**ASX ANNOUNCEMENT** **22 DECEMBER 2017**

# ENCOURAGING DRILL RESULTS RECEIVED FROM SOUTHERN FINLAND PROJECTS

- **Twenty-eight diamond core holes were drilled over three campaigns during the period, targeting the Sarvisuo and Sarvisuo West areas at the Orivesi Gold Mine.**

  **Campaigns have returned a series of significant gold intercepts including:**

  ***Underground Drilling – Sarvisuo West***
  - **18.00 metres @ 8.04 g/t gold from 23.00 metres in KU-1633;**
  - **23.15 metres @ 12.51 g/t gold from 13.85 metres in KU-1634; and**
  - **25.50 metres @ 15.00 g/t gold from 9.00 metres in KU-1636.**

  ***Surface Drilling – Sarvisuo and Sarvisuo West***
  - **15.00 metres @ 3.15 g/t gold from 61.50 metres in KU-1618.**

- **Final results were received for two drilling campaigns that were completed at the Jokisivu Gold Mine between March and October 2017.**

  **A number of encouraging results were received from these campaigns including:**

  ***Basin Zones***
  - **9.00 metres @ 5.28 g/t gold from 43.70 metres in HU/JS-814;**
  - **2.15 metres @ 25.49 g/t gold from 108.35 metres in HU/JS-807;**
  - **4.55 metres @ 8.03 g/t gold from 177.25 metres in HU/JS-810;**
  - **2.95 metres @ 15.17 g/t gold from 187.35 metres in HU/JS-814; and**
  - **0.65 metres @ 33.90 g/t gold from 211.85 metres in HU/JS-814.**

  ***Kujankallio Main Zone***
  - **2.90 metres @ 8.16 g/t gold from 89.90 metres in HU/JS-842;**
  - **3.05 metres @ 7.31 g/t gold from 98.90 metres in HU/JS-842;**
  - **1.50 metres @ 43.12 g/t gold from 72.40 metres in HU/JS-844;**
  - **3.95 metres @ 5.07 g/t gold from 99.75 metres in HU/JS-848;**
  - **3.90 metres @ 4.86 g/t gold from 111.00 metres in HU/JS-848;**
  - **1.05 metres @ 34.60 g/t gold from 93.55 metres in HU/JS-850; and**
  - **2.35 metres @ 17.52 g/t gold from 105.15 metres in HU/JS-855.**

- **Preparation to commence mining at the Kaapelinkulma Gold Project continued to advance.**

Dragon Mining Limited (ASX:DRA) ("Dragon Mining" or "the Company") is pleased to provide an update on activities carried out at the Company's projects in southern Finland between 5 October 2017 and 21 December 2017 (the 'period").

**Orivesi Gold Mine**
Twenty-eight diamond core holes, totalling 3,093.10 metres were drilled over three campaigns during the period at the Orivesi Gold Mine ("Orivesi"). They include:

- six holes, 308.30 metres completed from underground at the 340m level, which were drilled along select sub-vertical mineralised pipes in the Sarvisuo West area;
- ten holes, 1,433.40 metres drilled from the surface, targeting near surface positions in the Sarvisuo and Sarvisuo West areas; and
- twelve holes totalling 1,351.40 metres drilled from underground at the 340m level targeting the Sarvisuo West area between the 340m and 420m levels.

These campaigns were undertaken with the objective of better defining the extent and geometry of known mineralised zones, identifying new mineralised zones and providing information to support mine planning and development.

Results have been received for all holes in the six hole campaign that was drilled from the 340m level, along select sub-vertical mineralised pipes in the Sarvisuo West area, close to existing underground development. The campaign has returned a series of significant intercepts, including high-grade highlights 18.00 metres @ 8.04 g/t gold (True Width – 5 metres), 23.15 metres @ 12.51 g/t gold (True Width – 5 metres) and 25.50 metres @ 15.00 g/t gold (True Width – 3.5 metres). A complete list of results from this campaign are provided in Table 1. The results from this campaign are encouraging, exhibiting the high-grade nature of the targeted pipes at Sarvisuo West. Results from this campaign have now been incorporated into an update of the Orivesi Mineral Resources and Ore Reserves that is currently in progress.

During the period, results were received from four holes from the ten hole surface diamond core campaign that targeted near surface positions at Sarvisuo and Sarvisuo West (Table 2). A number of intercepts have been received including 15.00 metres @ 3.15 g/t gold in drill hole KU-1618. This intercept occurs at approximately the 78m level on the southern side of Sarvisuo Pipe 2. Results from six holes are pending.

Results have also been received from eight holes from the twelve hole program that was designed to target the Sarvisuo West area between the 340m and 420m levels (Table 3). A best intercept of 2.70 metres @ 8.46 g/t gold has been received. Results from four holes are still pending.

**Jokisivu Gold Mine**
At the Jokisivu Gold Mine ("Jokisivu"), no drilling was undertaken during the period. Results however, were received for two campaigns of underground diamond core drilling that were completed between March and October 2017.

Assay results were received for the final four holes (HU/JS-807, -808, -810 and -814) of a fifteen hole campaign that was carried out between March and May. Undertaken from the 65m level, this campaign was designed to further evaluate the Basin Zones, a satellite zone of gold mineralisation approximately 100 metres northwest of the Kujankallio Main Zone. The results of the initial eleven holes were previously released to the ASX on the 13 October 2017 – Jokisivu Drilling Returns Further Encouraging Results. This release can be found at www.asx.com.au (Code: DRA).

Better intercepts received from the Basin Zones campaign include 9.00 metres @ 5.28 g/t gold, 2.15 metres @ 25.49 g/t gold, 4.55 metres @ 8.03 g/t gold, 2.95 metres @ 15.17 g/t gold, 0.65 metres @ 33.90 g/t gold and the previously released 2.50 metres @ 20.78 g/t gold, 2.00 metres @ 17.76 g/t gold, 1.45 metres @ 16.52 g/t gold, 12.70 metres @ 5.07 g/t gold, 15.20 metres @ 2.97 g/t gold and 3.65 metres @ 7.57 g/t gold. All results from this campaign are provided in Table 4.

The results from the Basin Zones campaign are encouraging, returning widths and grades comparable with historic drilling. Further drilling however, is still needed in this area to better define the extent, geometry and tenor of the identified mineralised zones.

Assay results have been received for the final fifteen holes of an eighteen hole campaign that was undertaken between July and October. This campaign of drilling targeted the Kujankallio Main Zone between the 340m and 400m levels. The results of the initial three holes (HU/JS-840, -846 and -851) were previously released to the ASX on the 13 October 2017 – Jokisivu Drilling Returns Further Encouraging Results. This release can be found at www.asx.com.au (Code: DRA).

Assays returned a series of encouraging intercepts including 2.90 metres @ 8.16 g/t gold, 3.05 metres @ 7.31 g/t gold, 1.50 metres @ 43.12 g/t gold, 3.95 metres @ 5.07 g/t gold, 3.90 metres @ 4.86 g/t gold, 1.05 metres @ 34.60 g/t gold, 2.35 metres @ 17.52 g/t gold and the previously released 4.85 metres @ 14.61 g/t gold and 0.30 metres @ 70.80 g/t gold. All results are provided in Table 5.

The results from this campaign are in-line with expectations, returning intercepts at widths and grades commensurate with historical results and identifying extensions to know mineralisation. The drilling has also provided important information to assist with mine planning at Jokisivu. All results from this campaign have been incorporated into the update of the Jokisivu Mineral Resources and Ore Reserves that is currently in progress.

**Kaapelinkulma Gold Project**

Preparation to commence mining at the Kaapelinkulma Gold Project ("Kaapelinkulma") continues to advance.

During the period, work on upgrading the access road to the project area was completed, whilst earthworks for the establishment of a mine road and preparation of the office area commenced. The Company also reached agreement with Valkeakosken Energia to connect the project area to the local electrical grid. Work commenced during the period and is expected to be completed before the end of the year.

Monitoring of ground waters began during the period with the installation of five ground water pipes in the Mining Concession area. The first series of samples have been collected and analysed. The Company is also routinely monitoring ground water levels within a one kilometre radius of the planned open-pit at Kaapelinkulma.

The Company continues to foster a good working relationship with the local community. Representatives from the Company gave a presentation to the local Rotary Club during the period outlining the planned mining operation at Kaapelinkulma. Further community meetings are scheduled for 2018.

Mining at Kaapelinkulma is planned to commence at the cessation of mining high-grade ore from Orivesi, but as the Company has all Permits and agreements in place, it can commence mining at any stage.

***Background***

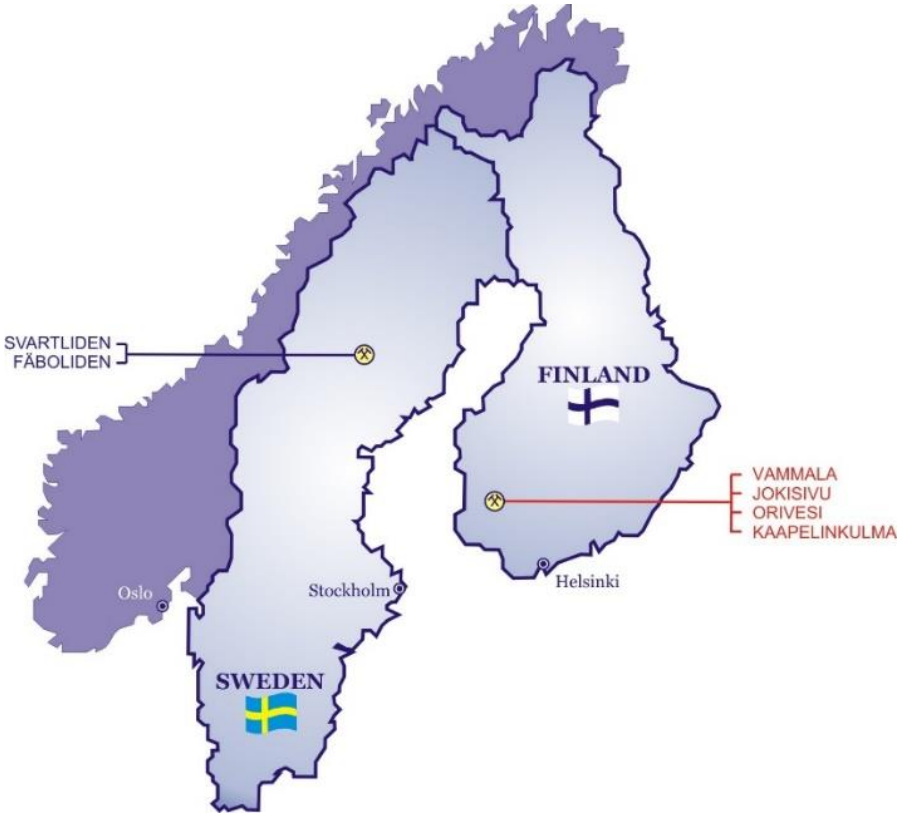
The Vammala Production Centre is located in southern Finland, 165 kilometres northwest of the Finnish capital Helsinki.

The Centre comprises the Vammala Plant, a 300,000 tonnes per annum conventional crushing, milling and flotation facility, which sources feed from the Orivesi Gold Mine and the Jokisivu Gold Mine. In addition, the Centre also includes the Kaapelinkulma Gold Project, which will soon become the Company's third gold mine in southern Finland region.

The Vammala Plant was successfully recommissioned in June 2007 and has to 30 September 2017 produced 302,589 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.

Mining recommenced at Orivesi in July 2007, initially on remnant mineralisation associated with the Kutema lode system above the 720m level. Two of the five principal lodes at Kutema continued below the historical extent of the decline at the 720m level and this area has been the subject of a program of staged development and production stoping down to the 1205m level since January 2011. 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.




The Kutema and Sarvisuo lode systems occur within the Proterozoic Tampere Schist Belt, representing a metamorphosed palaeo-epithermal system. Gold mineralisation is associated with strongly deformed andalusite rich, silicified zones found in vertical pipe-like lode systems that exhibit depth extensions ranging from tens to hundreds of metres. These lode systems are located in a broad zone of hydrothermally altered rocks that cover an area of 40 hectares. Both Kutema and Sarvisuo remain partially open and potential remains for the identification of additional gold bearing pipes or pipe clusters within the surrounding hydrothermal alteration system.

