

Quarter Overview

- **Improved safety performance** with a Lost Time Injury ("LTI") free quarter. The Group's 12 month rolling LTI frequency rate, per million work hours, decreased to 3.3 (Q4 2016: 6.3).
- **A Group C1 Cash Cost of US\$616/oz** was achieved at the Vammala Production Centre ("Vammala") during the quarter. This was lower than the C1 Cash Cost in the previous quarter (US\$788) and was achieved in part by higher grades and cost savings achieved at Vammala during the period.
- **Gold production of 7,980 ounces** included 3,131 ounces produced from the Orivesi Gold Mine ("Orivesi"), 4,815 ounces produced from the Jokisivu Gold Mine ("Jokisivu"), and 34 ounces sourced from the reprocessing of higher grade tailings ("HGT") during the quarter.
- **Proposed Delisting from ASX and Listing on the HKEx** progressed with the Company submitting (subsequent to the end of the quarter) its formal application for Listing on the HKEx. In conjunction with Listing on the HKEx, the Company plans to undertake a fully underwritten capital raising of A\$17.5 million.
- **The Orivesi Environmental Permit** appeal remains with the Vassa Administrative Court.
- **The Fäboliden Test Mining Permit Application**, submitted on 3 June 2016, remains with the County Administration Board ("CAB") who have now tabled a list of questions and clarifications on the Test Mining Permit Application. The Company will respond by May 2017. Work on the Full Mining Permit is continuing with a planned submission of the Full Mining Permit Application in the last quarter of 2017.
- **Hanhimaa Gold Project Interests Transferred** in exchange for a 2% Net Smelter Return ("NSR") on future mineral production from the Hanhimaa Gold Project. The agreement with Agnico Eagle Mines Limited ("Agnico Eagle") gives Agnico Eagle the right to buy back one percentage point of the 2% NSR at any time for €2 million cash.
- **Mineral Resources updated for the Nordic Production Centres** totaling 13,948,000 tonnes grading 3.2 g/t gold for 1,443,000 ounces as at 31 December 2016, inclusive of Ore Reserves.
- **An Unsecured \$6 million Revolving Loan Facility** was negotiated with AP Finance Limited to provide standby funding if required to assist with the development of the

Company's two new mines in Fäboliden and Kaapelinkulma.

- **Available cash was depleted by A\$0.2 million** during the quarter. Available cash (bank accounts plus trade receivables less accounts payable) totalled A\$8.4m at the end of the quarter (details of cash movement are provided on page 10).

Quarter at a Glance

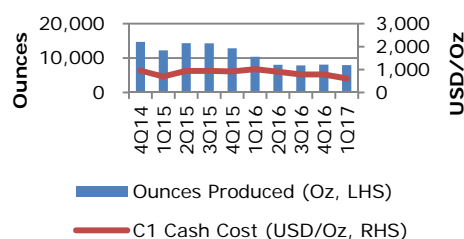
Gold Production 7,980 ounces

C1 Cash Cost US/oz US\$616

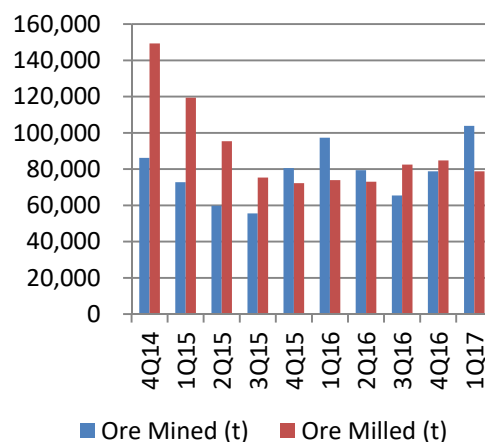
Safety Performance Nil LTI's

Available Cash A\$8.4m
(Quarter end)

Dragon Mining
Quarterly Gold Production
and C1 Cash Cost



Ore Mined vs Ore Milled





Operations Review

The Group's gold production for the first quarter of 2017 was 7,980 ounces at a C1 Cash Cost of US\$616/oz.

Gold production for the quarter was assisted by higher than budgeted grades from Orivesi and ounces gained from the reprocessing of higher grade tailings. Over the course of the period, 32% more ore was mined than during the previous quarter, with most of that ore being

mined from Jokisivu, compensating for the lower production from Orivesi.

The Svartliden Plant ("Svartliden") in northern Sweden continued to remain in operation processing only internal concentrates from Finland. Most of the Jokisivu and Orivesi concentrate could be processed at Svartliden with only a small portion delivered to the Boliden Harjavalta Smelter in southern Finland.

Vammala Production Centre, Southern Finland

Quarter	Ore Mined (WMT)	Ore Milled (DMT)	Head Grade (g/t)	Recovery (%)	Plant Utilisation (%)	Total Gold Production (Ounces)	C1 Cash Cost ¹ USD/oz sold
Jun 2016	79,416	73,005	3.0	87.0	87.1	6,466	907
Sep 2016	65,468	82,482	3.4	86.3	94.5	7,892	791
Dec 2016	78,736	84,785	3.4	87.7	99.5	8,110	788
Mar 2017	103,831	78,781	3.7	87.0	92.4	²7,980	616

¹The Vammala Production Centre C1 Cash Cost definition is as set out by Mackenzie Wood.

²Total gold production of 8,180 ounces for the March 2017 quarter has been adjusted down by 200 ounces which represents a negative quarterly true up to reconcile the provisional ounces sold to Boliden against the final gold outturn from Boliden for the previous quarter.

Safety

During the quarter, no LTI's occurred at the Company's Finnish operations with each operation recording continuous LTI free days at Vammala Plant (434), Jokisivu (464), Orivesi (845), and Kaapelinkulma Gold Project ('Kaapelinkulma') (90).

A total of nineteen reportable incidents were noted during the quarter; Orivesi (nil), Vammala Plant (10), Jokisivu (9) and Kaapelinkulma (nil).

The Company continues to focus on driving an improved safety culture across all four of its Finnish operations in 2017.

Production

Gold production for the quarter from Vammala was 7,980 ounces. Mill feed at Vammala comprised 21,421 dry metric tonnes ("DMT")

from Orivesi at a grade of 5.6 g/t gold and 57,360 DMT from Jokisivu at a grade of 2.9 g/t gold.

Orivesi Gold Mine

Total ore mined from Orivesi was 22,401 wet metric tonnes ("WMT") at 3.6 g/t gold. This ore came from two producing stopes at Sarvisuo; one stope and two sill pillars at Kutema; and ore drifts at Sarvisuo and Kutema. The 1100 sill pillar at Kutema was able to be mined out as planned.

Development works advanced a total of 295 metres during the quarter.

Jokisivu Gold Mine

A total of 81,430 WMT of ore grading 3.0 g/t gold was mined for the quarter from Jokisivu with stoping providing 16,599 WMT grading 4.3 g/t gold and 64,830 WMT 2.6 g/t gold coming from development.



Two stopes at Kujankallio (305 K1, 285K3 and 320 K2) and two stopes from Arvola 225A11 and 205A11 were mined out with mining conditions stable and development works advancing a total of 1,143 metres during the quarter. Deepening of the Jokisivu decline has begun and is now at the 355m level.

Vammala Plant

Ore milled totalled 78,781 DMT grading 3.6 g/t gold during the quarter. Gold recovery averaged 87.0%, with a plant utilisation rate of 92.4%.

