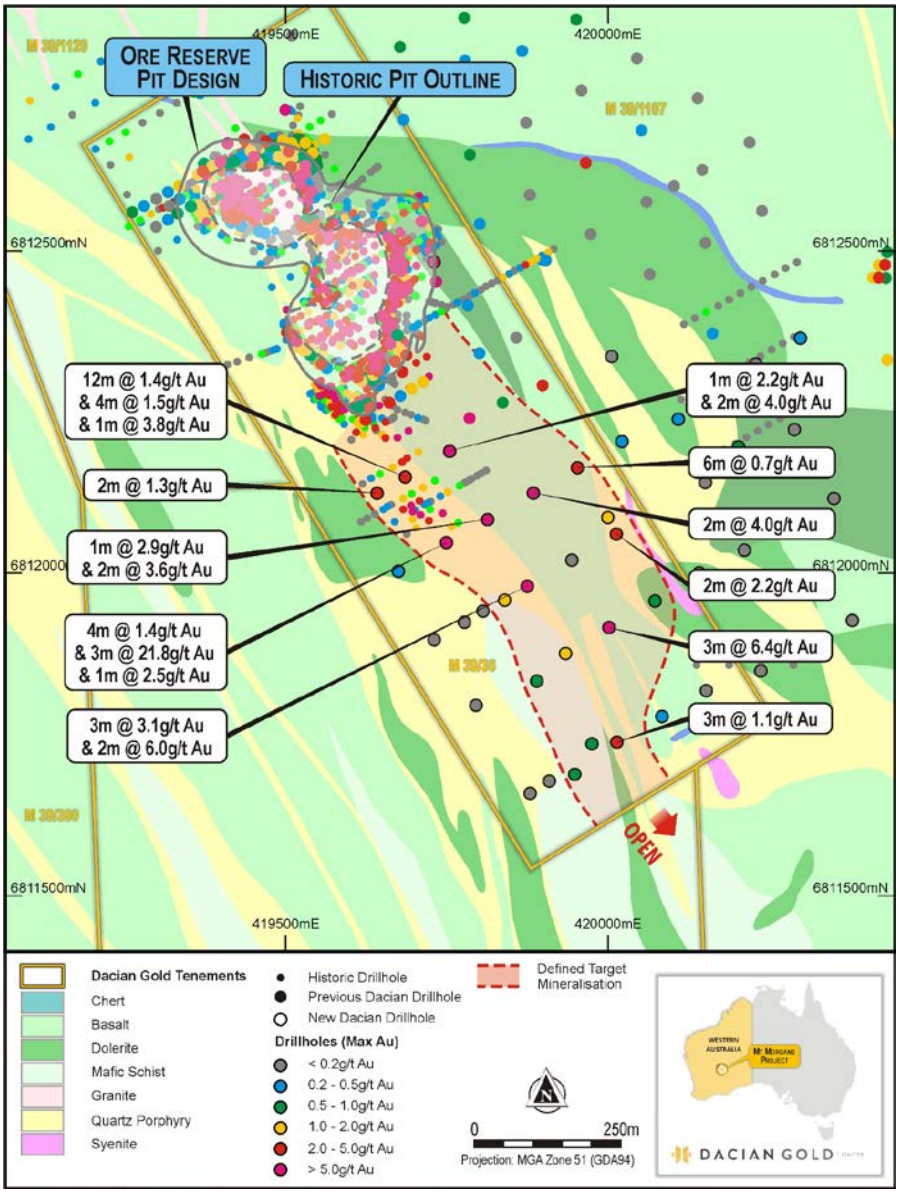


Figure 3: *Map of the Mt Marven project area showing the location of Dacian's RC holes along strike to the south of the open pit*

This newly defined continuation of high-grade mineralisation is currently delineated over a length of approximately 800m beyond the limit of the current open pit design for Mt Marven and remains open at depth and along strike.

