

ASX ANNOUNCEMENT

17 MARCH 2017

ADDITIONAL INFORMATION REQUESTED FOR FÄBOLIDEN TEST MINING APPLICATION

Dragon Mining Limited (ASX:DRA) ("Dragon Mining" or "the Company") wish to advise that the Company has received a request for additional information regarding the environmental permit application for the proposed test mining operation at the Fäboliden Gold Project ("Fäboliden") in northern Sweden. The application was submitted to the County Administration Board of Västerbotten ("CAB") on the 3 June 2016 and the request for additional information was issued by the CAB on the 9 March 2017.

As anticipated, the CAB has requested additional information on our submission including:

- base line parameters for existing water quality;
- water management;
- a response to the local Sami reindeer-herding questions;
- daily operating hours and noise; and
- rehabilitation works and the rehabilitation bond.

The Company has reviewed the request and received initial input from the consultant and the legal team engaged to assist with the permitting for Fäboliden. Work has now commenced with the aim of responding by the deadline given by the CAB of 27 April 2017.

For and on behalf of
Dragon Mining Limited