ASX ANNOUNCEMENT **15 SEPTEMBER 2015**

ROBUST RESULTS HIGHLIGHT POTENTIAL AT FÄBOLIDEN

- **Final assays received for the 34 hole Fäboliden diamond core drilling program.**
- **New results include 14.00 metres @ 11.05 g/t gold, 13.00 metres @ 8.37 g/t gold and 10.00 metres @ 6.91 g/t gold.**

Dragon Mining Limited (ASX:DRA) ("Dragon Mining" or "the Company") is pleased to announce the receipt of the final assays for the infill diamond core drill hole program completed at the Fäboliden Gold Project ("Fäboliden") in northern Sweden. Assays for the 20 holes previously not reported returned a number of significant intercepts including:

- *14.00 metres @ 11.05 g/t gold from 103.00 metres;*
- *10.00 metres @ 6.91 g/t gold from 63.00 metres;*
- *10.00 metres @ 4.82 g/t gold from 27.00 metres;*
- *16.00 metres @ 3.00 g/t gold from 63.00 metres; and*
- *13.00 metres @ 8.37 g/t gold from 42.00 metres.*

These results are in addition to the intercepts 4.00 metres @ 20.70 g/t gold, 5.00 metres @ 5.67 g/t gold, 6.00 metres @ 5.50 g/t gold, 7.00 metres @ 18.24 g/t gold and 16.00 metres @ 2.91 g/t gold, which were first reported to the ASX on the 29 July 2015 – High Grade Results Received from the Fäboliden Gold Project. This announcement can be found at www.asx.com.au (Code: DRA).

The drilling of the 34 hole, 2,941.50 metre WL-66 diamond core infill program was completed in June and was designed to evaluate the near surface, higher grade zone of gold mineralisation in the southern portion of the Fäboliden gold deposit. Drill holes ranged in length from 35.00 to 162.00 metres and improved the density of drilling in this area to a nominal grid base of 25 by 25 metre and 25 by 50 metre basis over a strike length of approximately 400 metres.

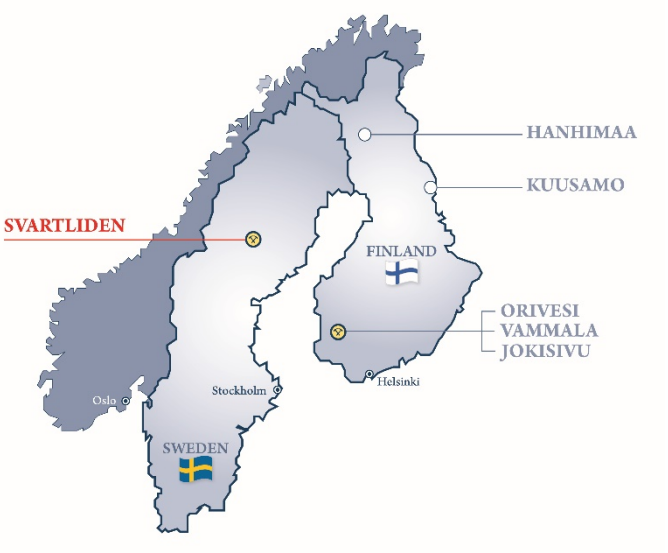
The results from the drilling program have shown that the high grade zone displays good continuity both down dip and along strike, the grades received from drilling commensurate with the results from historic drilling. Results for all 34 holes are provided in Table 1, including those previously released to the ASX on 29 July 2015.

Dragon Mining is focussing efforts initially on the higher grade zone of mineralisation within the larger lower grade envelope, with the objective of generating a maiden resource estimate for this zone, which will form the basis of a Pre-Feasibility study for the Fäboliden Gold Project.

The Company also wishes to advise that Mining Inspectorate of Sweden has transferred the Fäboliden K nr 1 Exploitation Concession to Dragon Mining's wholly owned Swedish subsidiary Dragon Mining (Sweden) AB. This decision however remains subject to an appeal period of 3 weeks, from the date of the transfer decision on the 11 September 2015. The final, legally binding and unappealable approval from the Mining Inspectorate of Sweden for the transfer of the Exploitation Concession to Dragon Mining is the last condition of the Sale and Purchase Agreement ("Agreement") and subsequent amendments to this Agreement for the acquisition of the Fäboliden Gold Project.

Background

The Fäboliden Gold Project is an advanced project located 30 kilometres by road southeast of Dragon Mining's Svartliden Production Centre in northern Sweden. It represents a potential source of open pittable material that could be trucked to, and processed at the Svartliden Plant, a conventional comminution and carbon in leach (CIL) circuit.



The 1,740 hectare Fäboliden Gold Project comprises the Fäboliden K nr 1 Exploitation Concession that hosts the Fäboliden Gold Deposit and four contiguous Exploration Permits that encompass the southwest strike extensions of the deposit's host geological sequence.

The Fäboliden Gold Deposit is located within the Fennoscandian Shield and is an orogenic gold deposit. Mineralisation is hosted by Paleoproterozoic meta-sediments and meta-volcanic rocks, surrounded by granitoids. The host sequence is cross-cut by a set of northwest-southeast striking, flat lying undeformed and unmineralised dolerites.

