

## ASX ANNOUNCEMENT

27 OCTOBER 2014

### DRILLING ACTIVITIES CONTINUE IN SOUTHERN FINLAND

Dragon Mining is pleased to provide an update on the drilling activities undertaken at the Orivesi Gold Mine ("Orivesi") and Jokisivu Gold Mine ("Jokisivu") in southern Finland since July 2014. A combined total of 22 holes, 3,611.75 metres of underground diamond core drilling has been completed at the mines in this period, yielding a series of intercepts including highlights **3.00 metres @ 43.60 g/t gold, 3.00 metres @ 10.79 g/t gold, 4.10 metres @ 16.71 g/t gold, 3.70 metres @ 21.34 g/t gold, 5.15 metres @ 8.99 g/t gold and 5.75 metres @ 8.28 g/t gold.**

The Company has continued to limit drilling campaigns to Orivesi and Jokisivu with the objective of identifying new mineralised zones and extensions to known mineralised zones, as well as providing information to support mine planning and underground development.

- **Orivesi Gold Mine** (10 holes, 1,857.60 metres)

The final 5 holes of a 10 hole program were drilled and assays received for all holes, in a program that was directed at the Sarvisuo and Sarvisuo West areas, and the area to the north of Sarvisuo, from the 620m level.

The holes targeting the Sarvisuo West area returned a number of significant intercepts including 3.25 metres @ 7.93 g/t gold and the high grade 3.00 metres @ 43.60 g/t gold. These results have improved the definition of select zones of mineralisation in this area in readiness for future mine planning. The drill holes evaluating the possible extensions of Sarvisuo Pipe 2 below the 620m level returned no significant results, whilst drilling to the north of Sarvisuo returned a series of lower grade intercepts. All results are provided in Table 1.

Drilling commenced on a 10 hole program of exploration drilling that is targeting the area north of the Sarvisuo area between the 240m and 300m levels. Two holes have been completed returning a best intercept of 3.25 metres @ 4.98 g/t gold at the 290m level (Table 2). This intercept is located between historic intercepts at the 170m and 570m level, but it is not possible to ascertain at this time if they all belong to the same mineralised zone due to sparse drilling in the intervening zones.

Drilling has also been completed to evaluate the possible continuation of Pipe 2 at Kutema. The initial holes in this program have been designed to drill down the line of the near vertical Pipe 2 from the 980m level. Three holes have been completed and the fourth is underway. Results are pending.

- **Jokisivu Gold Mine** (12 holes, 1,754.15 metres)

Results were received for the final 10 holes of a 22 hole program that was designed to evaluate the Kujankallio Hinge Zone and the western extension of the Kujankallio Main Zone between the 260m and 290m levels. Better results from this program include recent intercepts 3.00 metres @ 10.79 g/t gold, 4.15 metres @ 8.73 g/t gold, 4.10 metres @ 16.71 g/t gold, 1.65 metres @ 24.95 g/t gold, 5.15 metres @ 8.99 g/t gold and 5.75 metres @ 8.28 g/t gold and the previously released 2.05 metres @ 11.15 g/t gold, 2.70 metres @ 28.68 g/t gold, 2.60 metres @ 9.79 g/t gold, 5.25 metres @ 13.26 g/t gold and 3.40 metres @ 9.43 g/t gold (Table 3).

The drilling of an 8 hole, 1,049.20 metre infill program targeting the Kujankallio Main Zone between the 245m and 305m levels has been completed. Assay results have been received for all holes, yielding a series of encouraging intercepts, including the high grade 0.60 metres @ 29.50 g/t gold, 1.20 metres @ 41.00 g/t gold and 3.70 metres @ 21.34 g/t gold (Table 4).

A new campaign of drilling is now underway, targeting the Kujankallio Main Zone and Hinge Zone between the 290m and 340m levels. Four holes of a 10 hole, 1,650 metre program have been completed. Results are pending.

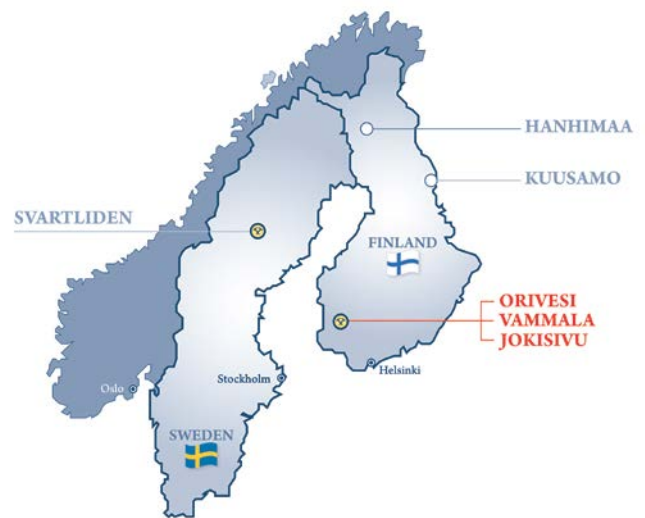
## Background

The Vammala Production Centre is located in the Sastamala region in southern Finland, 165 kilometres northwest of the Finnish capital Helsinki.

It comprises the Vammala Plant, a 300,000 tonnes per annum crushing, milling and flotation facility, which sources feed from two gold mines, Orivesi and Jokisivu.

The Centre was successfully recommissioned in June 2007 and has to 30 June 2014 produced 192,847 ounces of gold in concentrate.

The Orivesi Gold Mine is located 80 kilometres to the northeast of the Vammala Plant. The mine was initially in operation between 1992 and 2003 and produced 422,000 ounces of gold from a series of near vertical pipe-like lodes at Kutema. Two of the five principal lodes at Kutema continued below the historical extent of the decline at the 720m level and this area is now subject to a program of staged development and production stoping. Mining from the Sarvisuo lodes, 300 metres east of Kutema commenced in April 2008 and has been conducted from the 240m to the 620m level.



Gold mineralisation at Orivesi is associated with strongly deformed andalusite rich, silicified zones. Both Kutema and Sarvisuo remain partially open and the potential for the identification of additional pipes or pipe clusters within the surrounding hydrothermal alteration system is high.

The Jokisivu Gold Mine is located 40 kilometres southwest of the Vammala Plant and hosts two gold occurrences 200 metres apart, Kujankallio and Arpola. Gold mineralisation at both locations is hosted within relatively undeformed and unaltered diorite, in 1 to 5 metre wide shear zones that are characterised by laminated, pinching and swelling quartz veins.

The Kujankallio lode system has been shown by drilling to extend to at least 525 metres in depth, though resource drilling currently extends only down to 440 metres, whilst the Arpola lode system has only been drilled down to 200 metres. Both deposits remain open with depth and partially along strike.

Open cut mining at Kujankallio commenced in 2009 and underground production stoping in 2011. A small open pit was mined at Arpola in 2011.

For and on behalf of  
**Dragon Mining Limited**

## Competent Persons Statement

*The information in this announcement that relates to Exploration Results is based on information compiled by Mr Neale Edwards BSc (Hons), a Fellow of the Australian Institute of Geoscientists and Mr Matti Talikka MSc (Geology), a Member of the Australasian Institute of Mining and Metallurgy, who are full time employees of the company and 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 2012 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves. Mr Neale Edwards and Mr Matti Talikka have provided written consent for the inclusion in the announcement of the matters based on their information in the form and context in which it appears.*

**Table 1 - Results from the underground diamond core drilling program targeting the Sarvisuo West, Sarvisuo and areas north of Sarvisuo, Orivesi Gold Mine. All intercepts reported at a 1 g/t gold cut-off. (Refer to Appendix 1 – JORC Table 1)**

Hole	North	East	Elevation	Azimuth (°)	Dip (°)	Length (m)	From (m)	Interval (m)	Gold (g/t)
Sarvisuo West									
KU-1371	6833578.67	2508788.35	-459.44	237.74	-18.28	96.8	40.35	1.20	2.43
							52.00	3.00	43.60
							96.15	0.65	7.83
KU-1372	6838580.48	2508791.23	-459.78	258.75	-56.83	77.2	32.75	3.25	7.93
Exploration									
KU-1373	6838582.18	2508790.88	-459.84	281.97	-30.46	112.9	50.00	4.00	2.59
							61.00	0.90	1.04
KU-1374	6838584.77	2508797.85	-458.39	9.21	11.09	185.2	72.30	1.50	3.49
KU-1375	6838584.78	2508798.04	-458.69	20.02	0.86	105.9	46.00	1.00	2.48
KU-1376	6838584.75	2508797.83	-458.73	39.12	-0.88	174.8	0.20	1.20	5.94
KU-1377	6838584.63	2508798.89	-458.75	52.49	-1.28	195.1	No significant intercepts		
Sarvisuo									
KU-1378	6838571.10	2508856.32	-459.76	69.51	-33.97	96.8	No significant intercepts		
KU-1379	6838571.41	2508857.32	-459.77	74.34	-41.79	77.2	No significant intercepts		
KU-1380	6838570.42	2508857.00	-459.77	76.48	-33.97	112.9	No significant intercepts		

**Table 2 - Results from the underground diamond core drilling program targeting areas north of Sarvisuo between the 240m and 300m levels, Orivesi Gold Mine. All intercepts reported at a 1 g/t gold cut-off. (Refer to Appendix 1 – JORC Table 1)**

Hole	North	East	Elevation	Azimuth (°)	Dip (°)	Length (m)	From (m)	Interval (m)	Gold (g/t)
KU-1386	6838485.70	2508796.49	-126.32	296.39	-3.55	327.70	88.75	3.25	4.98
							104.90	1.00	1.04
KU-1387	6838485.43	2508795.71	-125.91	310.14	5.18	348.90	55.50	1.20	1.03
							123.60	0.40	2.00
							140.40	1.90	1.11
							144.00	1.00	1.32

**Table 3 - Results from the underground diamond core drilling program targeting the Hinge Zone between the 260m and 290m levels, Jokisivu Gold Mine. Results previously not reported are highlighted in red. All intercepts reported at a 1 g/t gold cut-off. (Refer to Appendix 2 – JORC Table 1)**