A full-scale production trial of C-pit higher grade tailings ("HGT") was carried out in March 2017.

Two separate full scale production tests were carried out. The first test consisted of a blended mill feed ratio of 75% Kutema Pipe 5 ore grading from 3.0 to 3.8 g/t gold and 25% HGT at 2.5 g/t gold. The second test consisted of a blended mill feed of 75% Jokisivu low grade ore grading from 1.9 to 2.1 g/t gold and 25% HGT at 1.9 g/t gold. Results have shown the treating of HGT is economically viable with recovery at around 60% and very low costs to deliver it to the process plant.

Historical production records indicate that approximately 50,000 WMT of HGT was separated and stored in the C-open pit at Vammala by the previous owner during the 1990's.

Environment

Vammala Plant

The decision regarding the Environmental Permit, which allows for the processing of 300,000 tonnes per annum (including ore from Kaapelinkulma) could be issued by the Supreme Administrative Court by late summer/early autumn 2017. The Company can continue to operate in accordance with its existing Environmental Permit conditions.

A report that monitored, primarily nickel and sulphate, discharge into the surrounding watershed was completed and submitted to the relevant authorities in early March 2017. The report shows that the discharge amount decreased during 2016, which was mostly due to the Company's investment in automatic pH adjustment units. However, during the recent northern hemisphere winter some signs of

discharge were visible in the bottom of Lake Rautavesi.

Recently the closest neighbors to the Vammala Plant have had challenges with water sufficiency in their wells and there have been some water quality issues with one neighbor's tap water. A water monitoring consultant, KVVY, initiated sampling in the immediate vicinity. The official results were completed in April 2017 which have shown the water quality issues originate from the house's copper pipes.

In early 2017, only minimal discharges occurred. Improvements in water management have continued with the installation of a pumping station on the eastern side of the Tailings Storage Facility.

Orivesi Gold Mine

In February 2017, a request to submit updated information with the Environmental Permit application was received from the Vaasa Administrative Court ("Court"). The information requested includes the latest water monitoring results, water management activities, and maps. The information was submitted on 8 March 2017. The Court commenced its decision process regarding the rejection of the Environmental Permit in December 2015. It seems likely the Court will issue its decision around June 2017.

Monthly water analyses sampled in early 2017 show that Orivesi continues to comply with its Environmental Permit conditions.

Ramboll Finland Oy ("Ramboll") was chosen to design and construct an area for potentially acid forming waste rock extending west of its current position. The size of the extension will be approximately 0.45 hectares. In 2015, Ramboll completed the initial design for the extension. The construction will use fiber clay in the area's bottom structures. While fiber clay is considered waste, its use requires the Centre for Economic Development, Transport and the Environment (the "ELY Centre") permission. Further negotiation with the ELY Centre will be held on 21 April 2017.

Environmental work continued at the site throughout the quarter. The storage for hazardous waste was cleaned and moved to new containers. Improvements in the automatic pH system were completed to ensure consistently correct pH values are received. New pH sensors



and salt bridges were ordered for the pH systems. The above ground pipe line that conveys the clarified water back to the underground mine froze in the beginning of January 2017. Water used in the mine was obtained by pumping water from Lake Ala-Jalkajärvi.

Jokisivu Gold Mine

A report which monitored discharge into the surrounding watershed was completed and submitted to the relevant authorities in early March 2017. The report shows that the discharge levels continue to be like the levels recorded in 2015. The discharge is not having any significant effects on the river Loimijoki. The monthly water analyses sampled in early 2017 show that the mine is operating in accordance with its Environmental Permit conditions.

The crushing of waste rock, being the rock that is classified as inert waste, has been approved under the current Environment Permit. The contractor responsible for performing the crushing will also be responsible for delivering the waste rock offsite. Tests aimed at guaranteeing the inert quality of the rock are to be completed before the aggregate is sold and delivered offsite.

Kaapelinkulma Gold Project

In late 2016, the consultant responsible for water quality monitoring, KVVY, took samples from the wells located within 1km of the planned mine site (and used by households). The radius of 1km is defined in the mine's monitoring program and based on the Environmental Permit. Based on a neighbour's request, the sampling radius has been extended. Studying water quality is part of the baseline monitoring carried out before mining is commenced.

When clearing the tree cover for development of the Kaapelinkulma mine the Company accidentally cleared an area of approximately 5 hectares associated with the protected butterfly Lopinga achine migration. No resident butterflies have been identified in the area cleared. The ELY Centre were immediately notified and the Company has submitted and implemented an approved restoration plan for the area.

On 14 March 2017, neighbours of Kaapelinkulma visited Jokisivu to learn more about a mining operation, the staff and the responsible consultant from KVVY. The visit had a positive

impact on the Company's relations with its neighbours at Kaapelinkulma.

During the quarter, the water management plan was provided by Ramboll. The plan covers the layout, location of different activities at the site, and the general principles of water management. In accordance with the Environmental Permit the plan must be presented to the ELY Centre before mining is commenced.

Kuusamo Gold-Cobalt Project

On 13 December 2016, the Municipality of Kuusamo issued a revised Local Master Plan ("Plan"). The Plan proposes to exclude all mining in an area that extends over the Mining Concessions that were previously owned by the Company and subsequently transferred to Kuusamo Gold Oy, a wholly owned subsidiary of Nero Projects Australia Pty Ltd.

An appeal against the Plan was submitted to the Administrative Court of Northern Finland on 17 January 2017, together with representatives of Kuusamo Gold Oy. The appeal was submitted by both companies due to the appeal against the decision by Tukes on the transfer of mining rights from Dragon Mining Oy to Kuusamo Gold Oy.



Svartliden Production Centre, Sweden

Quarter	External Con Milled (t)	Head Grade (g/t)	Recovery (%)	External Gold Production (Ounces)	¹ Quarterly Profit/(Loss) AUD \$,000
Mar 2016	831	96.1	92.5	2,332	(1,502)
Jun 2016	521	105.1	92.9	1,607	388
Sep 2016	-	-	-	-	(2,002)
Dec 2016	-	-	-	-	(1,876)

¹A strategic decision has been made to keep the Svartliden plant operating at below breakeven to ensure continuity of operational staff and operational readiness for the development of Fäboliden. Thus, the Company does not consider the C1 Cash Cost an appropriate measure for Svartliden choosing instead to report the quantum of the strategic profit/(loss) incurred.

Safety

No LTI's occurred during the quarter and Svartliden is currently 364 days LTI free.

Production

During the quarter, Svartliden continued to process only internal concentrates from Vammala following the Company's previous decision to cease processing external concentrates due to the high leachable copper content found in these concentrates.

The water discharged from the Clear Water Pond ("CWP") has been well below the level permitted in the Environmental Permit. At the end of the quarter, the copper grade in the water was 1.1µg/l. The limits are 15 and 9 µg/l. During the quarter 188.995m³ of effluent water was discharged from the CWP to the recipient.

Most of the Jokisivu and Orivesi flotation concentrates were processed at Svartliden during the quarter with only a small portion delivered to the Boliden Harjavalta Smelter.

Environment

Work to update the Svartliden Rehabilitation Plan continued during the quarter. The Environmental Court approved the extended submission of the Rehabilitation Plan to 7 April 2017, allowing the Company to include aspects of the operation with

ore from Fäboliden. The submission of the Rehabilitation Plan was completed by the required date.