Next Steps

Dacian plans to immediately commence drilling this target extension south of Mt Marven to:

- Infill to 40m x 40m of the existing broad spaced lines to assess the continuity of the high-grade mineralisation along strike of the new anomaly and down-dip to an initial depth of 120m;
- Investigate the presence of any potential parallel lodes to the existing Mt Marven open pit; and
- Commence work towards an updated Mineral Resource estimate.

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FINANCE

As at 30 September 2020 the Company had total cash and unsold gold on hand of $38.5 million. Total debt remaining on the Company's project loan facility was $39.1 million.

The table below summarises the Company's cash, gold-on-hand and debt position as at 30 September 2020.

Key Cash/Debt Statistics	$M
Cash	36.0
Gold-on-Hand (1,108 ounces)	2.5
Total Cash and Gold	**38.5**
Debt	(39.1)
Net Cash/(Debt)	**(0.6)**

Table 4: *Net Cash/(Debt) Analysis*

Figure 4 below summarises the cash movements for the September quarter. Total cash reduced quarter-on-quarter as a result of the $25.0 million debt repayment and planned development capital expenditure (comprised predominantly of Doublejay open pit waste stripping and underground resource drilling and evaluation).

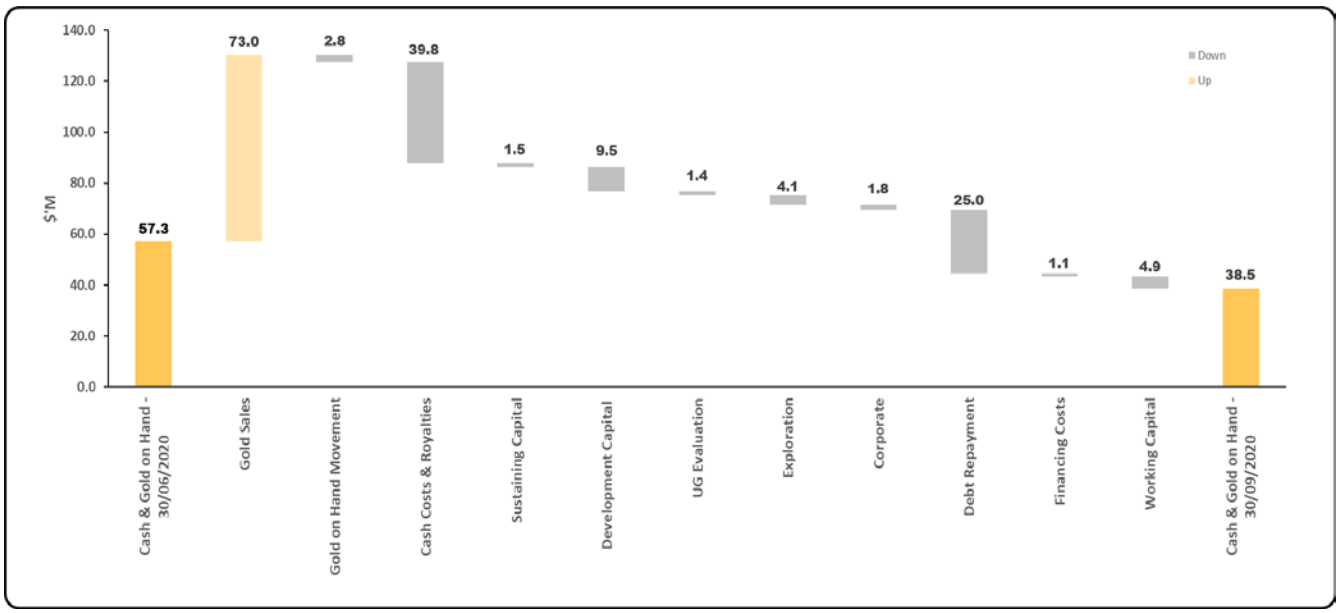


Figure 4: *September Quarter Cash Movements*

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A summary of the key cash costs, AISC and other statistics for the September quarter are in Table 5 below.