Hole	North	East	Elevation	Azimuth (°)	Dip (°)	Length (m)	From (m)	Interval (m)	Gold (g/t)
HS/JS-582	6779534.06	2426157.64	-190.91	342	7	146.90	89.20	0.45	38.40
							102.80	1.50	1.11
							105.50	1.00	1.00
							127.30	0.50	2.67
							135.15	1.30	1.90
HU/JS-583	6779534.06	2426157.64	-190.91	330.3	6.7	152.90	78.50	4.55	3.53
							95.80	0.30	2.45
							100.55	1.00	1.49
							102.65	1.00	1.49
							105.70	1.00	2.96
HU/JS-584	6779526.38	2426140.58	-189.29	331.22	7.1	149.55	31.65	1.00	1.05
							74.10	0.65	11.15
							82.70	2.05	11.15
							97.00	2.60	2.93
							106.00	2.70	28.68
							116.15	2.45	2.91
							135.70	1.00	2.30
HU/JS-585	6779526.38	2426140.58	-189.29	315.91	7.5	145.00	3.00	1.00	11.30
							23.20	0.35	111.50
							52.20	1.50	2.30
							59.10	0.50	37.10
							73.25	2.00	4.88

							77.25	1.00	3.76
							81.25	0.40	4.36
							96.35	1.15	3.00
							135.55	0.65	6.28
							143.65	0.55	5.22
HU/JS-586	6779526.38	2426140.58	-189.29	301.76	7.2	149.65	7.50	1.50	2.13
							20.50	1.00	3.17
							26.00	1.00	1.62
							37.00	1.00	1.71
							45.00	1.00	2.03
							51.60	0.90	9.52
							54.40	2.10	7.16
							62.85	3.35	2.76
							74.05	3.40	9.43
							113.50	0.75	4.17
							118.25	1.50	1.02
							121.85	0.85	4.03
							136.20	0.50	2.34
HU/JS-587	6779504.25	2426130.53	-185.68	305	4	158.75	19.15	3.00	10.79
						Includes 1.00 metres @ 23.30 g/t gold from 19.15 metres			
							29.80	0.75	1.32
							40.25	0.95	4.60
							50.10	0.65	1.86
							74.00	1.50	5.68
							82.70	1.05	21.20
							91.50	1.50	2.97
							99.85	0.45	4.62
							103.00	0.60	14.25
							146.40	0.60	4.52
HU/JS-588	6779504.25	2426130.53	-185.68	290	4	160.10	16.40	1.30	8.36
							57.50	1.50	1.50
							86.45	1.80	12.58
						Includes 0.90 metres @ 15.60 g/t gold from 87.35 metres			
							91.30	1.10	23.40
						Includes 0.65 metres @ 33.40 g/t gold from 91.75 metres			
							99.75	0.70	9.35
							108.00	0.95	12.80
							110.80	1.50	2.06
HU/JS-589	6779534.06	2426157.64	-190.91	358.3	-2.5	110.50	91.20	2.60	9.79
						Includes 0.45 metres @ 49.80 g/t gold from 93.35 metres			
							99.00	1.30	1.28
HU/JS-590	6779534.06	2426157.64	-190.91	345.8	-2.5	134.55	82.20	5.25	13.26
						Includes 2.00 metres @ 31.00 g/t gold from 85.45 metres			
							93.75	1.10	4.71
							131.05	0.75	14.65
HU/JS-591	6779534.06	2426157.64	-190.91	327.41	-3.1	145.10	49.20	1.25	1.27
							62.00	1.30	2.58
							71.80	1.00	1.00
							76.80	1.00	2.04
							78.80	2.20	2.13
							97.65	0.35	130.50
							131.00	1.00	3.50
							139.00	1.00	1.75
HU/JS-592	6779526.38	2426140.58	-189.29	326.20	-4.9	130.00	32.80	1.00	1.91
							61.90	1.00	4.84
							65.90	1.50	2.08
							68.45	1.10	1.95
							70.55	2.00	2.01
							104.00	1.00	1.57
							117.40	1.60	9.84
HU/JS-593	6779526.38	2426140.58	-189.29	308.23	-5.0	130.10	8.50	1.00	8.98

							34.50	1.75	1.98
							42.00	1.05	1.35
							57.50	1.50	1.05
							61.25	0.75	30.70
							67.35	4.15	8.73
						Includes 0.45 metres @ 44.80 g/t gold from 69.85 metres			
							84.75	2.35	2.53
HU/JS-594	6779504.25	2426130.53	-185.68	311	-8	135.10	16.25	1.30	1.38
							41.50	1.50	3.27
							76.50	1.00	1.10
							112.00	5.15	3.34
HU/JS-595	6779504.25	2426130.53	-185.68	295	-7.5	140.10	12.50	1.50	3.61
							16.45	0.40	36.50
							34.00	1.00	1.10
							38.00	1.50	1.00
							78.20	1.10	1.93
							82.75	1.00	1.21
							111.00	1.50	1.02
HU/JS-596	6779534.06	2426157.64	-190.91	355.6	-10.9	135.30	73.65	1.10	1.18
							89.30	4.30	2.11
							102.50	0.60	40.40
							113.85	2.50	1.89
HU/JS-597	6779534.06	2426157.64	-190.91	343.9	-10.9	130.20	28.10	1.10	3.16
							60.00	1.40	1.32
							86.15	2.40	2.48
							99.55	1.60	13.37
							115.35	1.15	1.04
							119.00	0.60	1.12
							126.50	2.60	1.51
HU/JS-598	6,779,534.06	2,426,157.64	-190.91	333.81	-16.533	134.40	57.55	0.85	1.34
							64.15	1.00	3.68
							72.90	4.00	3.66
							95.90	1.45	1.15
							106.55	1.30	1.10
							122.20	1.10	1.44
HU/JS-599	6779526.38	2426140.58	-189.29	333.44	-19.9	110.90	7.00	0.85	5.84
							46.65	1.00	2.91
							58.00	1.50	2.93
							64.10	4.10	16.71
							89.00	2.00	3.24
HU/JS-600	6779526.38	2426140.58	-189.29	312.90	-20.8	115.10	8.90	1.00	5.57
							26.50	1.00	1.03
							35.30	3.00	2.26
							63.00	5.15	8.99
						Includes 1.15 metres @ 32.20 g/t gold from 66.00 metres			
							83.05	1.00	3.63
HU/JS-600b	6779526.38	2426140.59	-189.29	313	-21	114.00	9.95	0.90	6.89
							25.00	2.00	2.85
							60.65	1.55	1.34
							64.05	1.40	1.58
							87.50	0.90	2.58
							95.00	1.00	1.06
							111.20	0.80	3.05
HU/JS-601	6779504.25	2426130.53	-185.68	316	-22	130.10	12.90	0.75	6.86
							62.85	0.45	4.87
							69.75	5.75	8.28
						Includes 0.90 metres @ 16.80 g/t gold from 69.75 metres			
							81.00	1.00	1.55
							84.85	0.75	1.47
							89.90	0.60	4.87
HU/JS-602	6779504.25	2426130.53	-185.68	296	-22	113.85	67.65	0.80	2.81

HU/JS-603	6779504.25	2426130.53	-185.68	277	-22	100.10	46.15	0.95	1.05
							72.55	1.65	24.95

**Table 4 - Results from the underground diamond core drilling program targeting the Main Zone between the 245m and 305m levels, Jokisivu Gold Mine. All intercepts reported at a 1 g/t gold cut-off. (Refer to Appendix 2 – JORC Table 1)**

Hole	North	East	Elevation	Azimuth (°)	Dip (°)	Length (m)	From (m)	Interval (m)	Gold (g/t)
HU/JS-604	6779533.54	2426173.84	-273.55	33.00	-6.2	130.00	78.95	1.00	2.46
							97.90	0.60	29.50
							100.40	0.65	3.11
							103.60	0.45	3.01
HU/JS-605	6779533.54	2426173.84	-273.55	31.90	-13.1	158.50	42.90	1.50	1.29
							56.50	0.95	1.13
							66.00	1.50	2.71
							128.90	0.95	1.03
							155.25	0.95	1.04
HU/JS-606	6779532.65	2426176.56	-273.89	35.20	-0.3	115.00	45.65	0.95	1.18
							66.50	1.00	2.55
							94.00	0.70	1.20
							101.00	0.65	5.82
							103.45	1.00	1.42
							113.00	1.05	2.63
HU/JS-607	6779532.70	2426177.25	-273.97	38.80	8.7	100.10	81.50	1.20	41.00
HU/JS-608	6779531.88	2426179.06	-274.22	43.60	3.3	115.00	49.35	0.95	1.64
							90.65	2.80	3.13
							99.50	1.00	1.36
HU/JS-609	6779528.56	2426186.90	-275.03	48.30	5.1	120.10	15.45	1.05	3.62
							56.00	0.70	1.43
							58.00	0.45	3.97
							61.25	0.75	1.47
							82.00	1.15	1.08
							96.30	3.70	21.34
					Includes 0.90 metres @ 63.20 g/t gold from 96.30 metres and 0.90 metres @ 22.70 g/t gold from 99.10 metres				
							102.75	1.55	2.58
HU/JS-610	6779529.07	2426186.22	-274.94	47.10	-6.0	160.10	0.08	1.32	2.20
							40.40	1.80	7.30
							83.85	0.95	1.23
							129.70	3.20	2.94
							136.70	0.70	4.75
							151.35	1.20	2.42
HU/JS-611	6779525.78	2426187.80	-275.26	59.90	5.9	150.10	7.55	0.65	1.24
							35.80	1.05	2.80
							64.30	0.65	2.56
							120.20	0.95	1.02
							125.60	1.70	1.30
							130.20	4.45	4.95