The Jokisivu Gold Mine is located 40 kilometres southwest of the Vammala Plant and hosts two principal gold deposits 200 metres apart, Kujankallio and Arpola. The deposits represent structurally controlled orogenic gold systems located within the Palaeoproterozoic Vammala Migmatite Belt. Gold mineralization at both Kujankallio and Arpola 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 deposit has been shown by drilling to extend to at least 530 metres in depth, whilst the Arpola deposit has been drilled down to 310 metres. Both deposits remain open with depth and partially along strike.

Open cut mining at Kujankallio commenced in 2009 and underground production in 2011. A small open pit was mined at Arpola in 2011 and underground production commenced from this deposit in 2014.

The Kaapelinkulma Gold Project is an advanced gold project located 65 kilometres east of the Vammala Plant. Kaapelinkulma is an orogenic gold deposit located in the Palaeoproterozoic Vammala Migmatite Belt. It comprises a set of sub-parallel lodes in a tight array hosted within a sheared quartz-diorite unit inside a tonalitic intrusive. Two separate gold deposits have been identified at Kaapelinkulma, the southernmost deposit is the larger of the two.

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

**Table 1 – Results from the underground diamond core drilling program from the 340m level that was designed to drill along select sub-vertical mineralised pipes in the Sarvisuo West area at the Orivesi Gold Mine. All intercepts reported at a 1 g/t gold cut-off. (Appendix 1 – JORC Table 1)**

| Hole | North | East | Elevation | Azimuth (°) | Dip (°) | Length (m) | From (m) | Down Hole Interval (m) | Gold (g/t) |
|---|---|---|---|---|---|---|---|---|---|
| KU-1631 | 6838550.51 | 2508714.80 | -170.96 | 263.14 | -78.40 | 50.30 | 48.00 | 1.00 | 62.00 |
| KU-1632 | 6838549.83 | 2508714.97 | -170.94 | 257.75 | -81.52 | 50.40 | 37.10 | 0.50 | 1.67 |
| KU-1633 | 6838548.88 | 2508733.16 | -171.35 | 183.65 | -73.93 | 50.10 | 8.00 | 2.00 | 2.38 |
| | | | | | | | 23.00 | 18.00 | 8.04 |
| | | | | | Includes 6.00 metres @ 16.07 g/t gold from 35.00 metres | | | | |
| | | | | | | | 48.90 | 1.20 | 1.62 |
| KU-1634 | 6838532.31 | 2508734.35 | -171.79 | 326.88 | -67.35 | 41.70 | 6.00 | 1.50 | 1.99 |
| | | | | | | | 13.85 | 23.15 | 12.51 |
| | | | | | Includes 9.00 metres @ 25.77 g/t gold from 28.00 metres | | | | |
| KU-1635 | 6838530.30 | 2508734.46 | -171.74 | 269.19 | -73.41 | 65.60 | 50.00 | 13.00 | 3.71 |
| | | | | | Includes 1.00 metre @ 30.10 g/t gold from 53.00 metres | | | | |
| KU-1636 | 6838528.67 | 2508721.02 | -171.55 | 276.32 | -82.30 | 50.2 | 9.00 | 25.50 | 15.00 |
| | | | | | Includes 2.30 metres @ 135.87 g/t gold from 9.70 metres | | | | |

**Table 2 – Results from the surface diamond core drilling program that was targeting near surface positions at Sarvisuo and Sarvisuo West at the Orivesi Gold Mine. All intercepts reported at a 1 g/t gold cut-off. (Appendix 1 – JORC Table 1)**

| Hole | North | East | Elevation | Azimuth (°) | Dip (°) | Length (m) | From (m) | Down Hole Interval (m) | Gold (g/t) |
|---|---|---|---|---|---|---|---|---|---|
| KU-1611 | 6838562.01 | 2508709.61 | 144.58 | 84.56 | -44.67 | 169.70 | 84.20 | 1.30 | 1.74 |
| | | | | | | | 96.50 | 1.00 | 2.64 |
| KU-1612 | 6838560.58 | 2508709.64 | 144.62 | 94.51 | -44.70 | 154.60 | 72.50 | 1.05 | 1.69 |
| | | | | | | | 77.00 | 2.00 | 3.38 |
| KU-1613 | 6838559.91 | 2508707.57 | 144.75 | 136.73 | -57.41 | 125.20 | 74.00 | 1.00 | 3.04 |
| KU-1618 | 6838492.02 | 2508904.17 | 147.72 | 7.32 | -67.97 | 148.90 | 61.50 | 15.00 | 3.15 |
| | | | | | | | 103.50 | 4.50 | 2.63 |
| | | | | | | | 133.00 | 1.50 | 1.18 |

**Table 3 - Results from the underground diamond core drilling program that targeted the Sarvisuo West area between the 340m and 420m levels at the Orivesi Gold Mine. All intercepts reported at a 1 g/t gold cut-off. (Appendix 1 – JORC Table 1)**

| Hole | North | East | Elevation | Azimuth (°) | Dip (°) | Length (m) | From (m) | Down Hole Interval (m) | Gold (g/t) |
|---|---|---|---|---|---|---|---|---|---|
| KU-1619 | 6838552.45 | 2508717.04 | -170.70 | 315.20 | -37.89 | 155.50 | 65.00 | 1.50 | 1.30 |
| KU-1621 | 6838552.49 | 2508716.77 | -170.53 | 344.19 | -35.16 | 134.20 | 40.50 | 1.30 | 1.15 |
| KU-1623 | 6838553.44 | 2508734.67 | -170.87 | 351.12 | -25.12 | 101.50 | No significant results | | |
| KU-1624 | 6838553.70 | 2508735.01 | -170.47 | 1.52 | -7.44 | 95.50 | 7.20 | 0.80 | 14.45 |
| KU-1625 | 6838553.64 | 2508735.28 | -171.04 | 12.99 | -33.85 | 131.50 | No significant results | | |
| KU-1626 | 6838553.63 | 2508735.75 | -170.49 | 24.55 | -8.31 | 104.50 | No significant results | | |
| KU-1627 | 6838535.60 | 2508776.52 | -172.64 | 350.55 | -21.00 | 128.30 | No significant results | | |
| KU-1628 | 6838535.08 | 2508777.14 | -171.98 | 1.59 | -7.35 | 137.50 | 21.00 | 2.70 | 8.46 |

**Table 4 - Results from the underground diamond core drilling program that targeted the Basin Zones from the 65m level at the Jokisivu Gold Mine. All intercepts reported at a 1 g/t gold cut-off. (Appendix 1 – JORC Table 2)**

| Hole | North | East | Elevation | Azimuth (°) | Dip (°) | Length (m) | From (m) | Down Hole Interval (m) | Gold (g/t) |
|---|---|---|---|---|---|---|---|---|---|
| HU/JS-798 | 6779524.29 | 2425890.34 | 21.40 | 285.37 | -1.63 | 206.50 | 5.70 | 0.35 | 1.34 |
| | | | | | | | 97.90 | 1.50 | 1.09 |
| | | | | | | | 104.55 | 0.60 | 1.06 |
| | | | | | | | 107.20 | 0.90 | 1.21 |
| | | | | | | | 146.30 | 1.30 | 1.04 |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | 152.10 | 0.40 | 1.31 |
| | | | | | | | 153.80 | 0.55 | 1.69 |
| | | | | | | | 155.40 | 1.35 | 3.15 |
| | | | | | | | 161.25 | 2.15 | 2.12 |
| | | | | | | | 170.65 | 1.40 | 11.15 |
| | | | | | | | 186.55 | 0.35 | 4.57 |
| | | | | | | | 192.65 | 4.35 | 3.84 |
| HU/JS-801 | 6779524.68 | 2425890.78 | 21.41 | 292.39 | -1.78 | 230.40 | 4.75 | 0.35 | 3.62 |
| | | | | | | | 9.40 | 0.35 | 1.88 |
| | | | | | | | 12.80 | 0.30 | 6.10 |
| | | | | | | | 120.95 | 4.20 | 2.16 |
| | | | | | | | 128.40 | 2.95 | 2.89 |
| | | | | | | | 157.55 | 0.35 | 4.10 |
| | | | | | | | 162.55 | 0.30 | 1.80 |
| | | | | | | | 165.75 | 1.00 | 2.91 |
| | | | | | | | 170.40 | 1.00 | 11.75 |
| | | | | | | | 174.90 | 4.30 | 3.60 |
| | | | | | | | 181.60 | 0.65 | 9.09 |
| | | | | | | | 185.95 | 1.95 | 2.19 |
| | | | | | | | 193.45 | 1.35 | 1.81 |
| | | | | | | | 198.50 | 0.35 | 1.65 |
| HU/JS-802 | 6779529.48 | 2425897.35 | 20.89 | 298.81 | -1.28 | 245.50 | 2.90 | 1.25 | 1.90 |
| | | | | | | | 8.90 | 1.05 | 2.33 |
| | | | | | | | 34.65 | 1.50 | 2.63 |
| | | | | | | | 39.30 | 2.70 | 5.94 |
| | | | | | | | 43.85 | 3.30 | 4.05 |
| | | | | | | | 61.60 | 1.35 | 1.31 |
| | | | | | | | 64.40 | 1.45 | 1.51 |
| | | | | | | | 104.10 | 0.40 | 1.36 |
| | | | | | | | 159.25 | 2.50 | 20.78 |
| | | | | | Includes 1.45 metres @ 30.31 g/t gold from 160.30 metres | | | | |
| | | | | | | | 184.55 | 1.45 | 1.38 |
| | | | | | | | 198.55 | 1.00 | 2.06 |
| | | | | | | | 210.65 | 0.45 | 1.59 |
| | | | | | | | 234.85 | 1.35 | 1.38 |
| HU/JS-805 | 6779531.86 | 2425901.37 | 20.78 | 306.19 | -1.00 | 268.30 | 29.05 | 0.55 | 1.78 |
| | | | | | | | 49.35 | 1.30 | 1.41 |
| | | | | | | | 64.65 | 1.25 | 10.62 |
| | | | | | Includes 0.30 metres @ 40.70 g/t gold from 65.60 metres | | | | |
| | | | | | | | 109.50 | 2.00 | 17.76 |
| | | | | | Includes 1.00 metres @ 34.20 g/t gold from 109.50 metres | | | | |
| | | | | | | | 211.35 | 1.15 | 4.48 |
| | | | | | | | 231.15 | 0.65 | 1.44 |
| HU/JS-806 | 6779532.07 | 2425901.68 | 20.77 | 316.63 | -1.50 | 280.20 | 24.95 | 2.35 | 1.28 |
| | | | | | | | 45.70 | 0.55 | 3.24 |
| | | | | | | | 47.60 | 0.60 | 1.10 |
| | | | | | | | 94.65 | 1.60 | 7.77 |
| | | | | | Includes 0.60 metres @ 15.05 g/t gold from 95.65 metres | | | | |
| HU/JS-807 | 6779534.07 | 2425907.40 | 20.18 | 325.52 | -19.90 | 281.50 | 48.25 | 0.85 | 1.15 |
| | | | | | | | 71.05 | 1.05 | 1.35 |
| | | | | | | | 74.50 | 2.10 | 2.81 |
| | | | | | | | 80.00 | 0.95 | 3.54 |
| | | | | | | | 105.00 | 1.20 | 1.36 |
| | | | | | | | 108.35 | 2.15 | 25.49 |
| | | | | | Includes 1.00 metre @ 53.10 g/t gold from 108.35 metres | | | | |
| | | | | | | | 114.70 | 0.90 | 1.39 |
| | | | | | | | 118.15 | 1.10 | 10.50 |
| | | | | | | | 195.30 | 1.10 | 4.46 |
| | | | | | | | 204.70 | 0.90 | 2.09 |
| HU/JS-808 | 6779536.06 | 2425916.36 | 20.02 | 341.18 | -14.80 | 317.50 | 14.55 | 0.70 | 6.06 |
| | | | | | | | 63.15 | 0.30 | 2.71 |