All discharge limits have been met during the period. The copper levels in the CWP have decreased from 1.9µg/l to 1.1µg/l, which is well below the upper limit of 15µg/l and the reporting level of 9µg/l. Water management enhancements that include a new pipe line to the Tailings Storage Facility ("TSF") and pumping from the underground decline, have performed well.

During the previous quarter, the Company received information from the CAB that a Nature Reserve Area ("NRA") may be established at the Paubäcken Creek. The Company, together with the local municipalities, and the Pauträsk village submitted their opposition to the formation of the NRA. The CAB has not made any new decisions regarding the NRA.

The Test Mining Permit application for the Fäboliden Gold Project ("Fäboliden"), submitted on 3 June 2016, remained with the CAB until 9 March 2017. The CAB has now responded and the Company is required to answer the CAB follow up questions before 27 April 2017. The Company will endeavour to submit its responses as soon as possible within the timeframe of the request.

The minor change notification relating, to the processing of ore from the planned Fäboliden test mining program, was submitted to the CAB on 28



September 2016. The CAB responded on 9 November 2016 with a request for additional information, the Company's subsequent response, with input from Golders (technical) and Foyen (legal), was submitted on 12 December 2016. A further response from the CAB on this matter is still pending. This notification is formally under the Svartliden Permit and is indirectly connected to Fäboliden Test Mining.

A new notification for continued processing of beneficiated ore was submitted to the CAB during the quarter. Subsequent to the end of the quarter, the Company received a positive response from the CAB on 7 April 2017, enabling Svartliden to continue to process 20,000 tonnes per annum of beneficiated ore over three years.

The public consultation for the Full Permit is now complete and formally closed. The consultation summary has been submitted to the CAB who are yet to provide comment on the consultation document and the related meetings. It is expected the CAB will provide their comments in conjunction with their decision (legal formality) on the project's environmental impact and resulting permitting process (already known).

Associated with the Full Mining Permit, an otter inventory was undertaken during March 2017. Otters are a threatened species identified in the Natura 2000 protected area. The inventory was carried out to eliminate the risk of delays that could arise if an authority or stakeholder raised the need for an inventory to be performed (requires new snow cover for tracking). Otter tracks and spilling were identified along the Öreälven River and Storbäcken Creek. While this data will add additional work to the EIA, it also demonstrates the comprehensiveness of the EIA studies and reduces the risk of delays due to perceived EIA deficiencies.

The Company and the Reindeer Consultant have been granted access to the Vapsten Reindeer Herding Plan ("RHA") that outlines the herders land use. The plan is confidential; the Company is not permitted to distribute it to any other Consultants in the permitting team. This information will also be used to answer questions raised by the CAB on the Test Mining Application

Also associated with the CAB questions on the Test Mining Permit, a hybrid discharge plan for the Öreälven River has been developed and a supplementary consultation process will be undertaken to review ore transport logistics.

These items are also relevant for the Fäboliden Full Mining Application and some synergies will be achieved.

Advanced Projects

Drilling continued during the March quarter with the completion of 24 diamond core drill holes, totalling 5,292.80 metres at Orivesi and Jokisivu and 61 reverse circulation drill holes totalling 2,009 metres at Kaapelinkulma.

Drilling campaigns were undertaken with the objective of providing information to support mine planning and mine development, as well as identifying new mineralised zones and extensions to known mineralised zones.

Updates of the Company's Mineral Resources and Ore Reserves as at 31 December 2016 were also completed during the quarter.

Southern Finland

Orivesi Gold Mine

Surface diamond core drilling progressed at Orivesi during the quarter with 13 holes completed for a total of 2,102.50 metres.

An eleven-hole diamond core drilling program from the surface, which commenced during the December 2016 quarter targeting an undeveloped panel between the 120m and 160m levels in the Sarvisuo area was completed. This program has yielded a number of significant intercepts including 2.00 metres @ 37.40 g/t gold, 5.00 metres @ 17.07 g/t gold, 3.50 metres @ 39.02 g/t gold, 4.80 metres @ 23.89 g/t gold and 18.00 metres @ 18.05 g/t gold (Appendix 1). Results for the initial four holes from the program were released to the ASX on the 19 January 2017 – Drilling Returns Robust Intercepts from Orivesi Gold Mine, the final seven holes were released on the 2 March 2017 – Drilling Returns Further Intercepts from the Orivesi Gold Mine. These releases can be found at www.asx.com.au (Code: DRA).

The results have highlighted extensions to known zones of gold mineralisation at promising grades, as well as identifying a previously unknown zone of gold mineralisation in the area. Given the tenor



of the results and the lower costs of mining at these shallow depths, the Company will now look at undertaking an internal feasibility study to develop this new area.

The drilling phase of a second diamond core program from the surface has also been completed. The nine-hole program was designed to further evaluate Sarvisuo Pipe 2 between the 80m and 120m levels, and other near surface targets between the 80m and 200m levels in the Sarvisuo area. Results will be made available when all analytical work is completed.

Jokisivu Gold Mine

Underground diamond core drilling continued at Jokisivu during the quarter, with 11 holes completed for a total of 3,190.30 metres.

A five-hole campaign from the 280m level, which was designed to improve the density of drilling in the eastern portion of the Kujankallio Main Zone between the 300m and 340m levels, was completed during the quarter. Drilling also commenced on a fifteen-hole campaign that has been designed to further evaluate the Basin Zone, a satellite zone of mineralisation to the northwest of the Kujankallio Main Zone. Six holes were completed during the quarter. Results will be made available from both of these campaigns when analytical work is complete.

Kaapelinkulma Gold Project

The program of Reverse Circulation ('RC') drilling at Kaapelinkulma that commenced during December 2016 was completed during the quarter. The program has yielded a number of significant intercepts including 7.00 metres @ 18.49 g/t gold, 5.00 metres @ 11.31 g/t gold, 9.00 metres @ 9.97 g/t gold, 7.00 metres @ 30.47 g/t gold, 8.00 metres @ 7.48 g/t gold, 4.00 metres @ 11.19 g/t gold, 3.00 metres @ 17.50 g/t gold, 5.00 metres @ 12.59 g/t gold and the narrow high grade 2.00 metres @ 21.25 g/t gold, 2.00 metres @ 29.66 g/t gold and 2.00 metres @ 34.18 g/t gold (Appendix 2). Results were released to the ASX on the 27 March 2017 – Kaapelinkulma Drilling Confirms Historical Results. This release can be found at www.asx.com.au (Code:DRA).

The eighty hole, 2,548 metre RC program was undertaken across the planned open-pit area, where mining is scheduled to commence later in

2017. The drilling has improved the drill spacing in this area, confirming results from historical diamond core drilling and providing greater confidence in the interpretation of the extent and geometry of the deposit. Work has now commenced on updating the Kaapelinkulma Mineral Resource in readiness for further open-pit optimisation studies and mine design activities.

Preparation to commence mining at Kaapelinkulma continues to advance. The National Land Survey of Finland has assisted with finalising negotiations with affected landowners to widen the mine road for ore transport. Building of the road will commence after a 30-day appeal period. The Kaapelinkulma Master Plan, an operation and internal emergency plan and risk assessment is currently being finalised to allow the Finnish Safety and Chemicals Agency ("Tukes") to assess the required bond level.