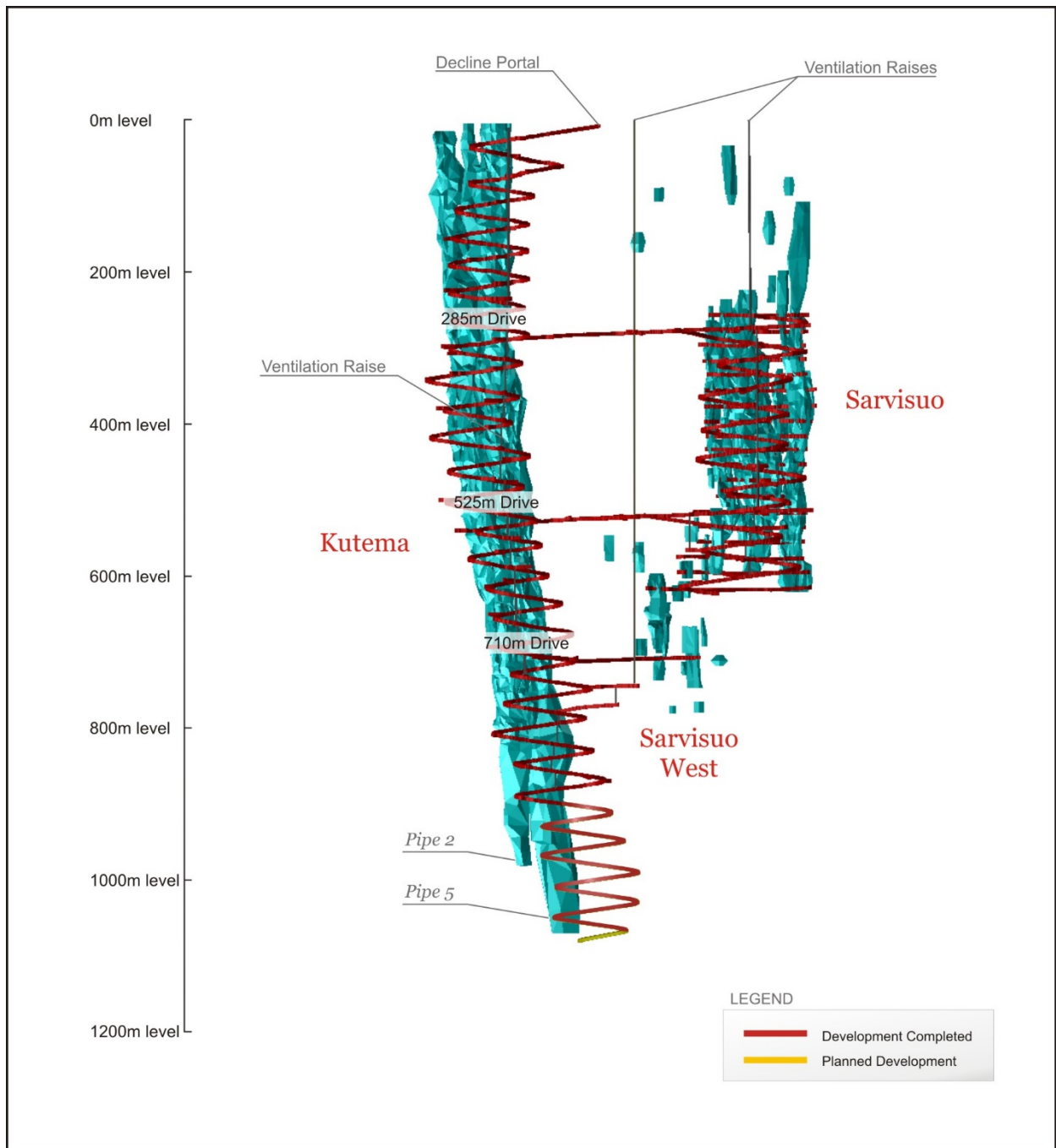


Figure 1 – Orivesi Gold Mine (View looking north)

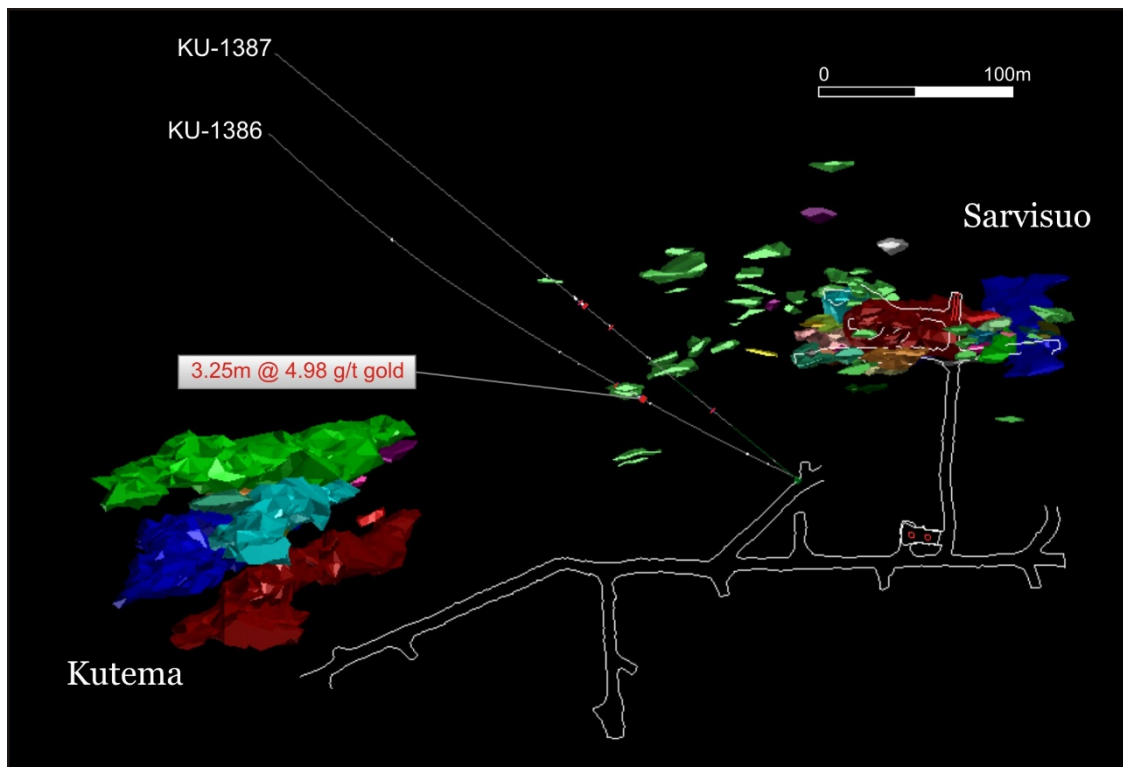


Figure 2 – Plan view of drilling between the 240m and 300m levels at Sarvisuo, Orivesi Gold Mine.

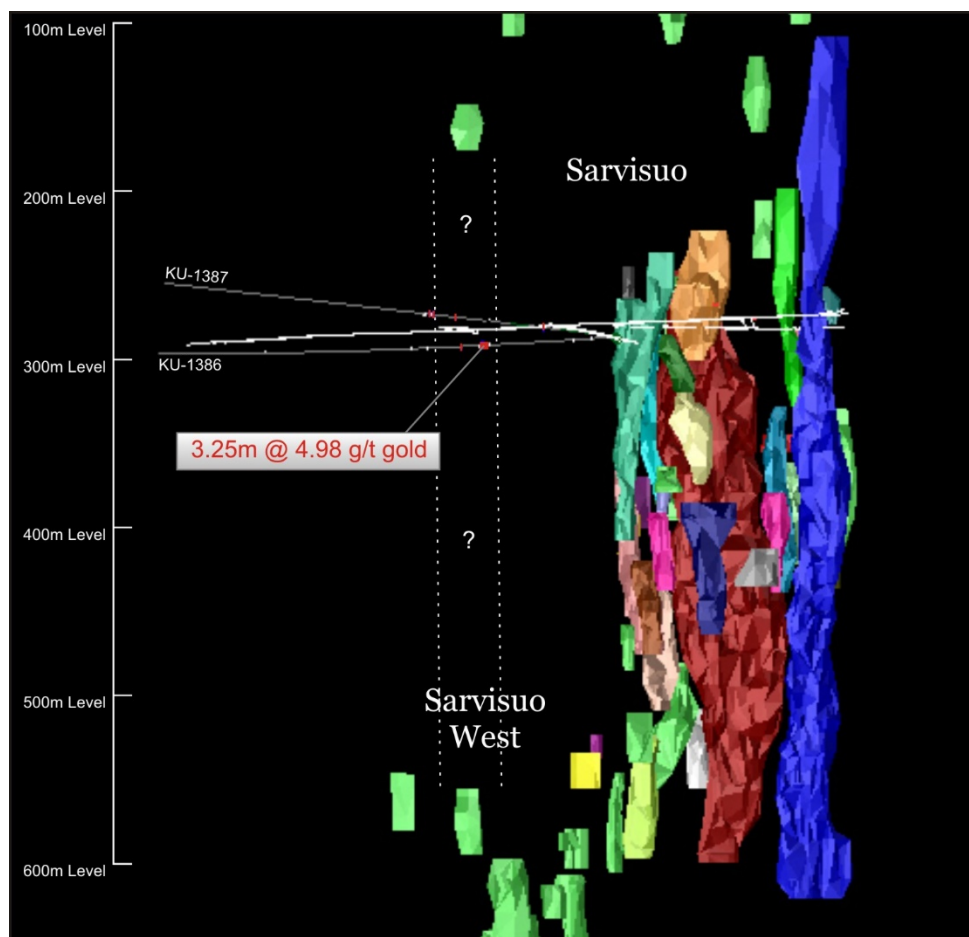


Figure 3 – Long section view of drilling between the 240m and 300m levels at Sarvisuo, Orivesi Gold Mine.