The gold system is delineated over a strike length of 1,300 metres, is up to 50 metres wide and extends to a depth of at least 500 metres. Mineralisation is commonly hosted by the arsenopyrite and graphite bearing, variably boudinaged quartz and sulphide veins within the host rocks. The gold is fine grained 2 to 40 µm and is found in fractures and as inclusions within the arsenopyrite-loellingite. Gold is also seen as free grains in the silicate matrix of the host rock.

Exploration on the Fäboliden Gold Project commenced in 1993 and has primarily involved drilling, with 333 holes, 64,784.47 metres drilled prior to Dragon Mining's acquisition of the project. In addition to drilling, other activities undertaken by the previous owners include test mining and processing, resource estimation and compilation of a Definitive Feasibility Study for a large tonnage low grade mining and processing operation.

For and on behalf of
Dragon Mining Limited

Competent Persons Statement

The information in this announcement that relates to Exploration Results (Drill Holes FB15015 to FB15034) 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 who is a full time employee of the company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves. Mr. Neale Edwards has provided written consent for the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to drilling results for holes FB150001 to FB15014 has previously been released to the ASX on the 29 July 2015 – High Grade Results Received from the Fäboliden Gold Project, which can be found at www.asx.com.au (Code:DRA). This announcement 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 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 Persons 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 announcement dated the 29 July 2015.

Mr. Neale Edwards BSc (Hons), a Fellow of the Australian Institute of Geoscientists, confirms that the form and context in which the Exploration Results are presented in this announcement have not been materially modified from the announcement dated 29 July 2015. Mr. Neale Edwards has provided written consent approving the inclusion of the Exploration Results in the report in the form and context in which they appear.

Table 1 - Results from the surface diamond core drilling program that targeted the Fäboliden Gold Deposit at the Fäboliden Gold Project. All intercepts reported at a 1 g/t gold cut-off. (Refer to Appendix 1 – JORC Table 1)

Hole	North	East	Elevation	Azimuth (°)	Dip (°)	Hole Length (m)	From (m)	Down Hole Interval (m)	Gold (g/t)	Silver (g/t)
FB15001	7169548.86	1602453.87	483.26	292.4	-44.28	162.00	125.00	1.00	3.70	2.70
							148.00	4.00	20.70	23.70
						Includes 1.00 metre @ 68.20 g/t gold from 148.00 metres				
							157.00	1.00	1.13	28.00
FB15002	7169568.38	1602407.36	483.75	293.0	-45.03	114.70	20.00	1.00	1.03	0.80
							34.00	1.00	1.42	0.70
							101.00	4.00	2.53	8.35
							110.00	1.00	1.94	11.20
FB15003	7169588.30	1602362.48	482.05	293.2	-45.5	78.00	37.00	1.00	1.40	1.00
							53.00	1.00	2.64	6.00
							57.00	1.00	3.55	92.50
							67.00	1.00	2.66	3.70
FB15004	7169505.82	1602421.09	482.28	298.5	-43.61	135.10	100.00	1.00	1.20	3.70
							104.00	3.00	3.32	4.90
							121.00	2.00	2.39	15.95
							129.00	1.00	1.38	1.70
FB15005	7169528.47	1602377.62	482.01	296.9	-46.5	90.60	51.00	1.00	1.30	0.90
							56.00	4.00	2.02	3.25
							75.00	5.00	5.67	12.92
							84.00	2.00	1.21	2.20
FB15006	7169551.83	1602333.13	479.71	296.5	-45.49	45.10	28.00	10.00	1.46	9.91
FB15007	7169454.33	1602410.19	479.89	294.6	-44.91	133.00	115.00	6.00	5.50	23.97
						Includes 1.00 metre @ 18.60 g/t gold from 119.00 metres				
							126.00	1.00	1.05	1.50
FB15008	7169478.21	1602364.27	480.35	295.7	-43.81	96.50	60.00	1.00	1.51	1.40
							68.00	7.00	18.24	19.12
						Includes 1.00 metre @ 111.50 g/t gold from 73.00 metres				
							78.00	1.00	1.06	3.00
							91.00	1.00	1.29	0.60
FB15009	7169502.03	1602317.69	477.60	297.6	-45.92	47.60	23.00	1.00	1.77	0.80
							30.00	8.00	1.78	5.05
							47.00	0.60	2.07	1.70
FB15010	7169512.30	1602355.57	480.88	294.8	-42.86	75.00	43.00	4.00	2.17	2.20
							58.00	3.00	3.25	70.30
							64.00	1.00	1.28	2.40
							68.00	1.00	1.16	0.50
FB15011	7169488.12	1602402.96	481.20	295.1	-44.02	126.00	94.00	1.00	1.99	1.10
							101.00	8.00	1.98	13.75
FB15012	7169415.18	1602366.64	478.02	297.2	-45.6	130.00	69.00	3.00	1.83	0.17
							76.00	2.00	1.39	0.30
							91.00	1.00	1.31	3.60
							104.00	16.00	2.91	6.22
FB15013	7169437.78	1602321.79	476.21	297.5	-46.66	90.10	18.00	1.00	8.98	0.90
							23.00	1.00	1.09	0.80
							30.00	3.00	1.05	1.33
							35.00	1.00	1.29	0.50
							41.00	1.00	1.87	1.60
							47.00	1.00	2.25	3.50
							60.00	2.00	1.51	2.75
							65.00	7.00	3.28	5.66
							81.00	1.00	1.32	0.50
							83.00	1.00	1.2	0.80
FB15014	7169459.85	1602278.09	473.91	298.5	-44.81	51.65	15.00	4.00	1.42	1.85
							22.00	6.00	2.01	6.17
							33.00	1.00	1.48	15.30
FB15015	7169435.20	1602263.56	472.88	295.1	-44.66	40.00	15.00	4.00	2.47	1.65