The Company continues to develop a good working relationship with the local community. A group of key people from around the Kaapelinkulma area recently visited the Company's Jokisivu Gold Mine to gain an appreciation of how the Kaapelinkulma area will look during mining activities. It also gave the key people opportunity to see how the water treatment process has been organized at Jokisivu, allowing them to compare this with the water treatment plans for Kaapelinkulma.

Northern Sweden

Fäboliden Gold Project

Dragon Mining continued work on the development of Fäboliden in Northern Sweden.

A request was received from the CAB for additional information regarding the environmental permit application for the proposed test mining operation during the March quarter.

In their request for additional information the CAB is seeking responses to a number of questions regarding the planned operations including:

- Confirmation of base line parameters for existing water quality;
- additional details regarding the planned water management and water treatment;



- a response to the local Sami reindeer-herders' statement regarding test mining;
- additional details regarding daily operating hours and noise; and
- a number of items regarding potential rehabilitation works and rehabilitation bond.

The Company has reviewed the request and received initial input from the consultant and 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 by the end of May 2017.

Exploration

Northern Finland Hanhimaa Gold Project

During the quarter the Company reached agreement with Agnico Eagle Mines Limited (NYSE/TSX:AEM) ("Agnico Eagle") to transfer 100% interest in the tenements that comprise the Hanhimaa Gold Project to Agnico Eagle in exchange for a 2% Net Smelter Return ("NSR") on future mineral production from the Hanhimaa Gold Project. Agnico Eagle will have the right to buy back one percentage point of the 2% NSR at any time for €2 million cash.

Upon the signing of a definitive Agreement related to the transfer, the existing Earn-In Agreement between Dragon Mining and Agnico Eagle pertaining to the Hanhimaa Gold Project shall immediately terminate and Agnico Eagle will take over all liabilities for the Project. This simplifies Dragon Mining's future obligations while retaining an interest if the project is developed.

Resources & Reserves

Updates of the Company's Mineral Resources and Ore Reserves as at 31 December 2016 were completed during the quarter. The updated Mineral Resource and Ore Reserve estimates were released to the ASX on the 28 February 2017 – Mineral Resources Updated for the Nordic Production Centres and the 21 March 2017 – Ore Reserves Updated for Dragon Mining's Nordic Projects, respectively. These releases can be found at www.asx.com.au (Code: DRA).

Mineral Resources

The statement of Mineral Resources for the Company totals 13,948,000 tonnes grading 3.2 g/t gold for 1,443,000 ounces as at 31 December 2016, inclusive of Ore Reserves (Appendix 3).

This represents a 51% increase in tonnes and 31% increase in ounces for the Company's Mineral Resources from the Vammala and Svartliden Production Centres since 1 September 2015. These increases in Mineral Resources, in part cover the loss of Mineral Resources from the Kuusamo Gold Project, following the sale of the Company's 100% interest in its Finnish subsidiary Kuusamo Gold Oy during 2016.

The updated Measured, Indicated and Inferred Mineral Resources (inclusive of Ore Reserves) for:

- Orivesi of 157,000 tonnes grading 7.3 g/t gold for 37,000 ounces have decreased by 51% in tonnes and 44% in ounces since 1 September 2015. These decreases are due to mining depletion from ore stopes and development drives and a change in the reporting cut-off grade from 3.0 g/t to 3.85 g/t gold;
- Jokisivu of 2,512,000 tonnes grading 3.8 g/t gold for 308,000 ounces have increased by 70% in tonnes and 39% in ounces since 1 September 2015. These increases are the product of encouraging results obtained from drilling campaigns that targeted the extensions of the Kujankallio and Arpola deposits and a change in the reporting cut-off grade from 2.0 g/t gold to 1.5 g/t gold;
- Kaapelinkulma of 157,000 tonnes grading 4.1 g/t gold for 21,000 ounces have increased by 43% in tonnes and 13% in ounces since 1 September 2015. This is a result of applying a new reporting cut-off grade, which was estimated using costs and recoveries from the updated and ongoing Kaapelinkulma Pre-Feasibility Study and a gold price extrapolated for the potential economic extraction of the resource at a level approximating 125% of the spot gold price of US\$1,500 per ounce.
- Fäboliden of 10,632,000 tonnes grading 3.0 g/t gold for 1,019,000 ounces have increased by 54% in tonnes and 37% in ounces since 1 September 2015. This is a result of applying new reporting cut-off grades, which were estimated using costs and recoveries from the updated and ongoing Fäboliden Pre-Feasibility Study and a gold price extrapolated for the potential economic extraction of the resource at a



level approximating 125% of the spot gold price of US\$1,500 per ounce; and

- Svartliden Gold Mine of 489,000 tonnes grading 3.7 g/t gold for 59,000 ounces have increased by 28% in tonnes and 15% in ounces since 31 December 2013. This is a result of applying new reporting cut-off grades, which were estimated using updated estimates for mining costs and a gold price extrapolated for the potential economic extraction of the open-pit and underground resource at a level approximating 125% of the spot gold price of US\$1,500 per ounce.

Ore Reserves

The Company's Proved and Probable Ore Reserves as at 31 December 2016 total 1,790,000 tonnes grading 3.3 g/t gold for 189,000 ounces (Appendix 4). This represents an increase in tonnes and ounces compared to the Proved and Probable Ore Reserves as at 1 September 2015 of 1,627,000 tonnes grading 3.5 g/t gold for 183,500 ounces.

The updated Proved and Probable Ore Reserves for:

- Orivesi of 46,000 tonnes grading 5.3 g/t gold for 7,900 ounces have decreased by 78% in tonnes and 77% in ounces since 1 September 2015 because of mining depletion;
- Jokisivu of 500,000 tonnes grading 3.6 g/t gold for 57,600 ounces have increased by 92% in tonnes and 99% in ounces since 1 September 2015. These increases have replenished material mined and further increased the Ore Reserves since 1 September 2015, following successful drilling campaigns that targeted the extensions of the Jokisivu deposits;
- Kaapelinkulma of 79,000 tonnes grading 3.5 g/t gold for 8,900 ounces have decreased by 9% in tonnes and 7% in ounces since 1 September 2015 as a result of an environment issue that prohibits mining activity in a butterfly habitat, constraining mining to the main pit area, the smaller adjoining southern open pit now excluded from development; and
- Fäboliden of 1,160,000 tonnes grading 3.1 g/t gold for 115,000 ounces have returned a 9% increase in tonnes and 4% increase in ounces since 1 September 2015 due to improved process recoveries (82% - 31 December 2016 vs 74% - 1 September 2015) and a higher gold price.

In addition to site specific mining, metallurgical, cost and revenue factors, the updated Ore Reserve estimates used a gold price of US\$1,260 per ounce (1 Sept-15: US\$1,150 per ounce) and exchange rates of USD/EUR 1.13, USD/SEK 8.55

and AUD/USD 1.36 (1 Sept-15: USD/EUR 1.10, USD/SEK 8.50 and AUD/USD 1.37).

Corporate

Unsecured Loan Facility with AP Finance

On 15 February 2017, the Company entered a loan agreement with AP Finance Limited for an unsecured Loan Facility of A\$6.0 million (approximately HK\$35.67 million). The key provisions of the Loan Facility include.