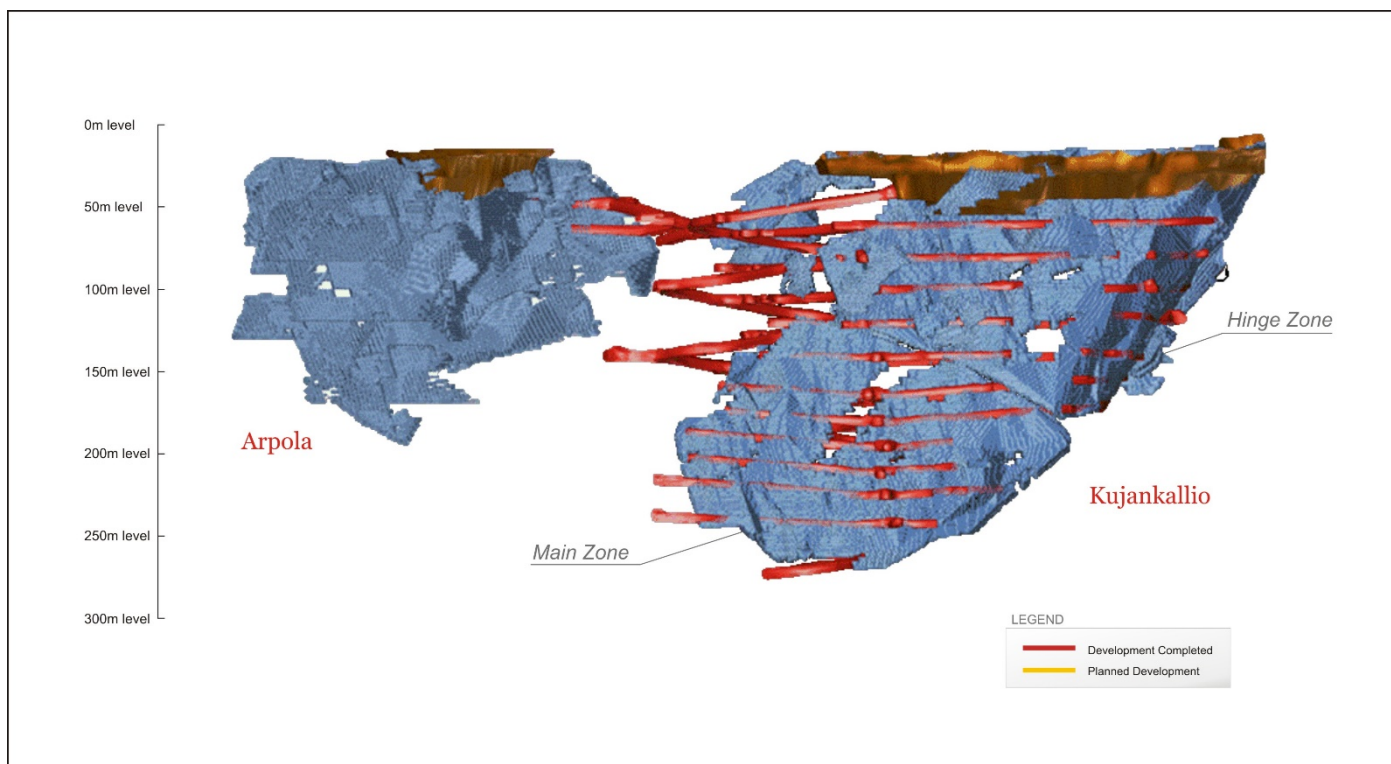


Figure 4 – Jokisivu Gold Mine.

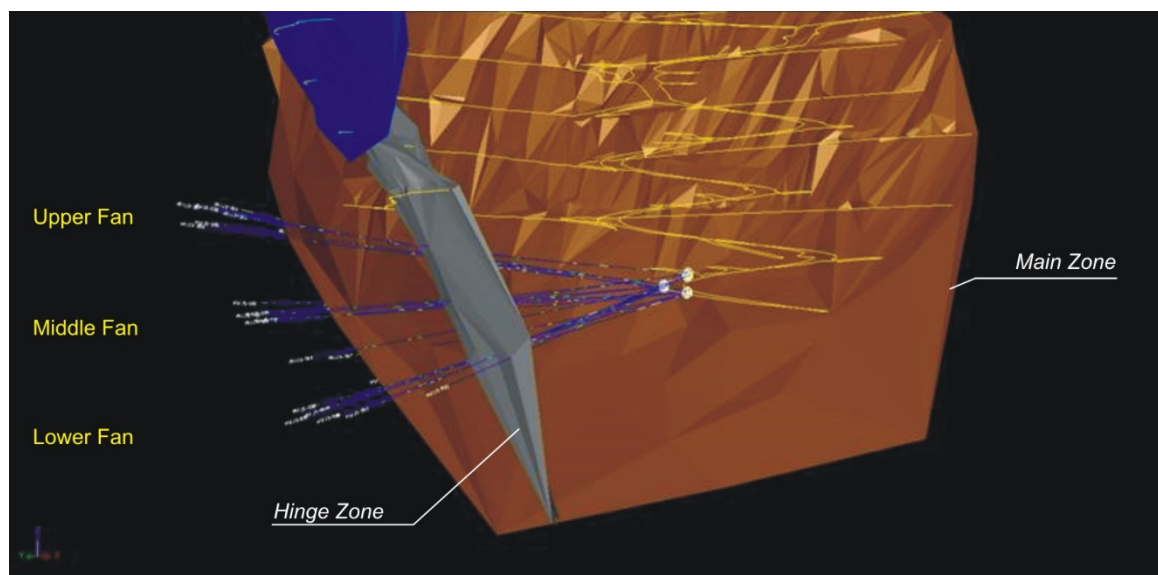
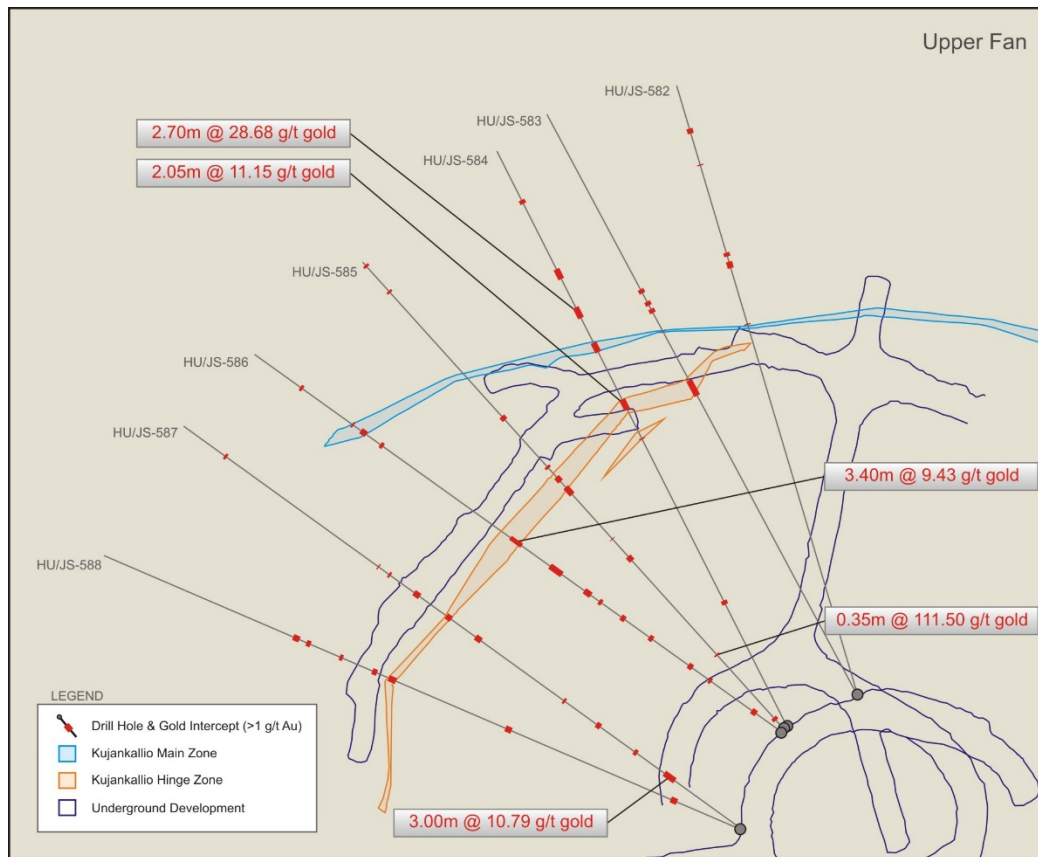
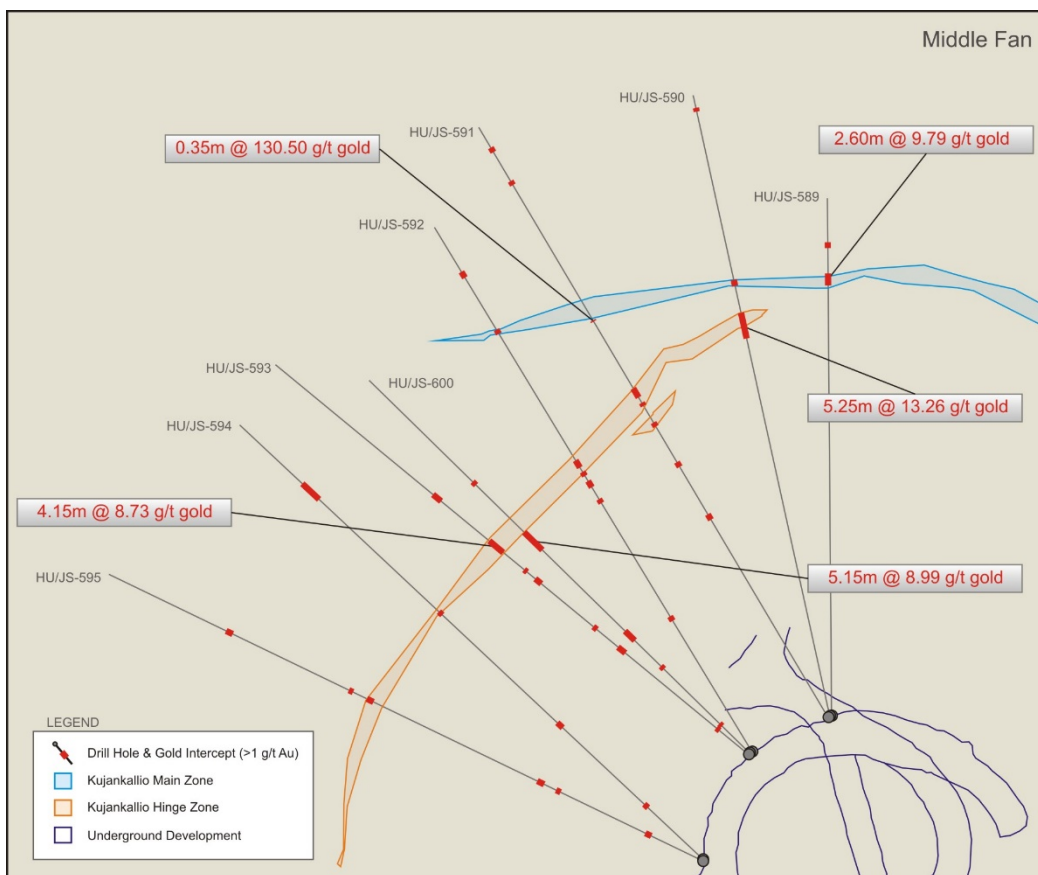


Figure 5 – Vertical profile of underground diamond core drilling program targeting the Kujankallio Hinge Zone and the western extension of the Kujankallio Main Zone between the 260m and 290m levels, Jokisivu Gold Mine.