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|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | 86.50 | 1.35 | 2.15 |
| | | | | | | | 158.05 | 1.50 | 1.32 |
| | | | | | | | 168.30 | 1.05 | 1.87 |
| | | | | | | | 178.85 | 0.30 | 33.00 |
| HU/JS-809 | 6779524.32 | 2425890.24 | 21.25 | 285.74 | -9.84 | 196.90 | 84.80 | 1.45 | 1.26 |
| | | | | | | | 89.50 | 0.55 | 1.86 |
| HU/JS-810 | 6779,524.79 | 2425,890.75 | 21.21 | 292.40 | -10.31 | 230.40 | 4.20 | 1.05 | 1.61 |
| | | | | | | | 39.40 | 1.00 | 1.23 |
| | | | | | | | 97.45 | 1.15 | 1.83 |
| | | | | | | | 110.95 | 1.05 | 9.83 |
| | | | | | | | 135.95 | 1.05 | 2.20 |
| | | | | | | | 140.40 | 1.00 | 2.34 |
| | | | | | | | 143.80 | 1.60 | 8.87 |
| | | | | | | | 147.40 | 1.15 | 1.16 |
| | | | | | | | 173.15 | 0.85 | 3.27 |
| | | | | | | | 177.25 | 4.55 | 8.03 |
| | | | | | Includes 0.95 metres @ 22.10 g/t gold from 177.25 metres | | | | |
| | | | | | | | 186.60 | 1.05 | 1.25 |
| HU/JS-811 | 6779529.48 | 2425897.37 | 20.70 | 298.67 | -9.66 | 245.40 | 4.00 | 0.30 | 8.06 |
| | | | | | | | 17.25 | 4.25 | 2.97 |
| | | | | | | | 25.15 | 0.55 | 1.48 |
| | | | | | | | 27.70 | 1.00 | 2.25 |
| | | | | | | | 30.50 | 0.45 | 1.75 |
| | | | | | | | 38.05 | 1.45 | 1.72 |
| | | | | | | | 43.95 | 0.50 | 3.31 |
| | | | | | | | 131.00 | 5.90 | 2.54 |
| | | | | | Includes 0.35 metres @ 25.40 g/t gold from 131.00 metres | | | | |
| | | | | | | | 147.55 | 1.45 | 2.34 |
| | | | | | | | 161.25 | 0.55 | 3.86 |
| | | | | | | | 174.20 | 2.20 | 4.27 |
| | | | | | | | 183.10 | 1.40 | 4.42 |
| HU/JS-812 | 6779531.88 | 2425901.33 | 20.60 | 305.83 | -9.60 | 272.00 | 41.50 | 3.85 | 3.69 |
| | | | | | | | 58.30 | 1.30 | 1.07 |
| | | | | | | | 60.90 | 1.30 | 2.55 |
| | | | | | | | 99.95 | 2.40 | 3.62 |
| | | | | | | | 149.60 | 1.45 | 16.52 |
| | | | | | | | 179.85 | 12.70 | 5.07 |
| | | | | | Includes 0.90 metres @ 29.60 g/t gold from 183.50 metres | | | | |
| HU/JS-813 | 6779532.04 | 2425901.72 | 20.50 | 316.49 | -14.80 | 275.40 | 17.15 | 1.05 | 2.07 |
| | | | | | | | 27.65 | 2.35 | 2.01 |
| | | | | | | | 59.60 | 0.90 | 1.21 |
| | | | | | | | 64.85 | 0.30 | 27.90 |
| | | | | | | | 68.20 | 0.30 | 3.96 |
| | | | | | | | 106.70 | 1.30 | 1.32 |
| | | | | | | | 116.85 | 1.35 | 2.07 |
| | | | | | | | 161.80 | 15.20 | 2.97 |
| | | | | | | | 187.50 | 1.10 | 4.26 |
| | | | | | | | 191.15 | 1.00 | 1.58 |
| HU/JS-814 | 6779534.17 | 2425907.55 | 20.04 | 328.94 | -34.70 | 317.20 | 20.00 | 1.00 | 1.36 |
| | | | | | | | 23.85 | 1.00 | 1.12 |
| | | | | | | | 43.70 | 9.00 | 5.28 |
| | | | | | | | 67.40 | 1.00 | 3.28 |
| | | | | | | | 111.75 | 2.95 | 4.30 |
| | | | | | | | 116.90 | 1.20 | 4.05 |
| | | | | | | | 144.20 | 2.05 | 2.82 |
| | | | | | | | 165.65 | 1.00 | 2.41 |
| | | | | | | | 187.35 | 2.95 | 15.17 |
| | | | | | | | 194.30 | 3.80 | 3.29 |
| | | | | | | | 210.05 | 0.95 | 1.07 |
| | | | | | | | 211.85 | 0.65 | 33.90 |
| HU/JS-815 | 6779535.97 | 2425916.37 | 19.78 | 340.39 | -29.60 | 310.20 | 0.00 | 0.55 | 1.22 |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | 9.75 | 0.50 | 8.41 |
| | | | | | | | 23.05 | 0.70 | 1.29 |
| | | | | | | | 26.15 | 0.45 | 1.53 |
| | | | | | | | 56.10 | 0.60 | 1.70 |
| | | | | | | | 73.25 | 1.15 | 1.31 |
| | | | | | | | 95.75 | 3.10 | 1.36 |
| | | | | | | | 102.70 | 1.25 | 1.38 |
| | | | | | | | 131.30 | 2.50 | 2.78 |
| | | | | | | | 135.75 | 2.70 | 1.51 |
| | | | | | | | 206.75 | 0.40 | 1.52 |
| | | | | | | | 208.95 | 0.95 | 1.38 |
| | | | | | | | 211.60 | 1.05 | 1.57 |
| | | | | | | | 218.55 | 2.70 | 1.91 |
| | | | | | | | 227.70 | 0.85 | 1.18 |
| | | | | | | | 264.10 | 0.35 | 2.51 |
| | | | | | | | 276.50 | 0.95 | 1.70 |
| HU/JS-816 | 6779535.94 | 2425916.25 | 19.17 | 337.91 | -47.31 | 276.40 | 3.85 | 0.30 | 43.10 |
| | | | | | | | 23.10 | 1.30 | 1.05 |
| | | | | | | | 41.50 | 1.20 | 1.79 |
| | | | | | | | 46.85 | 0.90 | 1.11 |
| | | | | | | | 61.60 | 0.60 | 4.80 |
| | | | | | | | 86.90 | 1.30 | 2.49 |
| | | | | | | | 91.60 | 0.85 | 1.11 |
| | | | | | | | 134.20 | 3.65 | 7.57 |
| | | | | | Includes 0.90 metres @ 25.80 g/t gold from 135.95 metres | | | | |
| | | | | | | | 149.15 | 1.45 | 1.01 |
| | | | | | | | 173.40 | 2.85 | 1.71 |
| | | | | | | | 179.70 | 1.05 | 1.47 |
| | | | | | | | 185.85 | 1.10 | 2.88 |
| | | | | | | | 216.20 | 1.85 | 9.87 |
| | | | | | Includes 0.95 metres @ 18.15 g/t gold from 217.10 metres | | | | |

**Table 5 – Results from the underground diamond core drilling program from the Exploration Drift that was designed to evaluate the Kujankallio Main Zone between the 340m and 400m levels at the Jokisivu Gold Mine. All intercepts reported at a 1 g/t gold cut-off. (Appendix 1 – JORC Table 2)**

| Hole | North | East | Elevation | Azimuth (°) | Dip (°) | Length (m) | From (m) | Down Hole Interval (m) | Gold (g/t) |
|---|---|---|---|---|---|---|---|---|---|
| HU/JS-839 | 6779545.47 | 2426404.25 | -272.85 | 9.87 | 5.10 | 140.30 | 73.90 | 0.75 | 1.11 |
| | | | | | | | 77.35 | 0.55 | 1.51 |
| | | | | | | | 86.00 | 1.90 | 1.17 |
| | | | | | | | 127.10 | 0.90 | 4.24 |
| HU/JS-840 | 6779537.55 | 2426428.60 | -271.16 | 358.34 | 24.99 | 95.30 | 52.85 | 1.45 | 1.60 |
| | | | | | | | 58.30 | 0.55 | 15.90 |
| | | | | | | | 62.00 | 0.30 | 70.80 |
| | | | | | | | 64.75 | 0.30 | 3.56 |
| | | | | | | | 69.85 | 5.25 | 2.30 |
| HU/JS-841 | 6779545.60 | 2426403.76 | -272.81 | 343.19 | 1.63 | 185.30 | 52.75 | 2.60 | 5.61 |
| | | | | | | | 96.00 | 1.00 | 1.29 |
| | | | | | | | 99.45 | 1.20 | 1.19 |
| | | | | | | | 104.30 | 2.30 | 4.34 |
| | | | | | | | 114.35 | 0.40 | 2.66 |
| | | | | | | | 136.50 | 1.40 | 1.47 |
| | | | | | | | 143.05 | 1.05 | 1.66 |
| | | | | | | | 156.40 | 1.00 | 1.49 |
| | | | | | | | 172.35 | 1.15 | 2.74 |
| HU/JS-842 | 6779545.60 | 2426403.76 | -273.03 | 356.58 | 0.40 | 161.40 | 89.90 | 2.90 | 8.16 |
| | | | | | Includes 0.90 metres @ 22.00 g/t gold from 89.90 metres | | | | |
| | | | | | | | 98.90 | 3.05 | 7.31 |
| | | | | | Includes 0.60 metres @ 22.00 g/t gold from 100.60 metres | | | | |
| | | | | | | | 142.40 | 0.55 | 7.51 |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | 148.60 | 1.00 | 1.19 |
| HU/JS-843 | 6779541.00 | 2426415.95 | -271.30 | 1.30 | 29.84 | 132.90 | 54.20 | 1.40 | 2.56 |
| | | | | | | | 58.50 | 1.50 | 1.72 |
| | | | | | | | 72.25 | 0.90 | 1.44 |
| | | | | | | | 74.45 | 0.85 | 1.80 |
| | | | | | | | 85.10 | 1.20 | 1.03 |
| HU/JS-844 | 6779537.63 | 2426428.72 | -272.02 | 8.23 | 3.23 | 194.30 | 58.30 | 2.95 | 1.85 |
| | | | | | | | 67.75 | 1.80 | 4.97 |
| | | | | | | | 72.40 | 1.50 | 43.12 |
| | | | | | | | 76.55 | 0.50 | 2.06 |
| | | | | | | | 87.20 | 3.15 | 2.68 |
| | | | | | | | 130.10 | 0.60 | 5.64 |
| | | | | | | | 142.90 | 0.80 | 1.27 |
| HU/JS-845 | 6779537.62 | 2426428.51 | -271.87 | 27.44 | 3.80 | 140.40 | 34.15 | 1.30 | 1.03 |
| | | | | | | | 38.55 | 1.35 | 1.21 |
| | | | | | | | 73.90 | 1.20 | 1.17 |
| | | | | | | | 80.65 | 3.30 | 3.39 |
| | | | | | | | 87.70 | 1.15 | 8.48 |
| | | | | | | | 95.10 | 0.75 | 1.99 |
| | | | | | | | 108.30 | 0.95 | 4.31 |
| HU/JS-846 | 6779545.51 | 2426403.86 | -273.11 | 345.05 | -8.22 | 197.30 | 117.40 | 4.85 | 14.61 |
| | | | | | Includes 1.85 metres @ 33.06 g/t gold from 117.40 metres | | | | |
| | | | | | | | 124.25 | 0.40 | 2.41 |
| | | | | | | | 190.45 | 0.95 | 4.20 |
| HU/JS-847 | 6779545.61 | 2426403.68 | -273.03 | 354.85 | -8.83 | 176.30 | 58.50 | 2.90 | 2.10 |
| | | | | | | | 105.90 | 0.85 | 5.32 |
| | | | | | | | 111.15 | 0.85 | 1.95 |
| | | | | | | | 115.40 | 1.80 | 3.51 |
| | | | | | | | 162.20 | 3.10 | 2.10 |
| | | | | | | | 169.55 | 2.50 | 3.02 |
| HU/JS-848 | 6779545.47 | 2426404.13 | -273.12 | 6.57 | -9.84 | 191.30 | 48.45 | 1.00 | 1.41 |
| | | | | | | | 94.00 | 1.15 | 2.13 |
| | | | | | | | 99.75 | 3.95 | 5.07 |
| | | | | | | | 111.00 | 3.90 | 4.86 |
| HU/JS-849 | 6779541.40 | 2426416.37 | -272.48 | 12.86 | -9.84 | 196.00 | 93.40 | 3.85 | 3.26 |
| | | | | | | | 109.30 | 1.70 | 2.60 |
| | | | | | | | 134.00 | 1.00 | 1.13 |
| HU/JS-850 | 6779537.58 | 2426428.85 | -272.28 | 19.58 | -10.41 | 182.20 | 38.30 | 1.00 | 1.78 |
| | | | | | | | 72.45 | 1.85 | 9.28 |
| | | | | | Includes 0.80 metres @ 19.50 g/t gold from 53.85 metres | | | | |
| | | | | | | | 89.40 | 1.10 | 2.52 |
| | | | | | | | 93.55 | 1.05 | 34.60 |
| | | | | | | | 107.30 | 2.00 | 3.59 |
| | | | | | | | 133.80 | 1.00 | 1.68 |
| | | | | | | | 162.00 | 1.00 | 3.41 |
| HU/JS-851 | 6779545.47 | 2426403.98 | -273.28 | 347.41 | -14.39 | 206.30 | 139.90 | 1.85 | 2.87 |
| | | | | | | | 169.90 | 1.25 | 3.60 |
| | | | | | | | 188.70 | 0.45 | 2.20 |
| | | | | | | | 202.15 | 1.65 | 1.48 |
| HU/JS-852 | 6779537.38 | 2426428.93 | -270.89 | 26.26 | 30.13 | 116.30 | 69.65 | 1.50 | 1.73 |
| | | | | | | | 92.30 | 1.50 | 1.18 |
| HU/JS-853 | 6779537.31 | 2426429.12 | -271.43 | 40.19 | 13.08 | 131.30 | 54.55 | 1.45 | 2.35 |
| | | | | | | | 58.30 | 1.35 | 2.21 |
| | | | | | | | 84.70 | 1.50 | 1.02 |
| HU/JS-854 | 6779537.61 | 2426428.87 | -272.24 | 35.34 | -10.12 | 153.40 | 32.65 | 0.85 | 4.24 |
| | | | | | | | 41.55 | 1.00 | 1.48 |
| | | | | | | | 90.15 | 0.50 | 1.50 |
| | | | | | | | 97.40 | 1.40 | 1.98 |
| | | | | | | | 104.40 | 1.00 | 1.07 |
| | | | | | | | 106.20 | 1.80 | 1.08 |
| | | | | | | | 125.65 | 0.65 | 1.62 |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| HU/JS-855 | 6779537.65 | 2426428.68 | -272.46 | 23.57 | -17.50 | 154.80 | 43.70 | 1.50 | 1.34 |
| | | | | | | | 83.00 | 3.30 | 5.28 |
| | | | | | Includes 0.90 metres @ 17.30 g/t gold from 85.40 metres | | | | |
| | | | | | | | 101.25 | 0.95 | 7.42 |
| | | | | | | | 105.15 | 2.35 | 17.52 |
| | | | | | | | 125.00 | 3.30 | 1.47 |
| | | | | | | | 133.05 | 3.25 | 1.35 |
| HU/JS-856 | 6779537.47 | 2426428.82 | -271.26 | 21.61 | 19.03 | 116.20 | 52.45 | 1.45 | 1.66 |
| | | | | | | | 62.40 | 1.35 | 2.11 |
| | | | | | | | 72.25 | 2.10 | 1.90 |

