

ASX ANNOUNCEMENT

2 JUNE 2017

LIKELY DELAY TO DE-LISTING OF DRAGON MINING LIMITED (ASX CODE: DRA) AND LISTING ON THE STOCK EXCHANGE OF HONG KONG LIMITED (HKEX)

The Directors refer to the meeting of shareholders held on 2 May, 2017 (**Meeting**), at which approval was given for Dragon Mining Limited (ASX: DRA) (**Company**) to:

- be removed from the Official List of the Australian Securities Exchange (**ASX**) (**Delisting**);
- issue up to 50,000,000 shares at an issue price no less than A\$0.35 per share, by means of a public offer (**Public Offer**); and
- amend its constitution in order to facilitate a listing of the Company on The Stock Exchange of Hong Kong Limited (**HKEx**) (**Listing**).

In the explanatory statement that accompanied the notice of the Meeting (**Explanatory Statement**), shareholders were advised that it was expected that on:

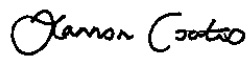
- 22 June, 2017, and in anticipation of the Delisting and Listing, suspension in trading of the Company's shares on ASX would commence;
- 26 June, 2017, the Company would receive in principle approval to the Listing from the HKEx;
- 29 June, 2017, the Delisting would occur;
- 30 June, 2017, the Public Offer would commence (and close by 5 July, 2017);
- 13 July, 2017, Hong Kong share certificates would be issued to all shareholders in anticipation of the Listing; and
- 14 July, 2017, the Listing would commence, together with the operation for a period of 3 months of a Voluntary Sale Facility, details of which were stated in section 6.9 of the Explanatory Statement.

The Explanatory Statement also made it clear that all those dates were the best estimates of the Directors, at the time of issuing the Explanatory Statement, and that the Company would announce details of any material change in any of these or other dates, as and when they may occur.

The Directors advise, after consultation with the Company's Sponsor and other professional advisers to the Listing and Public Offer, that it appears the above timetable is unlikely to be met, and that the dates of occurrence of the above milestone events could be delayed by a number of months.

At this stage the Directors are unable to forecast a more definitive timetable, primarily because whilst certain comments have been received from the HKEx regarding technical and inter jurisdictional issues of the application, the Company has yet to receive feedback on key areas of its application for Listing from HKEx, which was submitted on 10 April, 2017. Once the Company has received that response, and had an opportunity to consider its content and the resources that may be needed to respond to any issues that the HKEx may seek to be explained, it expects that it will be able to advise shareholders more definitively of the likely timetable of events that will occur in connection with the Delisting, Public Offer and Listing.

Yours faithfully

A handwritten signature in black ink, reading "Shannon Coates". The signature is written in a cursive, flowing style.

Shannon Coates,
Company Secretary
For and on behalf of
Dragon Mining Limited