**Figure 6 (a) – Upper Fan plans of underground diamond core drilling program targeting the Kujankallio Hinge Zone and the western extension of the Kujankallio Main Zone between the 260m and 290m levels, Jokisivu Gold Mine.**



**Figure 6 (b) – Middle Fan plans of underground diamond core drilling program targeting the Kujankallio Hinge Zone and the western extension of the Kujankallio Main Zone between the 260m and 290m levels, Jokisivu Gold Mine.**

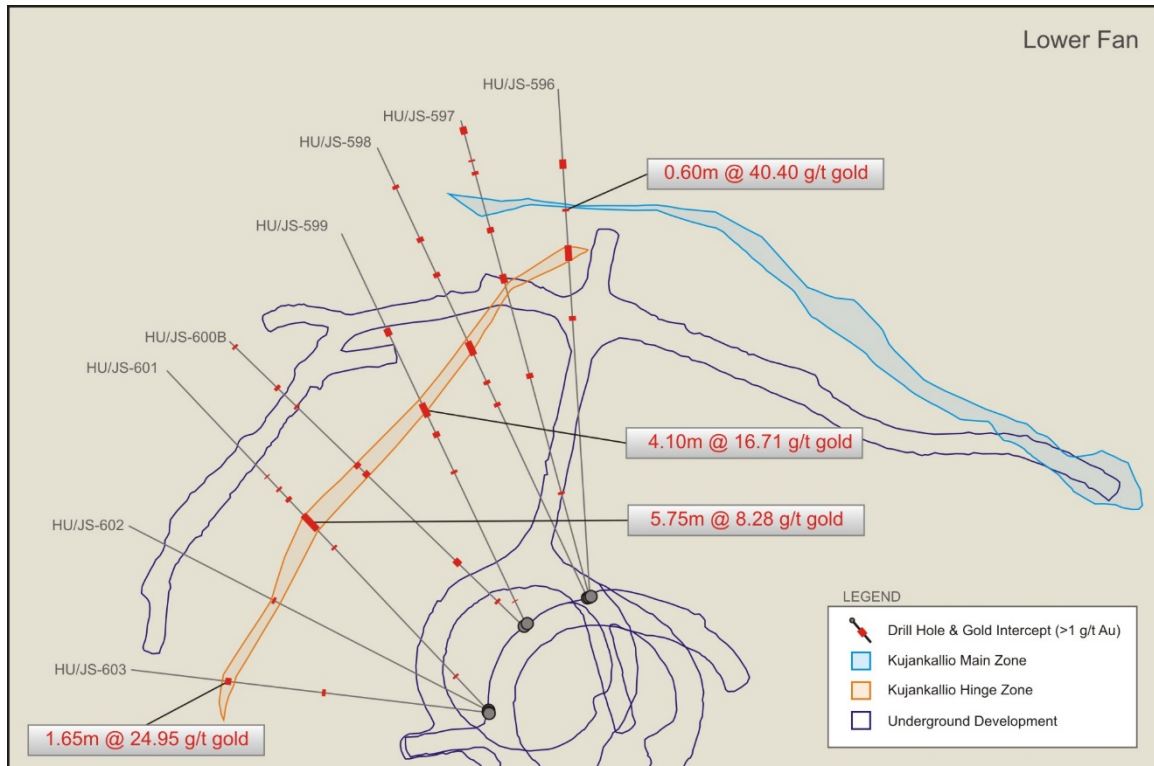


Figure 6 (c) – Lower Fan plans of underground diamond core drilling program targeting the Kujankallio Hinge Zone and the western extension of the Kujankallio Main Zone between the 260m and 290m levels, Jokisivu Gold Mine.

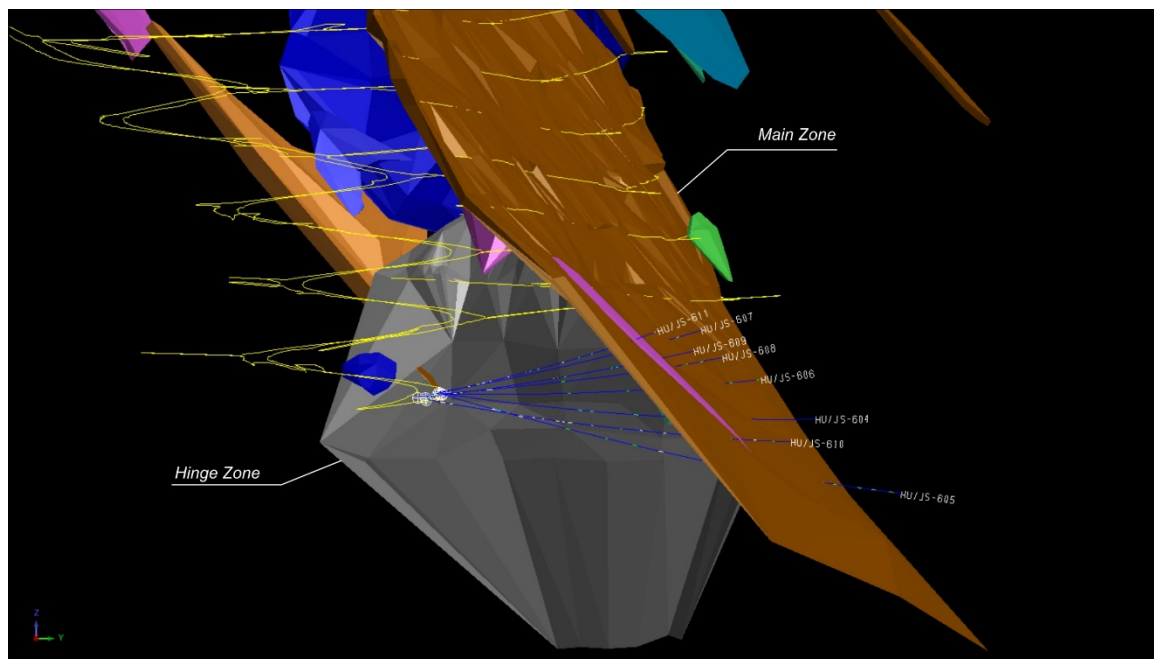
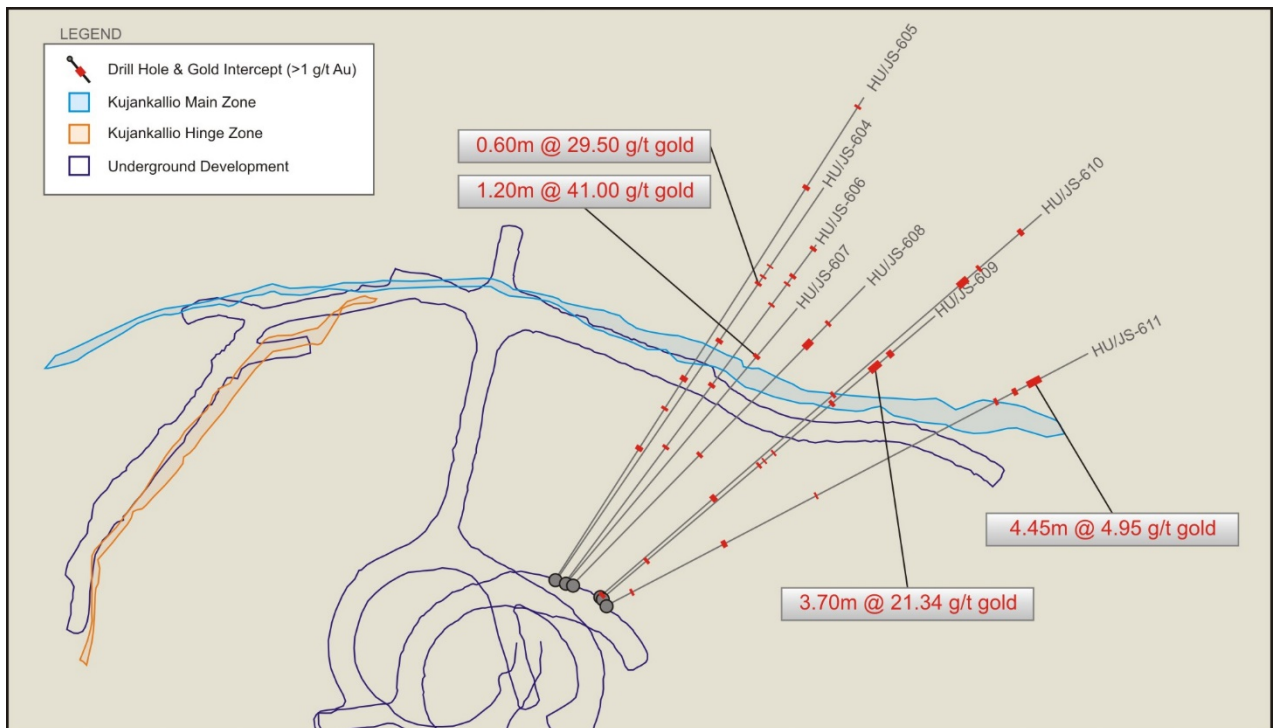


Figure 7 – Vertical profile of underground diamond core drilling program targeting the Kujankallio Main Zone between the 245m and 305m levels, Jokisivu Gold Mine.



**Figure 8 – Plan view of underground diamond core drilling program targeting the Kujankallio Main Zone between the 245m and 305m levels, Jokisivu Gold Mine.**

## Appendix 1 – Orivesi Drilling Programs JORC Code Table 1

Section 1 - Sampling Techniques and Data (Criteria in this Section apply to all succeeding sections)		
Criteria	Explanation	Commentary
Sampling Techniques	<i>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.</i>	<p>The Kutema and Sarvisuo lode systems have been sampled by a series of underground diamond core drill holes.</p> <p>In these reported programs, Dragon Mining has completed 15 WL-56 (39mm) diamond core drill holes for an advance of 2,397.30 metres. These are part of a 10 hole program targeting the Sarvisuo West area, the extensions of Sarvisuo Pipe 2 and the area north of Sarvisuo from the 620m level; 2 holes of a 10 hole program targeting the area north of Sarvisuo between the 240m and 300m levels; and a three holes of a 4 hole program targeting Kutema Pipe 2.</p> <p>Pierce points are spaced nominally at 15 metres vertically and 20 metres horizontally where knowledge of the geological system is good and 10 metres vertically and 15 metres horizontally when knowledge of the geological system is not as good.</p>
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or system used.</i>	<p>Drill hole collar co-ordinates are accurately surveyed by qualified mine surveyors and tied into the local mine grid using a Leica TCRP 1205 R300 Total Station.</p> <p>Deviation surveys are completed on all drill holes using a Maxibor II device.</p> <p>All drill core is geologically and geotechnically logged, photographed and mineralised zones sampled with lithological control. Sampling and QAQC protocols are as per industry best applicable practice.</p>
	<i>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.</i>	<p>Mineralised zones of drill core are sampled with lithological control to a maximum down hole length of 1.5 metres. Sample intervals are measured by tape from depth intervals shown on core blocks labelled by the drillers.</p> <p>Full core samples are collected by company personnel and placed into numbered plastic bags, sealed, packed into wooden boxes and dispatched, via road transport, to independent laboratory group ALS Minerals for sample preparation and analysis for gold by fire-assay methods.</p>
Drilling Techniques	<i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast,</i>	All drilling in the recent campaign was completed by WL-56 (39mm) diamond core methods. The lengths of holes completed in these campaigns have ranged