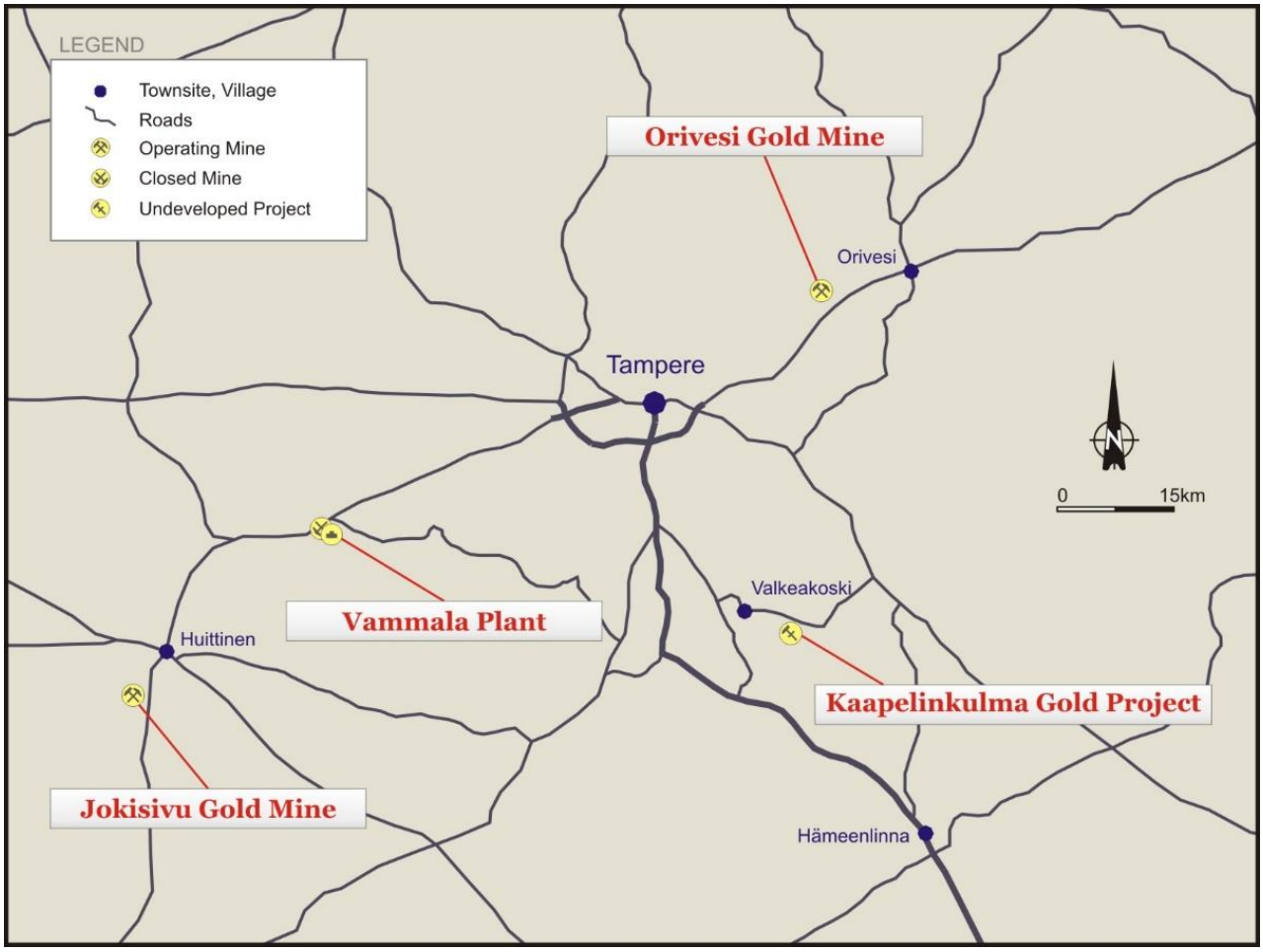


**Figure 1 – Vammala Production Centre.**

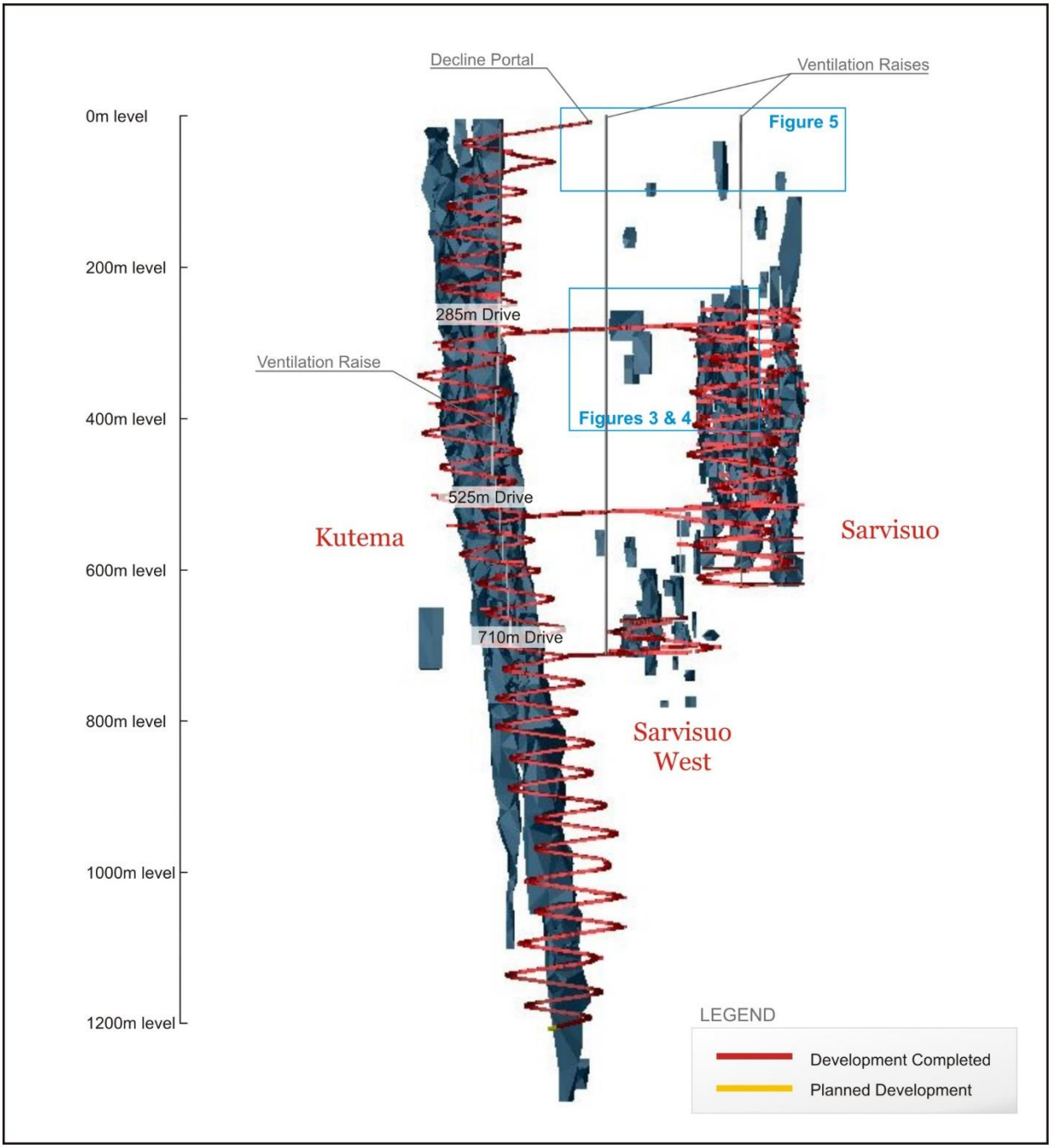


**Figure 2 – Orivesi Gold Mine.**

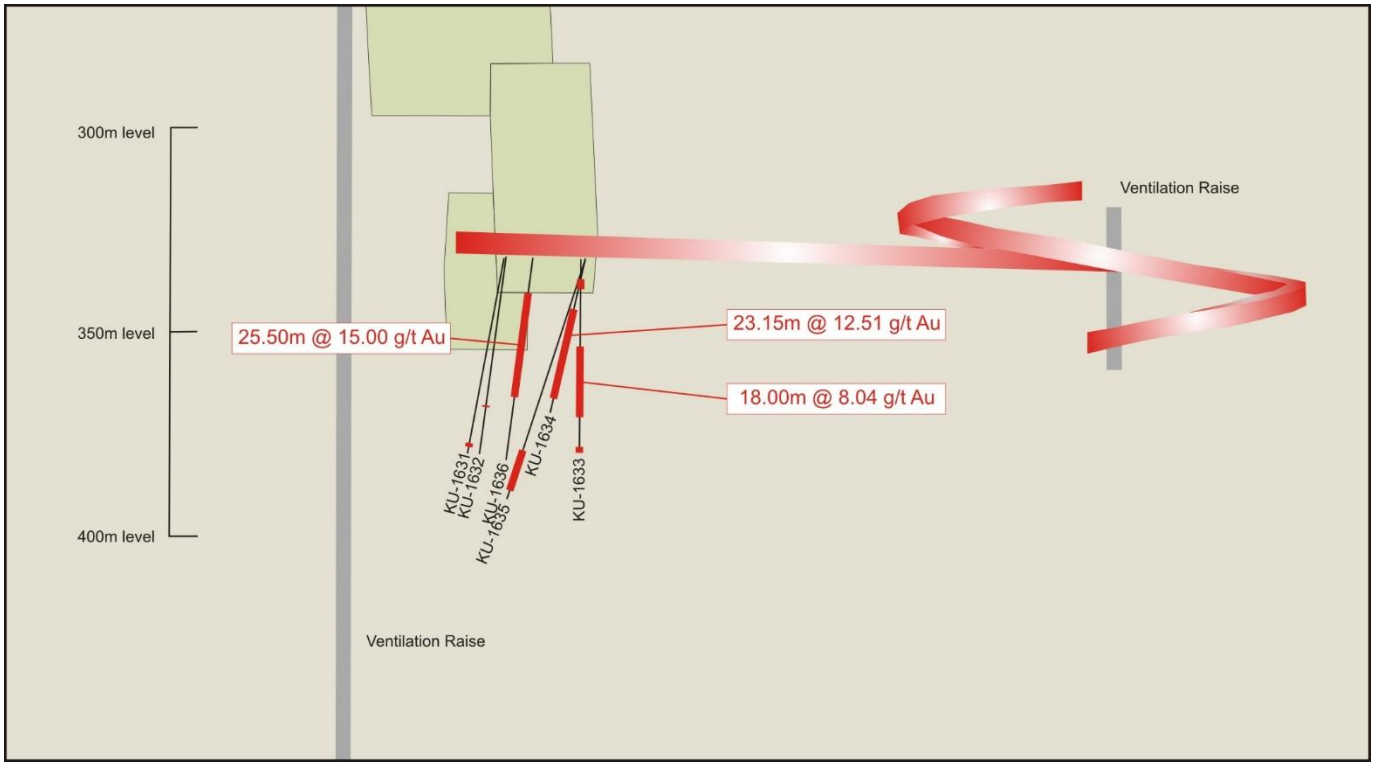


**Figure 3 – Along pipe underground drilling from the 340m level at Sarvisuo West.**

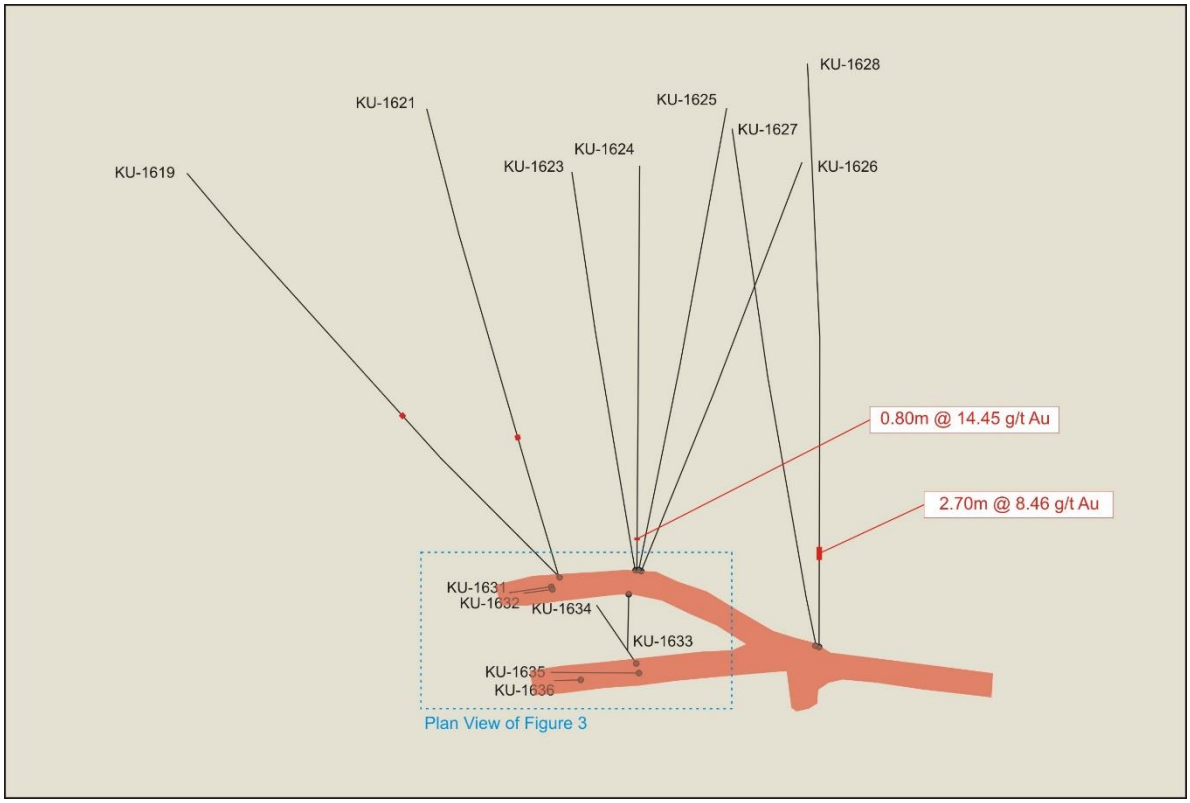


**Figure 4 – Plan view of drilling at Sarvisuo West from the 340m level.**

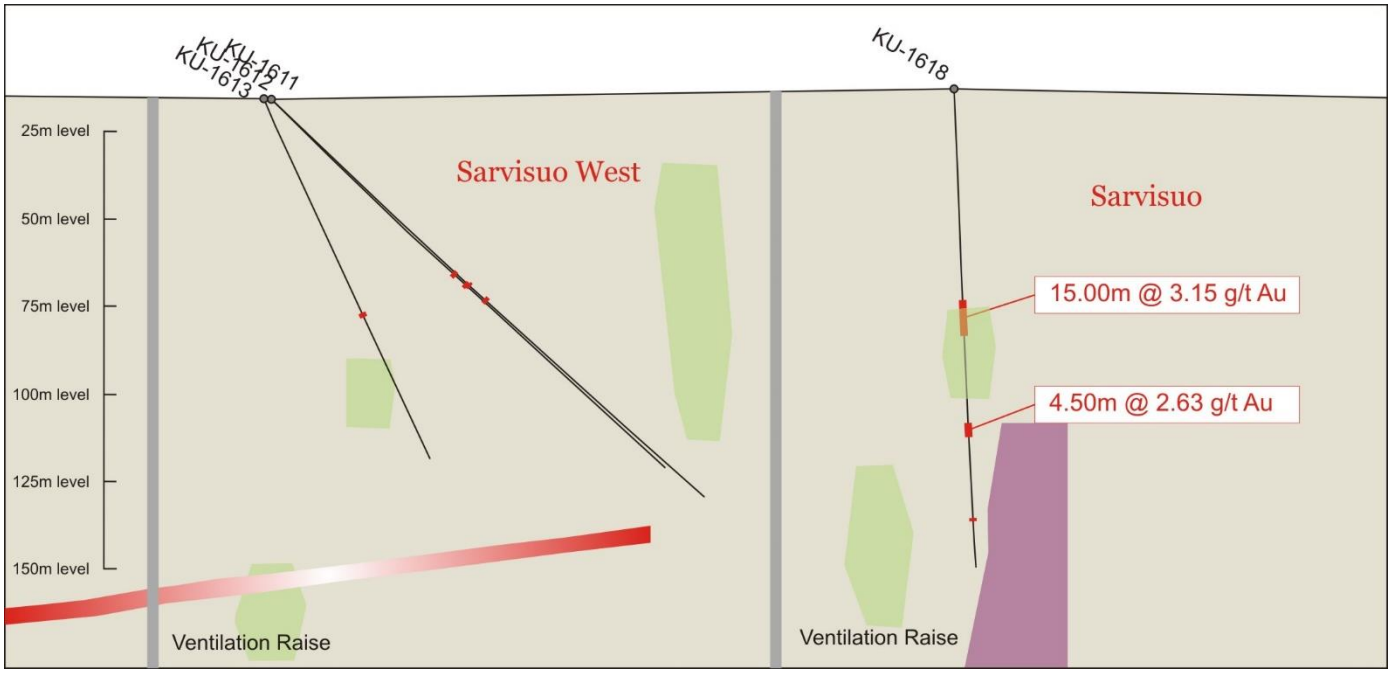


**Figure 5 - Surface drilling at Sarvisuo and Sarvisuo West.**

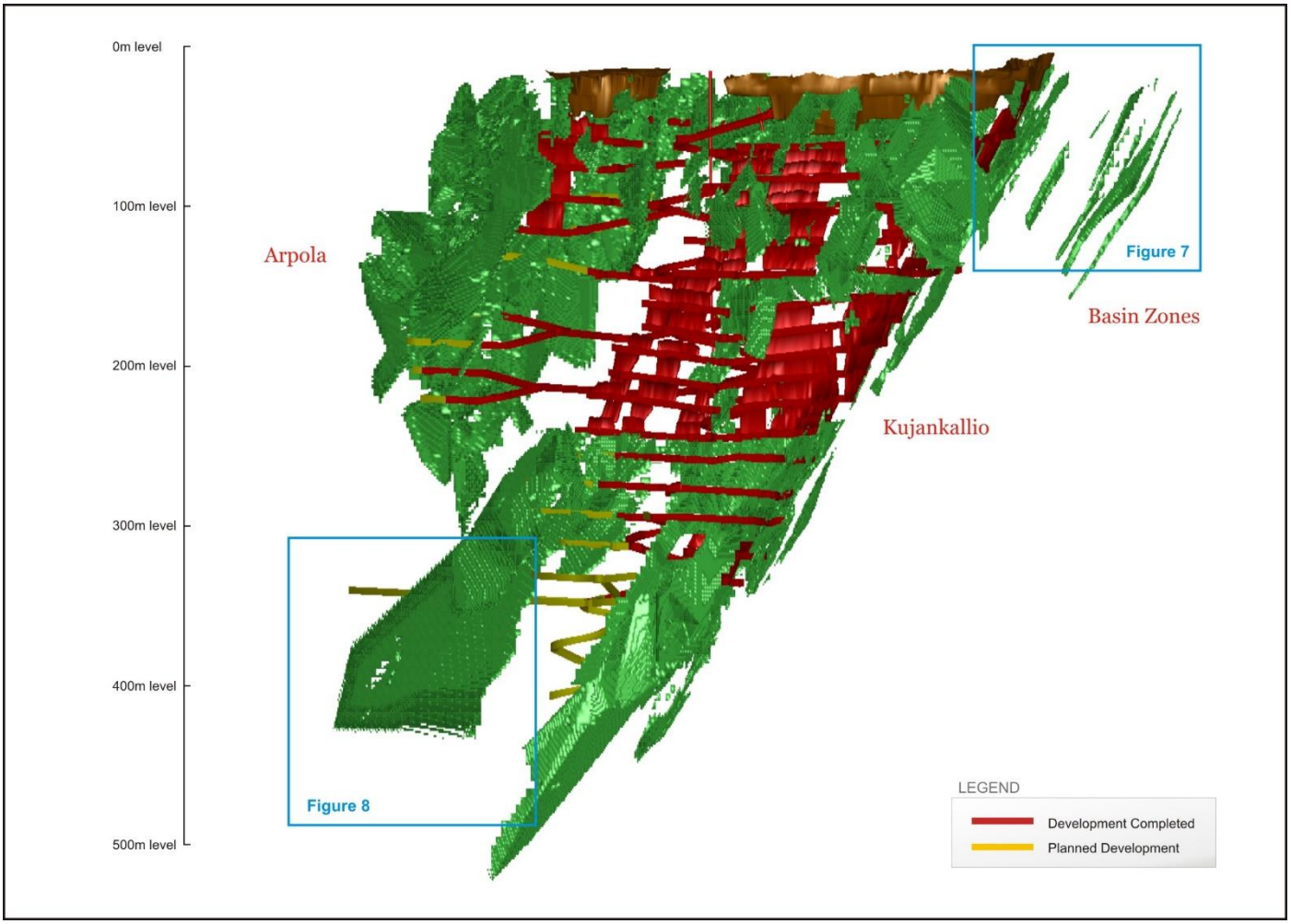


**Figure 6 – Jokisivu Gold Mine.**

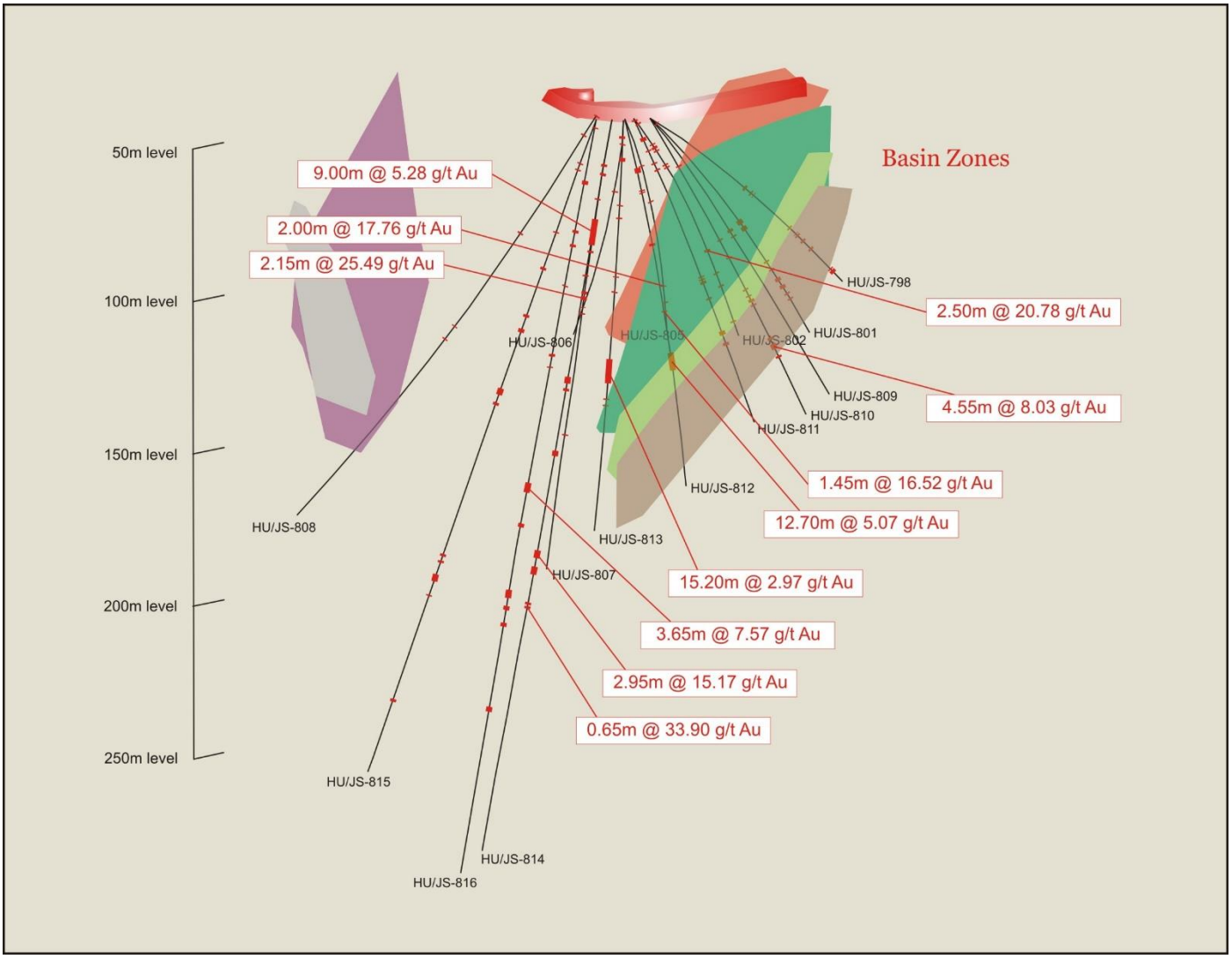


**Figure 7 – Underground diamond core drilling program that targeted the Basin Zones at the Jokisivu Gold Mine. View looking northwest.**

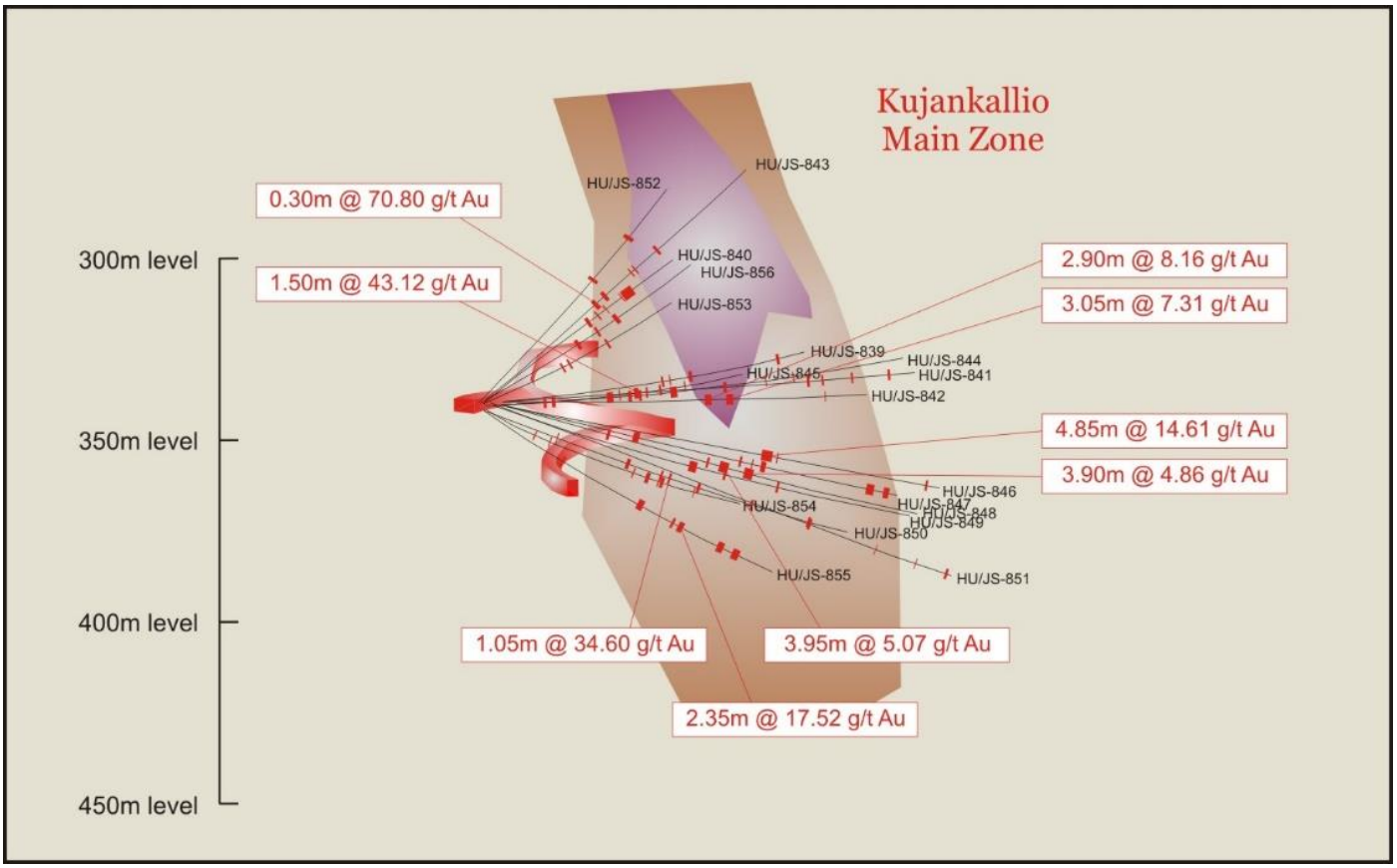


**Figure 8 – Underground diamond core drilling the Kujankallio Main Zone between the 340m and 400m levels at the Jokisivu Gold Mine. View looking east.**

**Competent Persons Statement**

*The information in this report that relates to Exploration Results is based on and fairly represents information and supporting documentation compiled by Mr. Neale Edwards BSc (Hons), a Fellow of the Australian Institute of Geoscientists and a full time employee of the Company. Mr. Neale Edwards 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. Mr. Neale Edwards has provided written consent for the inclusion in this report of the matters based on his information in the form and context in which it appears.*