- An interest rate of 4% per annum payable quarterly in arrears; and
- A loan period of 24 months with the principal repayable in Hong Kong dollars.

The Company will use the funds if required for the development of its new Fäboliden and Kaapelinkulma Gold Mines.

Unmarketable Parcel Sale Facility

During the quarter, the Company undertook an Unmarketable Parcel Sale Facility ("UPS Facility") for holders of parcels of fully paid ordinary shares valued at less than A\$500 each (each a UPS Shareholder). The UPS Facility enabled UPS Shareholders to sell their Unmarketable Parcel of Shares without incurring brokerage or handling costs, which were paid by the Company.

At the conclusion of the availability of the UPS Facility on 14 March, 2017, and as announced to the ASX on 15 March, 2017, there were 421,141 ordinary shares held by 519 separate shareholders to be sold.

Proposed Delisting from ASX and Listing on the Stock Exchange of Hong Kong

Further to the disclosure in the Company's December 2016 quarterly report published on the Company's Australian Securities Exchange ("ASX") Announcements platform on 31 January 2017, the Company advised that it has been progressing the listing of the Company on The Stock Exchange of Hong Kong ("HKEx") ("Listing") and the removal of the Company from the Official List of the ASX.



In conjunction with the proposed Listing on the HKEx, the Company is also proposing to undertake a fully underwritten capital raising to raise a maximum of A\$17.5 million and to amend those provisions of the constitution of the Company that are required to be amended to comply with the requirements of the HKEx. Details of this ASX release can be found at www.asx.com.au (Code: DRA).

Subsequent to the end of the quarter, the Company announced that it had submitted its formal application for the Listing to the HKEx.

On 29 April, the Company announced that the ASX had resolved to remove the Company from the Official List of the ASX, at the request of the Company, on 29 June 2017 or such other date to be decided by the ASX in consultation with the Company, subject to compliance with the following conditions:

1. The request for removal of the Company from the Official List of the ASX ("Removal") is approved by an ordinary resolution of shareholders of the Company.
2. The Removal shall not take place any earlier than one month after the date on which the resolution to approve the Removal is passed.
3. The Notice of General Meeting seeking shareholder approval for the removal sets out:
 - a) all information concerning the Company which:
 - i. a reasonable person would expect to have a material effect on the price or value of the Company's securities;
 - ii. a reasonable person would expect to be disclosed;
 - iii. has not previously been disclosed; and
 - b) The timetable that will be followed for the removal.

The Company will seek shareholder approval at the General Meeting scheduled for 2 May 2017, and confirms that the Notice of General Meeting as released to ASX and despatched to Shareholders on 31 March 2017 contains all the information required by ASX.

Cash Generation

At the end of the quarter, the Group had A\$9.7 million in the bank (Q4: A\$15.4 million), trade receivables of A\$3.7 million (Q4: A\$3.3 million) and accounts payable of A\$5.0 million (Q4: A\$10.2 million). Available cash (cash at bank plus trade receivables less accounts payable) was A\$8.4 million (Q4: A\$8.6).

Quarter Cash Flows	A\$(m)
Operating Cash Flows	
Revenue	11.1
Operating Costs	(11.8)
Cash outflows for taxation, rehabilitation bonds, overhead and operational support costs	(2.8)
Exploration	(0.2)
Net operating cash flows	(3.7)
Investing Cash Flows	
Development expenditure	(0.1)
Capital purchases	(1.5)
Other	-
Net investing cash flows	(1.6)
Financing Cash Flows	
Foreign exchange gains/(loss)	(0.5)
Net financing cash flows	(0.5)
Net decrease in cash at bank	(5.8)
The Company's cash balance decreased by A\$5.8 million whilst available cash decreased by A\$0.2 million during the quarter.	
Movement in available cash	
Opening available cash	8.6
Less decrease in cash at bank	(5.8)
Add increase in receivables	0.4
Add decrease in payables	5.1
Closing available cash	8.4



Competent Persons Statements:

The information in this report that relates to Exploration Results were previously released to the ASX on 19 January 2017 – Drilling Returns Robust Intercepts from Orivesi Gold Mine, 2 March 2017 – Drilling Returns Further Intercepts from the Orivesi Gold Mine, and 27 March 2017 – Kaapelinkulma Drilling Confirms Historical Results, which can be found at www.asx.com.au (Code: DRA). They fairly represent information and supporting documentation that was compiled by Mr. Neale Edwards BSc (Hons), a Fellow of the Australian Institute of Geoscientists, who is a full time employee of the company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves. Written consent was previously provided by Mr. Neale Edwards for the releases dated the 19 January 2017, 2 March 2017 and 27 March 2017.

The Company confirms that it is not aware of any new information or data that materially affects the Exploration Results as released on the 19 January 2017, 2 March 2017 and 27 March 2017, and the assumptions and technical parameters underpinning the Exploration Results in the listed releases continue to apply and have not materially changed.

Mr. Neale Edwards BSc (Hons), a Fellow of the Australian Institute of Geoscientists, who is a full time employee of Dragon Mining and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves confirms that the form and context in which the Exploration Results are presented in this report have not been materially modified from the releases dated the 19 January 2017, 2 March 2017 and 27 March 2017. Mr. Neale Edwards has provided written consent approving the Exploration Results in this report in the form and context in which they appear.

The information in this report that relates to Mineral Resources as at 31 December 2016 for the Orivesi Gold Mine, Jokisivu Gold Mine, Kaapelinkulma Gold Project, Fäboliden Gold Project and Svartliden Gold Mine were previously released to the ASX on the 28 February 2017 – Mineral Resources Updated for the Nordic Production Centres, which can be found at www.asx.com.au (Code: DRA). It fairly represents information and supporting documentation that was compiled or supervised by Mr. Jeremy Clark who is a full-time employee of RungePincokMinarco Limited and a Registered Member of the Australasian Institute of Mining and Metallurgy. Mr. Clark has sufficient experience that is relevant to the styles of mineralisation and types of deposit under consideration and to the activity that being undertaken to qualify as a Competent Person as defined in the JORC Code 2012 Edition. Written consent was previously provided by Mr Clark for the 29 February 2016 release.

The Company confirms that it is not aware of any new information or data that materially affects the Mineral Resources for the Orivesi Gold Mine, Jokisivu Gold Mine, Kaapelinkulma Gold Project, Fäboliden Gold Project and Svartliden Gold Mine as reported on the 28 February 2017, and the assumptions and technical parameters underpinning the estimates in the 28 February 2017 release continue to apply and have not materially changed.

Mr. Neale Edwards BSc (Hons), a Fellow of the Australian Institute of Geoscientists, who is a full time employee of Dragon Mining and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves confirms that the form and context in which the Mineral Resources are presented in this report have not been materially modified and are consistent with the 28 February 2017 release. Mr. Neale Edwards has provided written consent approving the statement of Mineral Resources in this report in the form and context in which it appears.



The information in this report that relates to the Ore Reserves as at 31 December 2016 was previously released to the ASX on the 21 March 2017 – Ore Reserves Updated for Dragon Mining's Nordic Projects. This release can be found at www.asx.com.au (Code: DRA). It fairly represents information and supporting documentation compiled or supervised by Mr. Joe McDiarmid, who is a Chartered Professional Member of the Australasian Institute of Mining and Metallurgy and is an employee of RungePincockMinarco Limited. Mr. Joe McDiarmid has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves. Written consent was previously provided by Mr. Joe McDiarmid for the 21 March 2017 release.