Section 1 - Sampling Techniques and Data (Criteria in this Section apply to all succeeding sections)		
Criteria	Explanation	Commentary
	<i>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).</i>	from 77.2 metres to 348.9 metres in length.  Core is collected with a standard tube. Core is not orientated and hole deviation surveys are completed on all drill holes using a Maxibor II device.
Drill Sample Recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	Diamond core was reconstructed into continuous runs for orientation marking with depths checked against core blocks. Core loss observations were noted by geologists during the logging process. All information is recorded in the database.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	Sample recovery is high with >90% of the drill core having recoveries >95%.  Drilling is undertaken in primary rock material.  All drilling is planned to avoid existing underground development.  An experienced underground drilling contract group is engaged to undertake the program of work. Drilling contractors are supervised and routinely monitored by company personnel.
	<i>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.</i>	Core recoveries are excellent, negating any sample bias due to core recovery.
Logging	<i>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.</i>	All holes were logged by company geologists to a high level of detail that will support Mineral Resource estimation and mining studies. Diamond holes were logged for recovery, RQD, number and type of defects. The database contains tables with information recorded for alpha/beta angles, dips, azimuths, and true dips. Specific indicator minerals and the amount and type of ore textures and ore minerals were also recorded within separate tables.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	Drill samples were logged for lithology, rock type, colour, mineralisation, alteration, and texture. Logging is a mix of qualitative and quantitative observations.  It has been standard practice that all diamond core be routinely photographed.
	<i>The total length and percentage of the relevant intersections logged.</i>	All holes were logged in full.
Sub-sampling Techniques and Sample Preparation	<i>If cut, whether cut or sawn and whether quarter, half or all core taken.</i>	Full core samples of select zones are collected for analysis.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	Not applicable. All drilling is completed by diamond core methods.

**Section 1 - Sampling Techniques and Data**  
**(Criteria in this Section apply to all succeeding sections)**

Criteria	Explanation	Commentary
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	<p>Full core samples of select zones were collected for analysis by company personnel. With respect to the nature of the mineralised system and the core diameter, the use of full core is considered the most appropriate.</p> <p>Sample preparation is completed by ALS Minerals and follows industry best applicable practice. ALS Minerals procedures and facilities are organised to assure proper preparation of the sample for analysis, to prevent sample mixing, and to minimise dust contamination or sample to sample contamination.</p> <p>Core samples are submitted to the ALS Minerals facility in Outokumpu, Finland for sample preparation by method PREP-31BY. Samples were weighed, assigned a unique bar code and logged into the ALS system. The sample was dried, fine crushed to &gt;70% passing 2mm screen. A split off weighing 1kg is collected and pulverised to better than 85% passing 75 microns. A sub-sample is collected for analysis at the ALS Minerals facility at Rosia Montana, Romania.</p> <p>The method selected for sample preparation is considered appropriate.</p>
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	<p>Certified reference material and blanks are routinely inserted with the sample submission. Dragon Mining has used systematic standard and pulp duplicate sampling since 2004. Every 20<sup>th</sup> sample (sample id ending in -00, -20, -40, -60, -80) is submitted as a standard, and every 20<sup>th</sup> sample (sample id ending in -10, -30, -50, -70, -90) is inserted as a pulp duplicate (with the original sample id ending in -09, -29, -49, -69, -89).</p> <p>A review of the results of the certified reference material and blanks indicates that they are within acceptable limits.</p>
	<i>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.</i>	<p>Coarse crush duplicates are included in the sample stream every 20 samples.</p> <p>A review of the results of the duplicate samples indicates that they are within acceptable limits.</p>
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	<p>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 gold.</p>
<b>Quality of Data and Laboratory Tests</b>	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	<p>Analysis is completed at ALS Minerals in Rosia Montana, Romania using procedures Au-AA26 (Detection Limit – 0.01 g/t gold; Upper Limit – 100.00 g/t gold) – 50g fire assay with AAS finish. Gold values exceeding 5 g/t gold are re-assayed by Au-GRA22 (Detection Limit – 0.05 g/t gold; Upper Limit – 1,000.00 g/t gold) – 50g fire assay with gravimetric finish.</p>

Section 1 - Sampling Techniques and Data (Criteria in this Section apply to all succeeding sections)		
Criteria	Explanation	Commentary
		<p>ALS Minerals are a certified global laboratory group. They are monitored by an internal QAQC program and a QAQC program implemented by Dragon Mining, both of which include the inclusion of blank material, duplicates and certified reference material.</p> <p>The analytical techniques used are considered total.</p>
	<i>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.</i>	No such device was used for analytical purposes on sample material from Kutema, Sarvisuo, Sarvisuo West or any of the surrounding areas.
	<i>Nature and 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.</i>	<p>QAQC protocols are stringently adhered to throughout the duration of all drilling programs undertaken by Dragon Mining.</p> <p>The protocols of the QAQC program implemented by Dragon Mining includes the insertion of certified reference material (three ranges used – high, medium and low) and blank material on a 1 sample every 20 sample basis and the insertion duplicate samples on a 1 sample every 20 sample basis.</p> <p>ALS Minerals implement an internal QAQC program that includes the insertion of blanks, certified reference material and duplicates with each analytical run.</p> <p>A review of both the Dragon Mining and ALS Minerals QAQC results indicates that the blank material, certified reference material and duplicates are within acceptable limits.</p>
<b>Verification of Sampling and Assaying</b>	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	All significant intercepts are reviewed and verified by Dragon Mining geologists.
	<i>The use of twinned holes.</i>	No twinned holes have been drilled.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	<p>Primary data is collected by Dragon Mining personnel at site.</p> <p>All measurements and observations are digitally recorded and transferred into an Access database. Primary assay and QAQC data is entered into an Oracle master database.</p> <p>Verification and validation of the databases is handled internally.</p>
	<i>Discuss any adjustment to assay data.</i>	No adjustment has been made to the assay data.
<b>Location of Data Points</b>	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations</i>	Drill hole collars and starting azimuths have been accurately surveyed by Dragon Mining surveyors. Down hole surveys were undertaken on all exploration and resource development holes.

Section 1 - Sampling Techniques and Data (Criteria in this Section apply to all succeeding sections)		
Criteria	Explanation	Commentary
	<i>used in Mineral Resource estimation.</i>	Collar and underground mine surveys are performed using a Leica TCRP 1205 R300 Total Station to a level of accuracy of 0.05 metres.  Deviation surveys are carried out on all drill holes using a Maxibor II device.
	<i>Specification of the grid system used.</i>	The grid system used for the reporting of results is the Finnish Grid System – KKJ2.
	<i>Quality and adequacy of topographic control.</i>	A series of fixed points are located at the surface form the basis of all topographic control at the Orivesi Gold Mine. Additional fixed points have been established at the 525m level via the air raise and function as the elevation control underground. These points are regularly checked with the surface fixed points.
<b>Data Spacing and Distribution</b>	<i>Data spacing for reporting of Exploration Results.</i>	Drilling has been undertaken from underground. Pierce points are spaced nominally at 15 metres vertically and 20 metres horizontally where knowledge of the geological system is good and 10 metres vertically and 15 metres horizontally when knowledge of the geological system is not as good.
	<i>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.</i>	The geology and mineralisation displays good continuity and will be sufficient to support the definition of a Mineral Resource or Ore Reserve and the classifications contained in the JORC Code (2012 Edition).
	<i>Whether sample compositing has been applied.</i>	No sampling compositing has been applied.
<b>Orientation of Data in Relation to Geological Structure</b>	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	The majority of drill holes are underground drill holes and orientated predominantly to an azimuth of grid north and drilled at various angles to optimally intersect the sub-vertical orientation of the mineralised trends.
	<i>If the relationship between the drilling orientation and orientation of key mineralised structures is considered to have introduced a sampling bias, thus should be assessed and reported if material.</i>	No orientation based sampling bias has been identified in the data.
<b>Sample Security</b>	<i>The measures taken to ensure sample security.</i>	Chain of custody of samples is managed by Dragon Mining. Dragon Mining personnel or drill contractors transport diamond core to the core logging facilities where Dragon Mining geologists log the core. Core samples are transported to the sample preparation laboratory and then on to the analysis laboratory using contract couriers or laboratory personnel. Dragon Mining employees have no further involvement in the preparation or analysis of samples.
<b>Audits or Reviews</b>	<i>The results of any audits or reviews of sampling techniques and data.</i>	Dragon Mining carries out its own reviews and audits of sampling techniques and data.  Dragon Mining has completed audits of the ALS

Section 1 - Sampling Techniques and Data (Criteria in this Section apply to all succeeding sections)		
Criteria	Explanation	Commentary
		Minerals facilities at Outokumpu, Finland; Rosia Montana, Romania and Vancouver, Canada.  The completed reviews and audits raised no issues.