*The information in this report that relates to Exploration Results were previously released to the ASX on the 13 October 2017 – Jokisivu Drilling Returns Further Encouraging Intercepts, can be found at www.asx.com.au (Code: DRA). It fairly represents 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 that 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 release dated the 13 October 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 13 October 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 release dated the 13 October 2017. Mr Neale Edwards has provided written consent approving the Exploration Results in this report in the form and context in which they appear.*

# Appendix 1

**JORC Code Table 1 - Orivesi Drilling Program**

| **Section 1 - Sampling Techniques and Data** *(Criteria in this Section apply to all succeeding sections)* | | |
|---|---|---|
| **Criteria** | **Explanation** | **Commentary** |
| **Sampling Techniques** | *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.* | The Kutema and Sarvisuo lode systems have been sampled by a series of underground and surface diamond core drill holes and underground production holes (sludge).<br><br>In the reported program, Dragon Mining has completed twenty-eight diamond core drill holes for an advance of 3,233.60 metres over three campaigns.<br><br>• *Six holes, 308.30 metres were completed from underground at the 340m level and drilled along select sub-vertical mineralised pipes in the Sarvisuo West area.*<br><br>• *Ten holes, 1,433.40 metres were completed from the surface, targeting near surface positions in the Sarvisuo and Sarvsuo West areas.