
ASX ANNOUNCEMENT

6 FEBRUARY 2015

UPDATE ON SALE OF INTEREST IN WELD RANGE METALS LIMITED

Further to its announcement on 2 January 2015, Dragon Mining Limited ("Dragon Mining" or "the Company") advises that it has agreed to extend the completion date for the Share Sale Agreement ("Agreement") executed with Ausinox plc ("Ausinox") to sell the Company's 39.95% interest in Weld Range Metals Limited ("Weld Range"), the owner of the Weld Range Project that is located in the Mid-West region of Western Australia from 31 January 2015 to 28 February 2015 to enable Ausinox to obtain required UK regulatory approvals.

Pursuant to the Agreement, Ausinox will buy 10,311,834 Weld Range shares from Dragon Mining. In addition, the debt Weld Range currently owes to Dragon Mining of \$3,791,046.29, comprising principal and accrued interest as at 30 June 2014 ('Debt'), will be assigned to Ausinox. Consideration payable to Dragon Mining by Ausinox pursuant to the Agreement is A\$1 million.

The Company will update on progress in due course.

For and on behalf of
Dragon Mining Limited