Section 2 - Reporting of Exploration Results		
Criteria	Explanation	Commentary
Mineral Tenement and Land Tenure Status	<i>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.</i>	The Orivesi Gold Mine is located within a granted Mining Licence (Licence ID – 2676; Licence Name – Seri).
	<i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i>	The tenement is in good standing and no impediments to operating exist.
Exploration Completed by Other Parties	<i>Acknowledgement and appraisal of exploration by other parties.</i>	<p>As early as the 1940's mining activities were carried out on the present-day mine site. In these earlier days sericite was quarried for use in ceramic insulators, among other things.</p> <p>The Orivesi gold deposit was discovered in 1982 as a result of a research project by Lohja Oy and the Department of Geology from the University of Helsinki.</p> <p>Outokumpu Oy purchased the rights to the gold deposit in 1990 and conducted technical and feasibility studies over the next four years, including test mining in 1990, and in 1993. The Orivesi Gold Mine was officially opened in 1994.</p> <p>During 1994-2003 the Orivesi Gold Mine was operated by Outokumpu Mining Oy and produced 422,000 ounces of gold at a grade of 9.4 g/t gold. The mine was placed on care and maintenance at the end of 2003 following the acquisition of the asset by Dragon Mining.</p> <p>Mining resumed in 2007, with Dragon Mining focusing efforts on the Sarvisuo lode system that was discovered in 2002. Sarvisuo is located 300 meters from the Kutema lode system, which had previously been mined to the 720m level.</p> <p>The Kutema and Sarvisuo lode systems are narrow, vertical pipes or pipe clusters, which have been shown to possess depth continuations from tens of metres to hundreds of meters. The deepest part of the mine is currently at the 1068m level at Kutema, and the gold-bearing zones are known to continue to the 1100m level.</p>

Section 2 - Reporting of Exploration Results		
Criteria	Explanation	Commentary
		Ore from the Orivesi Gold Mine is trucked 80 kilometres to the Vammala Plant for processing.
<b>Geology</b>	<i>Deposit type, geological setting and style of mineralisation.</i>	<p>The Orivesi Gold Mine is located in the Paleoproterozoic Tampere Schist Belt, which is dominated by turbiditic metasedimentary rocks, metavolcanic rocks of island-arc type and syn-orogenic granitoids.</p> <p>The known gold lode systems occur in a broader zone of hydrothermally altered rocks that extend over an area of approximately 0.5 km<sup>2</sup>, at the contact of metavolcanic rocks and a sub-volcanic intrusion.</p> <p>The gold mineralization is found in vertical pipe-like lode systems which occur in strongly deformed, andalusite rich, silicified zones. The depth continuation of these lode systems ranges from tens of metres to hundreds of metres.</p> <p>The deposit type is suggested to be a metamorphosed palaeo-epithermal gold deposit.</p>
<b>Drill Hole Information</b>	<p><i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i></p> <ul style="list-style-type: none"> <li><i>easting and northing of the drill hole collar;</i></li> <li><i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar;</i></li> <li><i>dip and azimuth of the hole;</i></li> <li><i>down hole length and interception depth;</i></li> <li><i>hole length.</i></li> </ul>	<p>Refer to:</p> <p>Table 1 - Results from the underground diamond core drilling program targeting the Sarvisuo West, Sarvisuo and areas north of Sarvisuo, Orivesi Gold Mine. All intercepts reported at a 1 g/t gold cut-off.</p> <p>Table 2 - Results from the underground diamond core drilling program targeting areas north of Sarvisuo between the 240m and 300m levels, Orivesi Gold Mine. All intercepts reported at a 1 g/t gold cut-off.</p>
<b>Data Aggregation Methods</b>	<i>In reporting Exploration Results weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i>	Weighted average gold intercepts are reported at a 1 g/t gold cut-off with up to 3 metres of internal dilution allowed. No high grade cuts were applied.
	<i>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</i>	<p>High grade intervals internal to broader zones of mineralisation are reported at a 15 g/t gold cut-off as included intervals. Refer to:</p> <p>Table 1 - Results from the underground diamond core drilling program targeting the Sarvisuo West, Sarvisuo and areas north of Sarvisuo, Orivesi Gold Mine. All intercepts reported at a 1 g/t gold cut-off.</p>

Section 2 - Reporting of Exploration Results		
Criteria	Explanation	Commentary
	<i>aggregations should be shown in detail.</i>	Table 2 - Results from the underground diamond core drilling program targeting areas north of Sarvisuo between the 240m and 300m levels, Orivesi Gold Mine. All intercepts reported at a 1 g/t gold cut-off.
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No metal equivalent values have been used or reported.
<b>Relationship between Mineralisation Widths and Intercept Lengths</b>	<p><i>These relationships are particularly important in the reporting of Exploration Results.</i></p> <p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></p> <p><i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i></p>	All intercepts reported are down hole lengths. True widths have not been calculated.
<b>Diagrams</b>	<i>Appropriate maps and sections (with scales) and tabulation of intercepts should be included for any significant discovery being reported. These should include, but not limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	Refer to the provided diagrams – Figures 1 to 3.
<b>Balanced Reporting</b>	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practised to avoid misleading reporting of Exploration Results.</i>	Comprehensive reporting of drill details has been provided in this announcement. All meaningful and material exploration data has been reported.
<b>Other Substantive Exploration Data</b>	<i>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</i>	Investigative geological work completed at the Orivesi Gold Mine is dominated by diamond core drilling. The results for completed drilling campaigns have been regularly reported to the ASX as results become available.

Section 2 - Reporting of Exploration Results		
Criteria	Explanation	Commentary
	<i>substances.</i>	
Further Work	<i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>	<p>The final 2 holes of the 27 hole program remain to be drilled, which will test the Kutema lode system down to the 1200m level. Drilling below the 1200m level is subject to the final results obtained from this program.</p> <p>Drilling targeting the area north of Sarvisuo for new mineralised Pipes or Pipe clusters will recommence following the completion of programs at Kutema.</p>
	<i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	Refer to the provided diagrams.

## Appendix 2 – Jokisivu Drilling Programs JORC Code Table 1

### Section 1 - Sampling Techniques and Data

*(Criteria in this Section apply to all succeeding sections)*

Criteria	Explanation	Commentary
Sampling Techniques	<i>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.</i>	<p>The Kujankallio lode system between the 260m and 290m levels in the Hinge Zone and the western extension of the Main Zone, and the Kujankallio Main Zone between the 245m and 305m levels has been sampled by a series of underground diamond core drill holes.</p> <p>Diamond core drill holes had previously been completed below the 260m level prior to the undertaking of this program.</p> <p>In these recent programs Dragon Mining has completed 35 BGM (42.0mm) diamond core drill holes for an advance of 4,061.50 metres. These form part of a 22 hole campaign that targeted the Kujankallio Hinge Zone and western extension of the Kujankallio Main Zone between the 260m and 290m levels; an 8 hole program that targeted the Kujankallio Main Zone between the 245m and 305m levels; and 5 holes of a 10 hole program targeting the Kujankallio Main Zone and Hinge Zone between the 290m and 340m levels.</p> <p>Pierce points are spaced nominally at 20 metres vertically and 20 metres horizontally.</p>
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or system used.</i>	<p>Drill hole collars and starting azimuths have been accurately surveyed with a Leica TCRP 1203+ Total Station. Dip values were measured at 10m intervals down hole by drillers using conventional equipment.</p> <p>All drill core is geologically and geotechnically logged, photographed and mineralised zones sampled with lithological control. Sampling and QAQC protocols are as per industry best applicable practice.</p>
	<i>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.</i>	<p>Drill cores are sampled with lithological control to a maximum down hole length of 1.5 metres. Sample intervals are measured by tape from depth intervals shown on core blocks labelled by the drillers.</p> <p>Samples are collected by Dragon Mining personnel and dispatched via road transport to ALS Minerals for sample preparation and analysis for gold by fire-assay methods.</p>

Section 1 - Sampling Techniques and Data (Criteria in this Section apply to all succeeding sections)		
Criteria	Explanation	Commentary
Drilling Techniques	<i>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).</i>	Drilling in the recent programs was completed by BGM (42.0mm) diamond core methods. The lengths of holes completed in this campaign have ranged from 110.10 to 200.10 metres.  Core is collected with a standard tube. Core is not orientated and hole deviation surveys are completed on all drill holes using a Maxibor II device.
	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	Diamond core was reconstructed into continuous runs for orientation marking with depths checked against core blocks. Core loss observations were noted by geologists during the logging process. All information is recorded in the database.
Drill Sample Recovery	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	Sample recovery is high with >90% of the drill core having recoveries >95%.  All drilling is well planned to avoid existing underground development.  All drilling is undertaken in primary rock material.  An experienced underground drilling contract group is engaged to undertake the program of work. Drilling contractors are supervised and routinely monitored by Dragon Mining personnel.
	<i>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.</i>	Core recoveries are excellent, negating any sample bias due to core recovery.
	<i>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.</i>	All holes were logged by Dragon Mining geologists to a high level of detail that will support Mineral Resource estimation and mining studies. Diamond holes were logged for recovery, RQD, number and type of defects. The database contains tables with information recorded for alpha/beta angles, dips, azimuths, and true dips. Specific indicator minerals and the amount and type of ore textures and ore minerals were also recorded within separate tables.
Logging	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	Drill samples were logged for lithology, rock type, colour, mineralisation, alteration, and texture. Logging is a mix of qualitative and quantitative observations.  It has been standard practice that all diamond core be routinely photographed.
	<i>The total length and percentage of the relevant intersections logged.</i>	All holes were logged in full.
	<i>Whether cut, whether cut or sawn and whether quarter, half or all core taken.</i>	Full core samples of select zones are collected for analysis.
Sub-sampling Techniques and Sample Preparation	<i>If non-core, whether riffled,</i>	Not applicable. All drilling is completed by diamond

**Section 1 - Sampling Techniques and Data**  
**(Criteria in this Section apply to all succeeding sections)**

Criteria	Explanation	Commentary
	<i>tube sampled, rotary split, etc and whether sampled wet or dry.</i>	core methods.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	<p>Full core samples of select zones were collected for analysis by company personnel. With respect to the nature of the mineralised system and the core diameter, the use of full core is considered the most appropriate.</p> <p>Sample preparation is completed by ALS Minerals and follows industry best applicable practice. ALS Minerals procedures and facilities are organised to assure proper preparation of the sample for analysis, to prevent sample mixing, and to minimise dust contamination or sample to sample contamination.</p> <p>Core samples are submitted to the ALS Minerals facility in Outokumpu, Finland for sample preparation by method PREP-31BY. Samples were weighed, assigned a unique bar code and logged into the ALS system. The sample was dried, fine crushed to &gt;70% passing 2mm screen. A split off weighing 1kg is collected and pulverised to better than 85% passing 75 microns. A sub-sample is collected for analysis at the ALS Minerals facility at Rosia Montana, Romania.</p> <p>The method selected for sample preparation is considered appropriate.</p>
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	<p>Certified reference material and blanks are routinely inserted with the sample submission. Dragon has used systematic standard and pulp duplicate sampling since 2004. Every 20<sup>th</sup> sample (sample id ending in -00, -20, -40, -60, -80) is submitted as a standard, and every 20<sup>th</sup> sample (sample id ending in -10, -30, -50, -70, -90) is inserted as a pulp duplicate (with the original sample id ending in -09, -29, -49, -69, -89).</p> <p>A review of the results of the certified reference material and blanks indicates that they are within acceptable limits.</p>
	<i>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.</i>	<p>Coarse crush duplicates are included in the sample stream every 20 samples.</p> <p>A review of the results of the duplicate samples indicates that they are within acceptable limits.</p>
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	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 gold.
<b>Quality of Data and Laboratory Tests</b>	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is</i>	Analysis is completed at ALS Minerals in Rosia Montana, Romania using procedures Au-AA25 (Detection Limit – 0.01 g/t gold; Upper Limit – 100.00 g/t gold) – 30g fire assay with AAS finish. Gold values exceeding 3 g/t gold are re-assayed by Au-GRA21