The Company confirms that it is not aware of any new information or data that materially affects the Ore Reserves as reported on the 21 March 2017, and the assumptions and technical parameters underpinning the estimates in the 21 March 2017 release continue to apply and have not materially changed.

Mr. Neale Edwards BSc (Hons), a Fellow of the Australian Institute of Geoscientists, who is a full time employee of Dragon Mining and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves confirms that the form and context in which the Ore Reserves are presented in this report have not been materially modified and are consistent with the 21 March 2017 release. Mr. Neale Edwards has provided written consent approving the statement of Ore Reserves in this report in the form and context in which it appears.



Appendix 1

Results from the surface diamond core drilling program that is targeting a panel between the 120m and 160m levels in the Sarvisuo area at the Orivesi Gold Mine. All intercepts reported at a 1 g/t gold cut-off. (ASX Releases – 19 January 2017 and 2 March 2017)

Hole	North	East	Elevation	Azimuth (°)	Dip (°)	Length (m)	From (m)	Down Hole Interval (m)	Gold (g/t)
KU-1558	6838498.79	2508837.68	145.74	341.53	-65.15	149.10	No significant results		
KU-1559	6838498.86	2508837.98	145.76	345.74	-70.55	179.50	92.50	1.50	2.55
							113.50	1.50	1.82
KU-1560	6838499.34	2508837.73	145.78	348.58	-62.65	112.10	No significant results		
KU-1561	6838499.58	2508837.89	145.76	350.68	-68.29	130.85	99.00	1.50	3.05
KU-1562	6838510.87	2508888.78	145.86	344.31	-71.10	173.00	126.50	2.00	37.40
						Including 0.85 metres @ 76.40 g/t gold from 126.50 metres			
							136.65	0.70	37.60
KU-1563	6838510.91	2508889.13	145.89	351.77	-65.58	129.50	15.50	1.50	4.03
							46.00	3.00	1.10
							119.00	4.80	23.89
						Including 0.80 metres @ 138.00 g/t gold from 123.00 metres			
							128.00	1.00	2.69
KU-1564	6838510.50	2508889.30	145.75	351.74	-69.57	150.95	51.00	5.00	17.07
						Including 3.00 metres @ 27.80 g/t gold from 53.00 metres			
							111.00	3.00	2.30
							126.00	1.50	2.30
							130.30	0.70	1.01
							134.00	3.50	39.02
						Including 1.00 metre @ 129.00 g/t gold from 135.00 metres			
KU-1565	6838517.80	2508938.50	144.98	317.59	-75.93	173.15	103.50	1.00	1.80
							141.00	2.00	3.42
							147.00	1.00	3.21
							158.00	1.00	1.82
KU-1566	6838517.37	2508938.87	144.87	321.60	-79.40	178.35	109.85	1.50	6.05
							120.00	18.00	18.05
						Including 4.00 metres @ 66.35 g/t gold from 120.00 metres			
							143.75	1.05	1.25
KU-1567	6838516.96	2508938.92	144.80	337.02	-77.24	146.30	No significant results		
KU-1572	6838502.30	2508853.22	145.47	3.32	-72.12	214.60	No significant results		

Appendix 2

Results from the Kaapelinkulma Reverse Circulation drilling program. All intercepts reported at a 1 g/t gold cut-off. (ASX Release - 27 March 2017)

Hole	North	East	Elevation	Azimuth (°)	Dip (°)	Length (m)	From (m)	Down Hole Interval (m)	Gold (g/t)
VK/KKU-RC1	6791229.32	2506680.33	115.62	299.25	-60	25	13.00	2.00	3.03
VK/KKU-RC2	6791222.47	2506691.97	116.35	293.55	-52.5	35	20.00	5.00	2.01
VK/KKU-RC3	6791236.38	2506688.33	114.96	302.21	-52.5	25	No significant results		
VK/KKU-RC4	6791231.29	2506697.31	115.33	297.28	-52.5	35	10.00	1.00	1.23
							23.00	2.00	3.26



VK/KKU-RC5	6791245.04	2506693.53	114.30	298.44	-55	25	No significant results		
VK/KKU-RC6	6791240.05	2506702.44	114.80	298.06	-60	30	No significant results		
VK/KKU-RC7	6791254.16	2506698.29	113.81	301.14	-51	22	15.00	4.00	1.57
VK/KKU-RC8	6791249.02	2506707.17	114.06	300.38	-51	28	22.00	2.00	2.53
VK/KKU-RC9	6791244.33	2506715.61	114.55	296.50	-51	35	5.00	1.00	1.17
VK/KKU-RC10	6791262.91	2506703.13	113.76	300.34	-63	22	No significant results		
VK/KKU-RC11	6791257.76	2506712.24	113.90	295.28	-63	28	16.00	1.00	1.24
							20.00	1.00	1.82
VK/KKU-RC12	6791271.38	2506708.53	113.49	298.45	-48	30	No significant results		
VK/KKU-RC13	6791266.20	2506717.50	113.76	300.45	-48	30	No significant results		
VK/KKU-RC14	6791261.43	2506726.16	113.93	300.28	-56	32	No significant results		
VK/KKU-RC15	6791255.67	2506734.27	113.64	297.21	-56	40	33.00	2.00	3.25
VK/KKU-RC16	6791280.26	2506713.52	114.01	298.22	-58	22	No significant results		
VK/KKU-RC17	6791272.62	2506726.72	113.94	298.56	-58	30	No significant results		
VK/KKU-RC18	6791300.35	2506718.84	115.36	298.36	-48.5	10	No significant results		
VK/KKU-RC19	6791293.12	2506731.88	115.54	301.37	-48.5	15	10.00	1.00	2.71
VK/KKU-RC20	6791309.28	2506723.63	116.28	305.38	-74	10	2.00	3.00	1.46
VK/KKU-RC21	6791303.96	2506732.67	116.34	309.47	-74	15	8.00	1.00	1.59
VK/KKU-RC22	6791315.53	2506732.98	117.08	302.24	-45	15	8.00	2.00	2.94
VK/KKU-RC23	6791326.39	2506733.42	117.42	295.20	-50	10	6.00	3.00	1.33
VK/KKU-RC24	6791321.34	2506742.81	117.89	305.19	-50	17	7.00	1.00	2.74
VK/KKU-RC25	6791315.93	2506751.86	118.03	304.14	-48	23	13.00	1.00	4.64
VK/KKU-RC26	6791335.71	2506739.23	118.21	301.39	-56	10	No significant results		
VK/KKU-RC27	6791329.40	2506747.36	118.41	300.24	-56	17	No significant results		
VK/KKU-RC28	6791324.86	2506756.44	118.60	306.24	-56	24	No significant results		
VK/KKU-RC29	6791347.03	2506735.24	118.07	304.04	-50	12	No significant results		
VK/KKU-RC30	6791343.86	2506744.25	117.94	297.55	-50	20	4.00	1.00	3.80
VK/KKU-RC31	6791338.97	2506752.21	118.62	306.46	-50	27	12.00	4.00	1.22
							25.00	2.00	1.21
VK/KKU-RC32	6791328.79	2506770.34	119.23	305.45	-50	43	33.00	1.00	23.40
VK/KKU-RC33	6791321.88	2506780.82	119.01	303.23	-50	40	37.00	2.00	1.36
VK/KKU-RC34	6791315.96	2506792.50	118.84	301.35	-50	45	12.00	1.00	1.18
VK/KKU-RC35	6791352.44	2506749.45	119.55	294.20	-42	22	6.00	4.00	2.36
VK/KKU-RC36	6791351.99	2506750.36	119.71	295.58	-70	23	10.00	1.00	5.71
							17.00	1.00	2.16
VK/KKU-RC37	6791339.16	2506770.97	119.53	306.20	-61	37	No significant results		
VK/KKU-RC38	6791335.01	2506780.32	119.98	298.29	-57	35	No significant results		
VK/KKU-RC39	6791327.47	2506793.44	119.86	302.21	-55.5	40	No significant results		
VK/KKU-RC40	6791366.63	2506745.00	119.72	306.41	-50	17	0.30	2.70	3.62
							6.00	7.00	18.49
							including 3.00 metres @ 39.73 g/t gold from 7.00 metres		
VK/KKU-RC41	6791361.64	2506754.01	120.11	300.34	-50	23	0.30	1.70	5.33
							13.00	2.00	3.42
VK/KKU-RC42	6791356.59	2506762.48	120.18	302.24	-50	27	12.00	1.00	1.66
							24.00	1.00	4.79
VK/KKU-RC43	6791353.65	2506767.73	121.20	300.28	-57	28	No significant results		
VK/KKU-RC44	6791345.40	2506781.25	120.43	298.14	-50	30	25.00	1.00	2.06
VK/KKU-RC45	6791339.31	2506788.63	120.41	304.26	-50	37	24.00	1.00	2.28
VK/KKU-RC46	6791335.92	2506798.16	120.42	301.08	-50	40	36.00	3.00	1.19
VK/KKU-RC48	6791367.55	2506763.25	121.35	299.45	-50	27	4.00	4.00	4.06
							11.00	1.00	1.74
							16.00	1.00	14.85
							23.00	1.00	8.18