*<br><br>• *Twelve holes totalling 1,491.90 metres were completed from underground at the 340m level targeting the Sarvisuo West area between the 340m and 420m levels.*<br><br>Diamond drill holes were drilled at variable spacing's. Drill holes were surveyed on the local mine grid. |
| | *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or system used.* | Drilling from underground and surface has been completed at various azimuths of grid north and drilled at various angles in a 'fan' array to optimally intersect the sub-vertical orientation of the mineralised trends.<br><br>Drill hole collar co-ordinates are accurately surveyed by Company personnel and tied into the local mine grid using a Leica GNSS system.<br><br>Deviation surveys are completed on all drill holes using a DeviFlex device.<br><br>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. |
| | *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* | Drilling at the Orivesi Gold Mine has been conducted by Lohja Oy, Outokumpu and Dragon Mining. Diamond core drilling by Lohja and Outokumpu used 45mm diameter core (T56) with sampling at varying intervals based on geological boundaries. Lohja used mainly VTT Laboratory in Finland for assaying. In 1992-2003 (Outokumpu), sample preparation and analysis were undertaken at the local independent laboratory (GAL and later VTT) in the town of Outokumpu using Fire-Assay with AAS or ICP finish. Underground diamond core drilling by Dragon Mining used 39mm, 40.7mm and 50mm core diameter (WL-56, BQTK and NQ2) with sampling and analysis as |