Key Cost Statistics	$M	$/t milled	$/oz
Mining	25.3	35.8	771
Processing	12.1	17.1	370
Site Administration	2.3	3.2	69
Silver credits	(0.2)	(0.2)	(4)
Inventory Movement	(1.7)	(2.4)	(52)
Cash Cost[1]	**37.8**	**53.5**	**1,154**
Royalties	2.0	2.8	60
Capital (Sustaining)	1.5	2.1	46
Corporate	1.8	2.6	55
AISC[2]	**43.1**	**61.0**	**1,315**
Development Capital	9.5		
Underground Evaluation	1.4		
Exploration	4.1		

Table 5: *Key Cash Costs, AISC and Other Costs for the September Quarter (accrual basis)*

1. Cash cost represents the cost of mining, processing and administration after accounting for inventory movements. It includes net proceeds from silver by-product credits, but excludes cost of royalties, capital costs, growth expenditure, and non-cash movements including net realisable value adjustments.
2. All in Sustaining Cost (AISC) is made up of the Cash Costs plus royalty expense, corporate expenditure and sustaining capital.

Gold sold in the September quarter was 34,017 ounces at an average realised price of $2,142/oz. A total of 23,101 ounces were delivered into legacy hedge commitments, with the remaining 10,916 ounces sold at spot.

At 30 September 2020 the Company's hedging obligations reduced to 61,488 ounces (84,589 ounces at 30 June 2020).

Subsequent to the end of the quarter, the Company restructured its hedge commitments as per Table 6 below. This restructuring has enabled a greater proportion of FY2021 gold production to be sold at current higher spot prices which increases the Company's forecast near-term cash flows.

Period	DQ	MQ	JQ	FY2021	SQ	DQ	MQ	JQ	FY2022	FY2023	TOTAL
Forward Sales (oz)	6,000	10,041	18,123	**34,164**	13,119	14,205	Nil	Nil	**27,324**	Nil	**61,488**
Hedged Price (A$/oz)	$1,739	$1,955	$2,096	**$1,992**	$2,240	$2,237	Nil	Nil		Nil	**$2,101**
% of Annual Production Hedged (mid-point)				**~41%**					**~26%**	**Nil%**	

Table 6: *Summary of Total Hedge Commitments Subsequent to 30 September 2020*

The Company holds put options totalling 5,070 ounces priced at $2,100/oz which expire in the December quarter if not exercised. The Company has no obligation to deliver into these options.

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In accordance with ASX Listing Rule 6.22.2 and the terms of the unlisted options in Dacian Gold currently on issue, the exercise price of those options is required to be adjusted following completion of the Entitlement Offer in the June quarter of FY2020.

The exercise price of the unlisted options will be adjusted as follows:

Number of Options	Expiry Date	Current Exercise Price	New Exercise Price
50,000	31 January 2021	$1.16	$0.61
300,000	28 February 2021	$1.99	$1.44
500,000	30 June 2021	$3.60	$3.11

Included in the Appendix 5B section 6.1 are amounts paid to the Directors of the Company during the September quarter totalling $232,000 comprising Director and Managing Director fees , salary and superannuation.

- Ends -

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

For further information please contact:

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COMPETENT PERSON STATEMENT EXPLORATION

The information in this report that relates to Exploration Results is based on information compiled by Mr Stephen Bacigalupo-Rose who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Bacigalupo-Rose is a full-time employee of Dacian Gold Limited. Mr Bacigalupo-Rose 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 Bacigalupo-Rose 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.

The Company confirms that it is not aware of any new information or data that materially affects the information in the relevant ASX releases and the form and context of the announcements has not materially changed.