VK/KKU-RC49	6791361.78	2506772.09	121.81	301.51	-50	28	16.00	1.00	1.64
							25.00	2.00	8.07
VK/KKU-RC50	6791357.12	2506781.41	121.23	301.08	-50	32	17.00	2.00	4.43
VK/KKU-RC51	6791348.98	2506794.48	121.14	304.15	-52	35	27.00	3.00	3.93
							32.00	1.00	3.29
VK/KKU-RC52	6791340.95	2506809.24	120.89	302.53	-53	45	39.00	1.00	4.36
							42.00	2.00	21.25
VK/KKU-RC53	6791333.44	2506822.03	120.68	308.25	-53	61	16.00	1.00	1.35
							54.00	5.00	2.61
VK/KKU-RC56	6791371.31	2506776.80	122.16	304.11	-52	30	11.00	3.00	5.63
VK/KKU-RC57	6791366.73	2506785.16	122.30	301.57	-53	33	23.00	1.00	4.26
VK/KKU-RC58	6791358.38	2506799.28	121.91	302.29	-53	40	28.00	3.00	4.01
VK/KKU-RC59	6791345.75	2506821.15	121.42	302.50	-53	70	51.00	2.00	3.00
							58.00	1.00	2.21
							61.00	3.00	2.71
VK/KKU-RC60	6791394.96	2506755.75	119.82	301.01	-50	13	9.00	1.00	1.41
VK/KKU-RC61	6791387.24	2506769.26	121.16	301.47	-50	23	2.00	1.00	1.65
							20.00	2.00	1.90
VK/KKU-RC62	6791384.42	2506775.52	121.87	308.42	-54	30	9.00	1.00	3.40
VK/KKU-RC63	6791375.41	2506790.20	123.02	302.21	-58	40	9.00	2.00	29.66
					including 1.00 metre @ 58.00 g/t gold from 9.00 metres				
VK/KKU-RC64	6791367.04	2506804.16	121.60	299.09	-52	45	31.00	1.00	1.51
							38.00	5.00	11.31
					including 1.00 metre @ 38.40 g/t gold from 41.00 metres				
VK/KKU-RC65	6791362.02	2506813.36	121.66	298.15	-52	60	45.00	2.00	34.18
					including 1.00 metre @ 64.00 g/t gold from 45.00 metres				
VK/KKU-RC66	6791356.74	2506822.40	121.69	301.19	-52	68	47.00	2.00	2.98
							53.00	9.00	9.97
					including 2.00 metres @ 17.28 g/t gold from 57.00 metres and 1.00 metre @ 22.60 g/t gold from 60.00 metres				
VK/KKU-RC67	6791399.70	2506767.31	120.49	299.46	-50	20	No significant results		
VK/KKU-RC68	6791391.27	2506781.52	121.59	301.47	-50	27	12.00	4.00	11.19
					including 1.00 metre @ 34.00 g/t gold from 14.00 metres				
VK/KKU-RC69	6791385.67	2506790.71	122.24	298.44	-52	30	4.00	3.00	17.50
					including 2.00 metres @ 25.00 g/t gold from 4.00 metres				
							16.00	7.00	30.47
					including 2.00 metres @ 100.45 g/t gold from 20.00 metres				
VK/KKU-RC70	6791377.13	2506806.52	121.83	297.11	-54	40	26.00	3.00	2.06
							32.00	1.00	1.08
							36.00	4.00	6.67
VK/KKU-RC71	6791370.69	2506817.70	121.67	301.32	-54	50	39.00	1.00	1.23
							46.00	1.00	1.39
VK/KKU-RC72	6791402.85	2506783.55	120.40	300.41	-45	15	2.00	3.00	13.13
					including 1.00 metre @ 24.90 g/t gold from 3.00 metres				
							8.00	2.00	3.59
VK/KKU-RC73	6791389.64	2506805.75	121.61	298.25	-50.5	35	25.00	8.00	7.48
VK/KKU-RC74	6791598.61	2506610.57	114.60	301.41	-45	50	No significant results		
VK/KKU-RC75	6791581.77	2506639.91	116.00	299.41	-45	50	No significant results		
VK/KKU-RC76	6791563.91	2506671.14	115.94	300.33	-45	50	No significant results		
VK/KKU-RC77	6791548.32	2506698.72	116.38	301.46	-45	50	No significant results		
VK/KKU-RC78	6791723.34	2506651.76	117.00	301.14	-45	50	6.00	1.00	1.90
VK/KKU-RC79	6791706.34	2506681.25	117.09	298.37	-45	50	No significant results		
VK/KKU-RC80	6791688.19	2506712.88	117.39	301.16	-45	50	No significant results		
VK/KKU-RC81	6791396.72	2506794.05	121.11	298.31	-45.1	25	18.00	5.00	12.59



					including 1.00 metre @ 41.60 g/t gold from 18.00 metres				
VK/KKU-RC82	6791351.14	2506787.82	121.11	303.36	-48.5	40	24.00	1.00	1.76
VK/KKU-RC83	6791233.23	2506693.70	115.35	297.54	-52.8	30	8.00	1.00	1.97
							20.00	2.00	2.10

Appendix 3

Mineral Resources

Reported as at 31 December 2016 and Inclusive of Ore Reserves (ASX Release – 28 February 2017)