Section 1 - Sampling Techniques and Data (Criteria in this Section apply to all succeeding sections)		
Criteria	Explanation	Commentary
	<i>considered partial or total.</i>	<p>(Detection Limit – 0.05 g/t gold; Upper Limit – 1,000.00 g/t gold) – 30g fire assay with gravimetric finish.</p> <p>ALS Minerals are a certified global laboratory group. They are monitored by an internal QAQC program and a QAQC program implemented by Dragon Mining, both of which include the inclusion of blank material, duplicates and certified reference material.</p> <p>The analytical techniques used are considered total.</p>
	<i>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.</i>	No such device was used for analytical purposes on sample material collected.
	<i>Nature and 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.</i>	<p>QAQC protocols are stringently adhered to throughout the duration of all drilling programs undertaken by Dragon Mining.</p> <p>The protocols of the QAQC program implemented by Dragon Mining includes the insertion of certified reference material (three ranges used – high, medium and low) and blank material on a 1 sample every 20 sample basis and the insertion duplicate samples on a 1 sample every 20 sample basis.</p> <p>ALS Minerals implement an internal QAQC program that includes the insertion of blanks, certified reference material and duplicates with each analytical run.</p> <p>A review of both the Dragon Mining and ALS Minerals QAQC results indicates that the blank material, certified reference material and duplicates are within acceptable limits.</p>
<b>Verification of Sampling and Assaying</b>	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	All significant intercepts are reviewed and verified by Dragon Mining geologists.
	<i>The use of twinned holes.</i>	No twinned holes have been drilled.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	<p>Primary data is collected by Dragon Mining personnel at the site.</p> <p>Primary assay data is received direct from the laboratory in digital format.</p> <p>All measurements and observations are digitally recorded and transferred into an Access database. Primary assay and QAQC data is entered into an Oracle master database.</p> <p>Verification and validation of the databases is handled internally.</p>

Section 1 - Sampling Techniques and Data (Criteria in this Section apply to all succeeding sections)		
Criteria	Explanation	Commentary
	<i>Discuss any adjustment to assay data.</i>	No adjustment has been made to the assay data.
<b>Location of Data Points</b>	<i>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.</i>	Drill hole collars and starting azimuths have been accurately surveyed by contract surveyors. Down hole surveys were undertaken on all exploration and resource development holes.  Collars and underground mine surveys are performed using a Leica TCRP 1203+ Total Station to a level of accuracy of 0.05 metres.  Down hole surveys are carried out on all drill holes using a Maxibor II device.
	<i>Specification of the grid system used.</i>	The grid system used for the reporting of results is the Finnish Grid System – KKJ2.
	<i>Quality and adequacy of topographic control.</i>	A series of fixed points are located at the surface form the basis of all topographic control at the Jokisivu Gold Mine. Additional fixed points have been established along the underground development and function as the elevation control underground.
<b>Data Spacing and Distribution</b>	<i>Data spacing for reporting of Exploration Results.</i>	Drilling has been undertaken from underground in a fan array type pattern. Pierce points are spaced nominally at 20 metres vertically and 20 metres horizontally.
	<i>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.</i>	The geology and mineralisation displays satisfactory continuity from hole to hole and will be sufficient to support the definition of a Mineral Resource or Ore Reserve and the classifications contained in the JORC Code (2012 Edition).
	<i>Whether sample compositing has been applied.</i>	No sampling compositing has been applied.
<b>Orientation of Data in Relation to Geological Structure</b>	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	The majority of drill holes are underground drill holes and completed at various angles in a 'fan' array to optimally intersect the orientation of the mineralised trends.
	<i>If the relationship between the drilling orientation and orientation of key mineralised structures is considered to have introduced a sampling bias, thus should be assessed and reported if material.</i>	No orientation based sampling bias has been identified in the data.
<b>Sample Security</b>	<i>The measures taken to ensure sample security.</i>	Chain of custody of samples is managed by Dragon Mining. Dragon Mining personnel or drill contractors transport diamond core to the core logging facilities where Dragon Mining geologists log the core. Core samples are transported to the sample preparation laboratory and then on to the analysis laboratory using contract couriers or laboratory personnel. Dragon Mining employees have no further involvement in the preparation or analysis of samples.

<b>Section 1 - Sampling Techniques and Data</b> <i>(Criteria in this Section apply to all succeeding sections)</i>		
<b>Criteria</b>	<b>Explanation</b>	<b>Commentary</b>
<b>Audits or Reviews</b>	<i>The results of any audits or reviews of sampling techniques and data.</i>	<p>Dragon Mining undertakes its own reviews and audits of sampling techniques and data.</p> <p>Dragon Mining has completed audits of the ALS Minerals facilities at Outokumpu, Finland; Rosia Montana, Romania and Vancouver, Canada.</p> <p>The completed reviews and audits raised no issues.</p>

<b>Section 2 - Reporting of Exploration Results</b>		
<b>Criteria</b>	<b>Explanation</b>	<b>Commentary</b>
<b>Mineral Tenement and Land Tenure Status</b>	<i>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.</i>	The Jokisivu Gold Mine is located within a granted Mining Licence (Licence ID – 7244; Licence Name – Jokisivu).
	<i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i>	The tenement is in good standing and no impediments to operating exist.
<b>Exploration Completed by Other Parties</b>	<i>Acknowledgement and appraisal of exploration by other parties.</i>	<p>The first indication of gold mineralization in the Jokisivu area was obtained in 1964, when a local youth sent a gold-bearing boulder to an ore prospecting competition.</p> <p>Outokumpu Oy began exploring the area in 1985 and continued until 2003, when Dragon Mining acquired the Project. Dragon Mining advanced the project over the ensuing years, undertaking extensive drilling and completing mining studies to enable production to commence in 2009.</p> <p>Production from the Jokisivu Gold Mine commenced with open-pit mining of the near surface portion of the Kujankallio deposit in September 2009. The open pit has a span of 300 metres and attained a maximum depth of 45 metres.</p> <p>The near surface portion of the Arpola deposit was also mined by open-pit methods in 2011. The Arpola open-pit spanned a distance of 130 meters and was 30 meters deep. The Arpola open-pit has subsequently been re-filled with waste rock.</p> <p>Underground development of the Kujankallio deposit commenced in September 2010 access achieved through a decline portal located at the eastern most end of the Kujankallio open pit. Since then, the decline has advanced 1,855 metres and has reached a vertical depth of 275 metres. Underground production from the Arpola deposit is expected to</p>

Section 2 - Reporting of Exploration Results		
Criteria	Explanation	Commentary
		commence in 2014.
<b>Geology</b>	<i>Deposit type, geological setting and style of mineralisation.</i>	<p>The Jokisivu Gold Mine is located in the Paleoproterozoic Vammala Migmatite Belt, which is dominated by tonalitic and granodioritic gneisses, micagneiss, migmatites, intermediate and mafic metamorphosed volcanic rocks as well as felsic and mafic plutonic rocks.</p> <p>Gold mineralisation is hosted within a sheared and quartz-veined diorite unit surrounded by mica gneiss. The Kujankallio deposit consists of several gold-bearing lodes, having a total length of at least 350 metres. The lodes strike northeast, primarily dipping 50 degrees to the southwest.</p> <p>The nearby Arpola deposit consists of several east-west trending gold lodes that extend over length of 150 metres. The Arpola lodes strike northeast and dip 50 degrees to the southwest.</p> <p>Both deposits represent structurally controlled gold systems.</p>
<b>Drill Hole Information</b>	<p><i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i></p> <ul style="list-style-type: none"> <li><i>• easting and northing of the drill hole collar;</i></li> <li><i>• elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar;</i></li> <li><i>• dip and azimuth of the hole;</i></li> <li><i>• down hole length and interception depth;</i></li> <li><i>• hole length.</i></li> </ul>	<p>Refer to the drill results in:</p> <p>Table 3 - Results from the underground diamond core drilling program targeting the Hinge Zone between the 260m and 290m levels, Jokisivu Gold Mine. Results previously not reported highlighted in red. All intercepts reported at a 1 g/t gold cut-off.</p> <p>Table 4 - Results from the underground diamond core drilling program targeting the Main Zone between the 245m and 305m levels, Jokisivu Gold Mine. All intercepts reported at a 1 g/t gold cut-off.</p>
<b>Data Aggregation Methods</b>	<i>In reporting Exploration Results weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i>	Weighted average gold intercepts are reported at a 1 g/t gold cut-off with up to 3 metres of internal dilution allowed. No high grade cuts were applied.
	<i>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</i>	<p>High grade intervals internal to broader zones of mineralisation are reported at a 15 g/t gold cut-off as included intervals. Refer to:</p> <p>Table 3 - Results from the underground diamond core drilling program targeting the Hinge Zone between the 260m and 290m levels, Jokisivu Gold Mine. Results</p>

Section 2 - Reporting of Exploration Results		
Criteria	Explanation	Commentary
	<i>examples of such aggregations should be shown in detail.</i>	previously not reported highlighted in red. All intercepts reported at a 1 g/t gold cut-off.  Table 4 - Results from the underground diamond core drilling program targeting the Main Zone between the 245m and 305m levels, Jokisivu Gold Mine. All intercepts reported at a 1 g/t gold cut-off.
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No metal equivalent values have been used or reported.
<b>Relationship between Mineralisation Widths and Intercept Lengths</b>	<p><i>These relationships are particularly important in the reporting of Exploration Results.</i></p> <p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></p> <p><i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i></p>	All intercepts reported are down hole lengths. True widths have not been calculated.
<b>Diagrams</b>	<i>Appropriate maps and sections (with scales) and tabulation of intercepts should be included for any significant discovery being reported. These should include, but not limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	Refer to provided diagrams – Figures 3 to 8.
<b>Balanced Reporting</b>	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practised to avoid misleading reporting of Exploration Results.</i>	Comprehensive reporting of drill details has been provided in this report. All meaningful and material exploration data has been reported.
<b>Other Substantive Exploration Data</b>	<i>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</i>	Investigative geological work completed at the Jokisivu Gold Mine is dominated by diamond core drilling. The results for completed drilling campaigns have been regularly reported to the ASX as results become available.

Section 2 - Reporting of Exploration Results		
Criteria	Explanation	Commentary
	<i>characteristics; potential deleterious or contaminating substances.</i>	
Further Work	<i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>	Underground diamond core drilling will continue targeting the Main Zone at Kujankallio and the Arpola deposit.
	<i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	Refer to provided diagrams – Figures 3 to 8.