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APPENDIX 1 – TENEMENT SCHEDULE

Tenement Type	Tenement	Status	Location	Ownership
E	39/1950	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
E	39/1951	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
E	39/1967	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
E	39/2002	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
P	38/4486	Pending	Mt Morgans WA	Dacian Gold Ltd (100%)
E	38/2951	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
E	39/1310	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
E	39/1713	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
E	39/1787	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
E	39/2004	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
E	39/2017	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
E	39/2020	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
E	38/3211	Live	Mt Morgans WA	Dacian Gold Ltd (90%) & Jindalee Resources Limited (10%)
E	38/3272	Live	Mt Morgans WA	Dacian Gold Ltd (90%) & Jindalee Resources Limited (10%)
M	39/1135	Pending	Mt Morgans WA	Dacian Gold Ltd (90%) & Jindalee Resources Limited (10%)
L	39/0057	Live	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
L	39/0244	Live	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
L	39/0246	Live	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
L	39/0286	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
M	38/0395	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
M	38/0396	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
M	38/0548	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
M	38/0595	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
M	38/0848	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0018	Live	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0036	Live	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0208	Live	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0228	Live	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0236	Live	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0240	Live	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0248	Live	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0250	Live	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0261	Live	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0264	Live	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0272	Live	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0273	Live	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0282	Live	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0287	Live	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0291	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0295	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0304	Live	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0305	Live	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0306	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0333	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0380	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0390	Live	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0391	Live	Mt Morgans WA	Dacian Gold Ltd (100%)

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Tenement Type	Tenement	Status	Location	Ownership
M	39/0392	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0393	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0394	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0395	Live	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0403	Live	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0441	Live	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0442	Live	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0443	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0444	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0497	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0501	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0502	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0503	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0504	Live	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0513	Live	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0745	Live	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/0746	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0747	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0799	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0937	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0938	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/0993	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/1107	Live	Mt Morgans WA	Mt Morgans WA Mining Pty Ltd (100%)
M	39/1120	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/1122	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/1129	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
M	39/1137	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5377	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5469	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5498	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5823	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5825	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5826	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5827	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5828	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5829	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5830	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/5865	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/6060	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/6121	Live	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/6122	Pending	Mt Morgans WA	Dacian Gold Ltd (100%)
P	39/6123	Pending	Mt Morgans WA	Dacian Gold Ltd (100%)
P	38/4466	Live	Mt Morgans WA	Dacian Gold Ltd (100%)

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Dacian Gold Limited

ABN	Quarter ended ("current quarter")
61 154 262 978	30 September 2020

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	73,036	73,036
1.2	Payments for		
	(a) exploration & evaluation	(4,000)	(4,000)
	(b) development	-	-
	(c) production	(50,365)	(50,365)
	(d) staff costs	(967)	(967)
	(e) administration and corporate costs	(663)	(663)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	82	82
1.5	Interest and other costs of finance paid	(697)	(697)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**16,426**	**16,426**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment [1]	(6,892)	(6,892)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(6,892)**	**(6,892)**

[1] Includes capitalised expenditure for mine development, waste stripping, plant and equipment.

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(87)	(87)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(25,000)	(25,000)
3.7	Transaction costs related to loans and borrowings	(450)	(450)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**(25,537)**	**(25,537)**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	51,976	51,976
4.2	Net cash from / (used in) operating activities (item 1.9 above)	16,426	16,426
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(6,892)	(6,892)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(25,537)	(25,537)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**35,973**	**35,973**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	35,973	35,973
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**35,973**	**35,973**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	232
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

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7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	39,100	39,100
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	39,100	39,100

7.5	**Unused financing facilities available at quarter end**	-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

7.1 Loan facilities comprise a Syndicated Project Debt Facility with Australia and New Zealand Banking Group Limited, BNP Paribas and Westpac Banking Corporation. The facility was used to fund the initial construction and development of the Mt Morgans Gold Project. Interest rate on the facility during the quarter was 4.14% per annum. Repayments are scheduled in quarterly tranches with the final fixed repayment due on 31 March 2022. Security is provided by a fixed and floating charge over the assets of Dacian Gold's operating subsidiary, Mt Morgans WA Mining Pty Ltd and a featherweight security charge over the assets of Dacian Gold Limited capped to a maximum value of $5,000.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	16,426
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	16,426
8.4	Cash and cash equivalents at quarter end (item 4.6)	35,973
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	35,973
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	N/A

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

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8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
Answer: N/A	

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 28 October 2020

Authorised by: The Board of Dacian Gold Limited
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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