	Measured			Indicated			Inferred			Total		
	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces
Vammala Production Centre												
Orivesi Gold Mine	37,000	6.1	7,000	85,000	7.7	21,000	35,000	7.7	8,000	157,000	7.3	37,000
Jokisivu Gold Mine	504,000	4.4	71,000	1,265,000	4.0	164,000	743,000	3.0	72,000	2,512,000	3.8	308,000
Kaapelinkulma Gold Project	-	-	-	123,000	4.4	18,000	34,000	3.0	3,000	157,000	4.1	21,000
Total	542,000	4.5	78,000	1,473,000	4.3	203,000	812,000	3.2	84,000	2,826,000	4.0	366,000
Svartliden Production Centre												
Fäboliden Gold Project	-	-	-	4,768,000	2.8	436,000	5,864,000	3.1	583,000	10,632,000	3.0	1,019,000
Svartliden Gold Mine	119,000	3.4	13,000	311,000	3.8	38,000	60,000	4.0	8,000	489,000	3.7	59,000
Total	119,000	3.4	13,000	5,078,000	2.9	473,000	5,924,000	3.1	591,000	11,121,000	3.0	1,077,000
Group Total	660,000	4.3	92,000	6,551,000	3.2	676,000	6,736,000	3.1	675,000	13,948,000	3.2	1,443,000

Note: Mineral Resources may not sum to equal totals due to rounding. Mineral Resources reported on a dry in-situ basis.

Reporting Cut-off Grades

Orivesi Gold Mine (Kutema and Sarvisuo Lode Systems): 3.85 g/t gold

Jokisivu Gold Mine (Kujankallio and Arvola Deposit): 1.50 g/t gold

Kaapelinkulma Gold Project: 1.00 g/t gold

Fäboliden Gold Project (above 350mRL): 1.25 g/t gold

Fäboliden Gold Project (below 350mRL): 2.10 g/t gold

Svartliden Gold Mine (open pit): 1.00 g/t gold

Svartliden Gold Mine (underground): 1.70 g/t gold

Appendix 4

Ore Reserves

Reported as at 31 December 2016 (ASX Release – 21 March 2017)

	Proved			Probable			Total		
	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces
Vammala Production Centre									
Orivesi Gold Mine	12,000	5.2	2,000	34,000	5.4	5,900	46,000	5.3	7,900
Jokisivu Gold Mine	176,000	3.5	19,900	324,000	3.6	37,700	500,000	3.6	57,600
Kaapelinkulma Gold Project	-	-	-	79,000	3.5	8,900	79,000	3.5	8,900
Svartliden Production Centre									
Fäboliden Gold Project	-	-	-	1,160,000	3.1	115,000	1,160,000	3.1	115,000
Group Total	188,000	3.6	21,900	1,600,000	3.3	167,300	1,790,000	3.3	189,000

Ore Reserve estimates have been rounded to reflect accuracy. All the estimates are on dry tonne basis.

Reporting Cut-off Grades

Orivesi Gold Mine (In-situ): Project – 5.9 g/t gold; Operating – 5.2 g/t gold; Stopping – 4.7 g/t gold; Development – 1.0 g/t gold



Jokisivu Gold Mine (In-situ): Project – 2.9 g/t gold; Operating – 2.2 g/t gold; Stopping – 1.6 g/t gold; Development – 0.8 g/t gold

Kaapelinkulma Gold Project: 1.14 g/t gold

Fäboliden Gold Project: 1.47 g/t gold

Appendix 5

Company Tenement Holding

Mining Tenements

Project	Tenements			Held at end of the Quarter %	Acquired during the Quarter %	Disposed during the Quarter %
	ID	Name	Type			
SWEDEN						
Svartliden	2016:111	Svartlidengruvan K nr 1	EC	100	-	-
		Ekorrliden nr 2		100	-	-
		Fäboliden K nr 1	EC	100	-	-
Fäboliden	2016:75	Fäboliden nr 11	EP	100	-	-
	2014:1	Fäbodliden nr 72	EP	0	-	100
	2014:2	Fäbodliden nr 82	EP	100	-	-
	2014:4	Svannäs nr 12	EP	0	-	100
		Fäboliden nr 83	EP	100	100	-
FINLAND						
Orivesi	2676	Seri	MC	100	-	-
	ML2013:0006	Sarvisuo 1-2	EL	100	-	-
	ML2015:0026	Sarvisuo 3	EL	0	-	-
	9128/1	Yläinensilmäke	Claim	100	-	-
Jokisivu	7244	Jokisivu	MC	100	-	-
	KL2015:0005	Jokisivu 2	MC	100	-	-
	ML2012:0112	Jokisivu 4-5	EL	100	-	-
	8970/1	Jokisivu 7	Claim	100	-	-
	8970/2	Jokisivu 8	Claim	100	-	-
Vammala	1895	Stormi	MC	100	-	-
	ML2014:0049	Kärmeenmaa	EL	100	-	-
Kaapelinkulma	K7094	Kaapelinkulma	MC	100	-	-
	VA2016:0026-01	Kaapeli	Res	100	-	-
Kuhmo Joint Venture	7014	Hietaharju	MC	0	-	5
	7922	Peura-aho	MC	0	-	5
	ML2012:0047	Vaara	EL	0	-	5
	ML2013:0048	Kauniinlampi	EL	0	-	5
	ML2013:0002	Peura-aho	EL	0	-	5
	8745/1	Hietaharju North	Claim	0	-	5
	ML2013:0047	Sika-aho	EL	0	-	5
	ML2013:0003	Arola	EL	0	-	5

Notes

EC	Exploitation Concession (Sweden)
EP	Exploration Permit (Sweden)
EL	Exploration Licence (Finland) – Refers to tenements applied for after 1 July 2011 in accordance with the new Finnish Mining Act. Prior to 1 July 2011 tenements were referred to as Claims.
MC	Mining Concession (Finland)



Project	Tenements			Held at end of the Quarter %	Acquired during the Quarter %	Disposed during the Quarter %
	ID	Name	Type			
Res	Reservation Notification (Finland)					

Farm-ins/Farm-outs

Project	Tenements			Held at end of the Quarter %	Acquired during the Quarter %	Disposed during the Quarter %
	ID	Name	Type			
FINLAND						
Hanhimaa Earn-In (Note 1)	ML2013:0060	Suksee 1	EL	0	-	100
	ML2012:0173	Kello 47	EL	0	-	100
	ML2014:0010	Kello 51-53	EL	0	-	100
	ML2015:0021	Kello 54-63	EL	0	-	100
	8816/2	Kello 80	Claim	0	-	100
	8816/3	Kello 81	Claim	0	-	100
	9116/1	Kello 82	Claim	0	-	100
	9116/2	Kello 83	Claim	0	-	100
	9116/3	Kello 84	Claim	0	-	100
	9116/4	Kello 85	Claim	0	-	100
	9116/5	Kello 86	Claim	0	-	100
	9116/6	Kello 87	Claim	0	-	100
	9116/7	Kello 88	Claim	0	-	100
	ML2011:0005	Kielisenmaa	EL	0	-	100
	ML2012:0095	Suksee 2-16	EL	0	-	0
	ML2011:0065	Kello 12	EL	0	-	0
	VA2016:0063	Siekuvuoma	Res	0	-	0
Notes						
1	Dragon Mining transferred its interest in exchange for a 2% Net Smelter Return.					