| Section 1 - Sampling Techniques and Data<br>*(Criteria in this Section apply to all succeeding sections)* | | |
|---|---|---|
| **Criteria** | **Explanation** | **Commentary** |
| | *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.* | described above for Outokumpu drilling. A WL-76 drilling rig has completed the recent surface diamond core drilling.<br><br>In June 2008, the independent sample preparation laboratory in the town of Outokumpu became part of ALS Minerals. |
| **Drilling Techniques** | *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).* | All holes in the recent campaigns were drilled by diamond core methods.<br><br>Core is collected with a standard tube. Core is not orientated and hole deviation surveys are completed on all drill holes using a Deviflex device. |
| **Drill Sample Recovery** | *Method of recording and assessing core and chip sample recoveries and results assessed.* | Diamond core was reconstructed into continuous runs with depths checked against core blocks. Core loss observations were noted by geologists during the logging process. All information is recorded in the database. |
| | *Measures taken to maximise sample recovery and ensure representative nature of the samples.* | Recoveries from diamond core were recorded in the supplied database, with an average core recovery of >99%. Lost core was also routinely recorded.<br><br>Drilling is undertaken in primary rock material.<br><br>All drilling is planned to avoid existing underground development.<br><br>Nivalan Timanttikairaus Oy and Northdrill Oy, an experienced drilling contract groups were engaged to undertake the programs of work. Drilling contractors are supervised and routinely monitored by company personnel. |
| | *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.* | No relationship was noted between sample recovery and grade. The mineralised zones have predominantly been intersected by diamond core with generally good core recoveries. The consistency of the mineralised intervals suggests sampling bias due to material loss or gain is not an issue. |
| **Logging** | *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.* | 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. |
| | *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* | Drill samples were logged for lithology, rock type, colour, mineralisation, alteration, and texture. Logging is a mix of qualitative and quantitative observations. |

| **Section 1 - Sampling Techniques and Data**<br>***(Criteria in this Section apply to all succeeding sections)*** | | |
|---|---|---|
| **Criteria** | **Explanation** | **Commentary** |
| | | It has been standard practice that all diamond core be routinely photographed. |
| | *The total length and percentage of the relevant intersections logged.* | All holes were logged in full. |
| **Sub-sampling Techniques and Sample Preparation** | *If cut, whether cut or sawn and whether quarter, half or all core taken.* | Primarily full core samples of select zones are collected for analysis. |
| | *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* | Not applicable. All drilling is completed by diamond core methods. |
| | *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* | Full core samples of select zones are primarily collected for analysis by company personnel. In some cases, core is cut in half or quarter using a core saw with half or quarter core is sent for analysis.<br><br>Sampling of diamond core uses industry standard techniques. Core sampling was undertaken at intervals from 0.3m to 2.5m based on geological boundaries with the average sample length being around 1.5m. Whole core was generally sent for analysis, although some half core sampling has been carried out at various times.<br><br>With respect to the nature of the mineralised system and the core diameter, the use of full core is considered appropriate.<br><br>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.<br><br>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 >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.<br><br>The method selected for sample preparation is considered appropriate. |
| | *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* | 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$^{th}$ sample (sample id ending in -00, -20, -40, -60, -80) is submitted as a standard, and every 20$^{th}$ 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). |

| **Section 1 - Sampling Techniques and Data**<br>***(Criteria in this Section apply to all succeeding sections)*** | | |
|---|---|---|
| **Criteria** | **Explanation** | **Commentary** |
| | | A review of the results of the certified reference material and blanks indicates that they are within acceptable limits. |
| | *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.* | Coarse crush duplicates are included in the sample stream every 20 samples.<br><br>A review of the results of the duplicate samples indicates that they are within acceptable limits. |
| | *Whether sample sizes are appropriate to the grain size of the material being sampled.* | 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. |
| **Quality of Data and Laboratory Tests** | *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* | Recent 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.<br><br>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.<br><br>The analytical techniques used are considered total. |
| | *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.* | No such device was used for analytical purposes on sample material. |
| | *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.* | QAQC protocols are stringently adhered to throughout the duration of all drilling programs undertaken by Dragon Mining.<br><br>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.<br><br>ALS Minerals implement an internal QAQC program that includes the insertion of blanks, certified reference material and duplicates with each analytical run.<br><br>A review of both the Dragon Mining and ALS Minerals QAQC results indicates that the blank material, |

| Section 1 - Sampling Techniques and Data<br>*(Criteria in this Section apply to all succeeding sections)* | | |
|---|---|---|
| **Criteria** | **Explanation** | **Commentary** |
| | | certified reference material and duplicates are within acceptable limits. |
| **Verification of Sampling and Assaying** | *The verification of significant intersections by either independent or alternative company personnel.* | All significant intercepts are reviewed and verified by Dragon Mining geologists. |
| | *The use of twinned holes.* | No twinned holes have been drilled. |
| | *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* | Primary data is collected by Dragon Mining personnel at site using Drill Logger software.<br><br>All measurements and observations are digitally recorded and transferred into an Access database. Primary assay and QAQC data is entered into a master database.<br><br>Verification and validation of the databases is handled internally. |
| | *Discuss any adjustment to assay data.* | No adjustment has been made to the assay data. |
| **Location of Data Points** | *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.* | Drill hole collars and starting azimuths have been accurately surveyed by Dragon Mining personnel.<br><br>Down hole surveys were undertaken on all exploration and resource development holes.<br><br>Collar and underground mine surveys are performed using a Leica GNSS system.<br><br>Deviation surveys are carried out on all drill holes using a DeviFlex device. Surveys were generally taken at 3m or 10m intervals down hole. |
| | *Specification of the grid system used.* | The grid system used for the reporting of results is the Finnish Grid System – KKJ2. A local mine grid is used at the Orivesi Gold Mine. |
| | *Quality and adequacy of topographic control.* | 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. |
| **Data Spacing and Distribution** | *Data spacing for reporting of Exploration Results.* | Drilling has been undertaken from the surface. Diamond drill holes were drilled at variable spacings but averaged 10-30m spacing in the central portions of the deposit around the underground development, increasing to 30-60m above and below the current working levels. |
| | *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.* | 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). |
| | *Whether sample compositing has been applied.* | No sampling compositing has been applied. |

| Section 1 - Sampling Techniques and Data<br>*(Criteria in this Section apply to all succeeding sections)* | | |
|---|---|---|
| **Criteria** | **Explanation** | **Commentary** |
| **Orientation of Data in Relation to Geological Structure** | *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* | Drill holes are orientated predominantly to an azimuth of grid north and drilled at various angles in a 'fan' array to optimally intersect the sub-vertical orientation of the mineralised trends. |
| | *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.* | No orientation based sampling bias has been identified in the data. |
| **Sample Security** | *The measures taken to ensure sample security.* | 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. |
| **Audits or Reviews** | *The results of any audits or reviews of sampling techniques and data.* | Dragon Mining carries out its own reviews and audits of sampling techniques and data.<br><br>Dragon Mining has completed audits of the ALS Minerals facilities at Outokumpu, Finland, Rosia Montana, Romania and Vancouver, Canada.<br><br>The completed reviews and audits raised no issues. |

| Section 2 - Reporting of Exploration Results | | |
|---|---|---|
| **Criteria** | **Explanation** | **Commentary** |
| **Mineral Tenement and Land Tenure Status** | *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.* | The Orivesi Gold Mine is located within a granted Mining Concession (Concession ID – 2676; Concession Name – Seri; Area – 39.82 ha). |
| | *The security of the tenure held at the time off reporting along with any known impediments to obtaining a licence to operate in the area.* | The Mining Concession is in good standing. Mining has been undertaken on the concession area since 1994. |
| **Exploration Completed by Other Parties** | *Acknowledgement and appraisal of exploration by other parties.* | 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.<br><br>The Orivesi gold deposit was discovered in 1982 as a result of a research project by Lohja Oy and the |

| Section 2 - Reporting of Exploration Results | | |
|---|---|---|
| **Criteria** | **Explanation** | **Commentary** |
| | | Department of Geology from the University of Helsinki.<br><br>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.<br><br>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.<br><br>Mining resumed in 2007, with Dragon Mining focusing efforts initially on remnant mineralization associated with the Kutema lode system above the 720m level. Mining commenced on the Sarvisuo lode system 300 meters from the Kutema lode system in 2008. Mining on the Kutema lode system below the 720m level commenced in 2011.<br><br>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 1205m level at Kutema, and the gold-bearing zones are known to continue to and beyond the 1280m level.<br><br>Ore from the Orivesi Gold Mine is trucked 80 kilometres to the Vammala Plant for processing. |
| **Geology** | *Deposit type, geological setting and style of mineralisation.* | 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.<br><br>The known gold lode systems occur in a broader zone of hydrothermally altered rocks that extend over an area of approximately 0.5 $km^2$, at the contact of metavolcanic rocks and a sub-volcanic intrusion. They have been interpreted to represent a metamorphosed and deformed high-sulphidation epithermal gold system.<br><br>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. |
| **Drill Hole Information** | *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:* | Recent drilling at the deposit was surface and underground diamond core drilling. Refer to:<br><br>Table 1 – Results from the underground diamond core drilling program from the 340m level that was designed to drill along known mineralised Pipes in the Sarvisuo West area at the Orivesi Gold Mine. |

| Section 2 - Reporting of Exploration Results | | |
|---|---|---|
| **Criteria** | **Explanation** | **Commentary** |
| | • *easting and northing of the drill hole collar;*<br>• *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar;*<br>• *dip and azimuth of the hole;*<br>• *down hole length and interception depth;*<br>• *hole length.* | Table 2 – Results from the surface diamond core drilling program that was targeting near surface positions at Sarvisuo and Sarvisuo West at the Orivesi Gold Mine.<br><br>Table 3 - Results from the underground diamond core drilling program that targeted the Sarvisuo West area between the 340m and 420m levels at the Orivesi Gold Mine. |
| **Data Aggregation Methods** | *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.* | 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. |
| | *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 aggregations should be shown in detail.* | High grade intervals internal to broader zones of mineralisation are reported at a 15 g/t gold cut-off as included intervals. Refer to:<br><br>Table 1 – Results from the underground diamond core drilling program from the 340m level that was designed to drill along known mineralised Pipes in the Sarvisuo West area at the Orivesi Gold Mine.<br><br>Table 2 – Results from the surface diamond core drilling program that was targeting near surface positions at Sarvisuo and Sarvisuo West at the Orivesi Gold Mine.<br><br>Table 3 - Results from the underground diamond core drilling program that targeted the Sarvisuo West area between the 340m and 420m levels at the Orivesi Gold Mine. |
| | *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | No metal equivalent values have been used or reported. |
| **Relationship between Mineralisation Widths and Intercept Lengths** | *These relationships are particularly important in the reporting of Exploration Results.*<br><br>*If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*<br><br>*If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect* | All intercepts reported are down hole lengths. True widths have not been calculated.<br><br>Drill holes are orientated at various azimuths and drilled at various angles in a 'fan' array to optimally intersect the sub-vertical orientation of the mineralised trends. |

| Section 2 - Reporting of Exploration Results | | |
|---|---|---|
| **Criteria** | **Explanation** | **Commentary** |
| | *(eg 'down hole length, true width not known').* | |
| **Diagrams** | *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.* | Refer to the provided diagrams. |
| **Balanced Reporting** | *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.* | Comprehensive reporting of drill details has been provided in this announcement. All meaningful and material exploration data has been reported. |
| **Other Substantive Exploration Data** | *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 substances.* | 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. |
| **Further Work** | *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* | Drilling will continue with the aim to better define portions of the lode systems, providing information to support mine planning and mine development. |
| | *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | Refer to the provided diagrams. |

# Appendix 2

## JORC Code Table 1 - Jokisivu Drilling Programs

| **Section 1 - Sampling Techniques and Data** *(Criteria in this Section apply to all succeeding sections)* | | |
|---|---|---|
| **Criteria** | **Explanation** | **Commentary** |
| **Sampling Techniques** | *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.* | The Kujankallio and Arpola deposits at the Jokisivu Gold Mine have been sampled by a series underground diamond core and surface diamond core drilling programs.<br><br>The reported results are for two campaigns of drilling completed between 6 March and 4 October 2017. These programs totalled thirty-three holes, comprising fifteen holes directed at the Basin Zones from the 65m level and eighteen holes directed at the Kujankallio Main Zone between the 340m and 400m levels.<br><br>Pierce points are nominally spaced at 20 metres vertically and 20 to 30 metres horizontally for underground drilling. |
| | *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or system used.* | Drill holes are orientated predominantly to the south (local mine grid) and drilled at an angle which is approximately perpendicular to the orientation of the mineralised trends.<br><br>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.<br><br>Drill hole collars and starting azimuths have been accurately surveyed with a Leica TCRP 1203+ Total Station. Azimuth deviations of the holes were surveyed with Reflex Maxibor II or Devico Deviflex equipment. |
| | *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.* | 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.<br><br>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.<br><br>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. |
| **Drilling Techniques** | *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc)* | Diamond core, percussion, sludge, and reverse circulation (RC) are the primary drilling techniques used at Jokisivu. |

| **Section 1 - Sampling Techniques and Data**<br>***(Criteria in this Section apply to all succeeding sections)*** | | |
|---|---|---|
| **Criteria** | **Explanation** | **Commentary** |
| | *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).* | Underground drilling in the reported programs was completed by T56/WL-56 (39.0mm) diamond core methods.<br><br>Core from underground drilling is collected with a standard tube. Core is not orientated for definition drill programs but is sometimes for exploration drill programs. Hole deviation surveys are completed on all drill holes Reflex Maxibor II, or Devico Deviflex equipment. . |
| **Drill Sample Recovery** | *Method of recording and assessing core and chip sample recoveries and results assessed.* | Diamond core was reconstructed into continuous runs with depths checked against core blocks. Core loss observations were noted by geologists during the logging process. All information is recorded in the database. |
| | *Measures taken to maximise sample recovery and ensure representative nature of the samples.* | Sample recovery is high with >95% of the drill core having recoveries >95%.<br><br>Drilling is well planned to avoid existing underground development and is undertaken in primary rock material.<br><br>Experienced underground drilling contract groups were engaged to undertake the program of work. Drilling contractors are supervised and routinely monitored by Dragon Mining personnel. |
| | *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.* | No relationship was noted between sample recovery and grade. The mineralised zones have predominantly been intersected by diamond core with generally good core recoveries. The consistency of the mineralised intervals suggests sampling bias due to material loss or gain is not an issue. |
| **Logging** | *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.* | 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. |
| | *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* | Drill samples were logged for lithology, rock type, colour, mineralisation, alteration, and texture. Logging is a mix of qualitative and quantitative observations.<br><br>It has been standard practice that all diamond core be routinely photographed. |
| | *The total length and percentage of the relevant intersections logged.* | All holes were logged in full. |
| **Sub-sampling Techniques and Sample Preparation** | *If cut, whether cut or sawn and whether quarter, half or all core taken.* | Half or full core samples of select zones are collected for analysis from underground diamond core drill holes, depending on the nature of the program. Half core is collected for exploration programs, full core for definition programs. |

| **Section 1 - Sampling Techniques and Data**<br>***(Criteria in this Section apply to all succeeding sections)*** | | |
|---|---|---|
| **Criteria** | **Explanation** | **Commentary** |
| | | Half or full core samples of select zones are collected for analysis from surface diamond core drill holes, depending on the nature of the program. Half core is collected for exploration programs, full core for definition programs.<br><br>When core is required to be split it is sawn. |
| | *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* | Not applicable. All drilling this report is completed by diamond core methods. |
| | *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* | Full and half 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 or half core is considered the most appropriate.<br><br>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.<br><br>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 >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 or Loughrea, Ireland.<br><br>The method selected for sample preparation is considered appropriate. |
| | *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* | 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$^{th}$ sample (sample id ending in -00, -20, -40, -60, -80) is submitted as a standard, and every 20$^{th}$ 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).<br><br>A review of the results of the certified reference material and blanks indicates that they are within acceptable limits. |
| | *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.* | Coarse crush duplicates are included in the sample stream every 20 samples.<br><br>A review of the results of the duplicate samples indicates that they are within acceptable limits. |
| | *Whether sample sizes are appropriate to the grain size* | Sample sizes are considered appropriate to correctly represent the moderately nuggetty gold mineralisation |

| Section 1 - Sampling Techniques and Data<br>*(Criteria in this Section apply to all succeeding sections)* | | |
|---|---|---|
| **Criteria** | **Explanation** | **Commentary** |
| | *of the material being sampled.* | based on: the style of mineralisation, the thickness and consistency of the intersections, the sampling methodology and assay value ranges for gold. |
| **Quality of Data and Laboratory Tests** | *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* | Analysis is completed at ALS Minerals in Rosia Montana, Romania or Loughrea in Ireland 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 (Detection Limit – 0.05 g/t gold; Upper Limit – 1,000.00 g/t gold) – 30g fire assay with gravimetric finish.<br><br>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.<br><br>The analytical techniques used are considered total. |
| | *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.* | No such device was used for analytical purposes on sample material collected. |
| | *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.* | QAQC protocols are stringently adhered to throughout the duration of all drilling programs undertaken by Dragon Mining.<br><br>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.<br><br>ALS Minerals implement an internal QAQC program that includes the insertion of blanks, certified reference material and duplicates with each analytical run.<br><br>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. |
| **Verification of Sampling and Assaying** | *The verification of significant intersections by either independent or alternative company personnel.* | All significant intercepts are reviewed and verified by Dragon Mining geologists. |
| | *The use of twinned holes.* | No twinned holes have been drilled. |
| | *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* | Primary data is collected by Dragon Mining personnel at the site using Excel work sheets.<br><br>Primary assay data is received direct from the laboratory in digital format. |

| **Section 1 - Sampling Techniques and Data**<br>***(Criteria in this Section apply to all succeeding sections)*** | | |
|---|---|---|
| **Criteria** | **Explanation** | **Commentary** |
| | | 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.<br><br>Verification and validation of the databases is handled internally. |
| | *Discuss any adjustment to assay data.* | No adjustment has been made to the assay data. |
| **Location of Data Points** | *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.* | Drill hole collars and starting azimuths have been accurately surveyed by various contract surveyors. Down hole surveys were undertaken on all exploration and resource development holes.<br><br>Collars and underground mine surveys are performed using a Leica TCRP 1203+ Total Station to a level of accuracy of 0.05 metres.<br><br>Down hole surveys are carried out on all drill holes using a Maxibor II, EMS multi-shot or Devico Deviflex device. Down hole dip values were recorded at 10m intervals. |
| | *Specification of the grid system used.* | The grid system used for the reporting of results is the Finnish Grid System – KKJ2. A local mine grid is used at the Jokisivu mine.<br><br>The local grid system is parallel to National Grid System, and equivalence of systems as follows (examples of coordinate values):<br><br>$Northing_{Nat}$ 6,779,500.00 = $Northing_{Loc}$ 9,500.00,<br>$Easting_{Nat}$ 2,425,800.00 = $Easting_{Loc}$ 5,800.00,<br>$Elevation_{Nat}$ 80.00 = $Elevation_{Loc}$ 0.00.<br>$Northing_{Loc} = Northing_{Nat}$ – 6,770,000m<br>$Easting_{Loc} = Easting_{Nat}$ – 2,420,000m<br>$Elevation_{Loc} = Elevation_{Nat}$ – 80m |
| | *Quality and adequacy of topographic control.* | 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. |
| **Data Spacing and Distribution** | *Data spacing for reporting of Exploration Results.* | Underground drilling has been undertaken in a fan array type pattern. Pierce points are usually spaced nominally at 20 metres vertically and 20 metres horizontally.<br><br>Surface drilling is completed on a nominal grid base. Pierce points are variable. |
| | *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.* | The geology and mineralisation displays satisfactory continuity in both geology and grade 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). |
| | *Whether sample compositing has been applied.* | No sampling compositing has been applied. |

| Section 1 - Sampling Techniques and Data<br>*(Criteria in this Section apply to all succeeding sections)* | | |
|---|---|---|
| **Criteria** | **Explanation** | **Commentary** |
| **Orientation of Data in Relation to Geological Structure** | *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* | Drill holes are orientated predominantly to the south (local mine grid) and drilled at an angle which is approximately perpendicular to the orientation of the mineralised trends.<br><br>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. |
| | *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.* | No orientation based sampling bias has been identified in the data. |
| **Sample Security** | *The measures taken to ensure sample security.* | 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. |
| **Audits or Reviews** | *The results of any audits or reviews of sampling techniques and data.* | Dragon Mining undertakes its own reviews and audits of sampling techniques and data.<br><br>Dragon Mining has completed audits of the ALS Minerals facilities at Outokumpu, Finland; Rosia Montana, Romania and Vancouver, Canada.<br><br>The completed reviews and audits raised no issues. |

| Section 2 - Reporting of Exploration Results | | |
|---|---|---|
| **Criteria** | **Explanation** | **Commentary** |
| **Mineral Tenement and Land Tenure Status** | *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.* | The Jokisivu Gold Mine is located within granted contiguous Mining Concessions (Concession ID – 7244; Concession Name – Jokisivu; Area – 48.57 ha and Concession ID – KL2015:0005; Concession Name – Jokisivu 2; Area – 21.30 ha). |
| | *The security of the tenure held at the time off reporting along with any known impediments to obtaining a licence to operate in the area.* | The Mining Concessions are in good standing and no impediments to operating exist. |
| **Exploration Completed by Other Parties** | *Acknowledgement and appraisal of exploration by other parties.* | 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. |

| Section 2 - Reporting of Exploration Results | | |
|---|---|---|
| **Criteria** | **Explanation** | **Commentary** |
| | | 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.<br><br>Production from the Jokisivu Gold Mine commenced with open-pit mining of the near surface portion of the Kujankallio deposit in September 2009.<br><br>The near surface portion of the Arpola deposit was also mined by open-pit methods in 2011.<br><br>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. Underground production from the Arpola deposit commenced in 2014. |
| **Geology** | *Deposit type, geological setting and style of mineralisation.* | 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.<br><br>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.<br><br>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.<br><br>Both deposits represent structurally controlled gold systems. |
| **Drill Hole Information** | *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:*<br><br>• *easting and northing of the drill hole collar;*<br>• *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar;*<br>• *dip and azimuth of the hole;* | Refer to the drill results in:<br><br>Table 4 - Results from the underground diamond core drilling program that targeted the Basin Zones from the 65m level at the Jokisivu Gold Mine.<br><br>Table 5 – Results from the underground diamond core drilling program from the Exploration Drift that was designed to evaluate the Kujankallio Main Zone between the 340m and 400m levels at the Jokisivu Gold Mine. |

| Section 2 - Reporting of Exploration Results | | |
|---|---|---|
| **Criteria** | **Explanation** | **Commentary** |
| | • *down hole length and interception depth;*<br>• *hole length.* | |
| **Data Aggregation Methods** | *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.* | Weighted average gold intercepts are reported at a 1 g/t gold cut-off with up to 2 metres of internal dilution allowed. No high grade cuts were applied. |
| | *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 aggregations should be shown in detail.* | High grade intervals internal to broader zones of mineralisation are reported at a 15 g/t gold cut-off as included intervals. Refer to:<br><br>Table 4 - Results from the underground diamond core drilling program that targeted the Basin Zones from the 65m level at the Jokisivu Gold Mine.<br><br>Table 5 – Results from the underground diamond core drilling program from the Exploration Drift that was designed to evaluate the Kujankallio Main Zone between the 340m and 400m levels at the Jokisivu Gold Mine. |
| | *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | No metal equivalent values have been used or reported. |
| **Relationship between Mineralisation Widths and Intercept Lengths** | *These relationships are particularly important in the reporting of Exploration Results.*<br><br>*If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*<br><br>*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').* | All intercepts reported are down hole lengths. True widths have not been calculated.<br><br>At Kujankallio the majority of drill holes were orientated predominantly to an azimuth of 198° (local mine grid) and angled to an average dip of approximately -60° which is approximately perpendicular to the orientation of the mineralised trends. The main Kujankallio lode strikes at approximately 280° (local grid) and dips at 40° to the north (local grid). Lodes within the 'hinge zone' strike approximately at 160° to 205° and dip to the east (local grid) at approximately 45°. Four lodes to the north-west strike at 015° and dip at 45° to the east. |
| **Diagrams** | *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.* | Refer to provided diagrams. |
| **Balanced Reporting** | *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of* | Comprehensive reporting of drill details has been provided in this report. All meaningful and material exploration data has been reported. |

| Section 2 - Reporting of Exploration Results | | |
|---|---|---|
| **Criteria** | **Explanation** | **Commentary** |
| | *both low and high grades and/or widths should be practised to avoid misleading reporting of Exploration Results.* | |
| **Other Substantive Exploration Data** | *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 substances.* | 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. |
| **Further Work** | *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* | Drilling will continue with the aim to identify extensions to known mineralised zones and new mineralised zones, as well as providing information to support mine planning and development. |
| | *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | Refer to provided diagrams. |