							24.00	6.00	3.30	8.42
							35.00	1.00	1.43	1.90
FB15016	7169411.70	1602309.61	475.64	297.3	-44.62	90.10	17.00	1.00	3.70	0.90
							34.00	1.00	1.20	0.40
							65.00	5.00	4.03	8.02
							77.00	3.00	2.38	13.56
FB15017	7169389.16	1602353.03	477.48	295.9	-44.63	130.00	91.00	3.00	1.68	2.20
							103.00	14.00	11.05	10.36
						Includes 1.0 metre @ 39.5 g/t gold from 105.00 metres and 1.0 metre @ 65.90 g/t Au from 111.00 metres				
							122.00	1.00	1.85	2.00
FB15018	7169363.45	1602337.39	476.50	298.1	-43.41	129.75	81.00	2.00	2.94	1.90
							87.00	2.00	3.99	0.75
							93.00	1.00	1.18	1.50
							103.00	2.00	1.85	1.35
							109.00	5.00	1.85	6.22
							117.00	2.00	1.70	2.95
FB15019	7169387.69	1602292.82	474.91	298.3	-42.25	90.00	44.00	1.00	1.24	1.10
							51.00	2.00	5.40	1.85
							57.00	2.00	3.07	1.85
							63.00	10.00	6.91	10.69
							76.00	1.00	1.09	7.50
FB15020	7169411.73	1602250.13	471.69	298.5	-44.87	50.00	27.00	10.00	4.82	13.19
						Includes 1.0 metre @ 23.50 g/t gold from 31.00 metres				
FB15021	7169355.72	1602232.76	471.45	297.0	-43.19	60.00	21.00	1.00	1.77	1.10
							27.00	1.00	2.55	5.50
							31.00	2.00	1.19	0.60
							38.00	2.00	3.08	9.00
							43.00	4.00	6.02	6.53
							52.00	2.00	1.25	3.65
FB15022	7169333.82	1602278.92	474.17	297.7	-44.51	99.60	49.00	2.00	1.27	2.65
							56.00	1.00	1.03	0.40
							63.00	16.00	3.00	2.09
							82.00	2.00	6.79	16.50
							88.00	1.00	3.09	3.20
FB15023	7169306.12	1602323.03	476.18	296.7	-44.71	140.00	101.30	2.05	1.43	11.44
							112.00	9.25	3.97	5.19
							126.00	2.00	9.70	9.75
						Includes 1.0 metre @ 18.35 g/t gold from 126.00 metres				
							131.00	1.00	5.46	3.80
FB15024	7169306.75	1602258.84	473.17	296.8	-44.77	105.00	63.00	4.00	1.40	1.03
							71.00	8.00	3.09	3.35
							83.00	4.00	4.00	23.35
							97.00	1.00	1.91	1.80
FB15025	7169331.07	1602214.78	470.80	300.5	-45.39	60.00	20.00	1.00	2.04	0.50
							33.65	11.75	2.25	5.36
							49.00	1.00	1.78	0.70
FB15026	7169340.09	1602191.86	468.89	296.9	-44.83	40.00	12.00	12.00	3.52	6.03
FB15027	7169300.12	1602210.77	470.71	296.5	-45.52	65.10	16.00	1.00	1.78	4.80
							45.00	4.00	1.84	2.13
							52.00	2.00	3.03	8.85
FB15028	7169276.02	1602253.96	472.24	297.2	-45.96	114.60	82.00	3.00	1.90	4.00
							89.00	5.00	1.61	6.66
FB15029	7169448.85	1602299.83	474.92	296.0	-45.53	70.00	37.00	13.00	3.30	6.37
						Includes 1.0 metre @ 18.55 g/t gold from 44.00 metres				
FB15030	7169400.06	1602270.81	473.51	299.0	-44.61	70.00	32.40	4.00	4.12	2.51
							42.00	13.00	8.37	7.32
						Includes 1.0 metre @ 63.5 g/t gold from 45.00 metres and 1.0 metre @ 19.35 g/t gold from 50 metres				
FB15031	7169467.79	1602335.50	477.79	297.9	-46.13	75.15	46.00	1.00	2.57	1.00
							50.00	2.00	2.36	21.25
							56.00	7.00	3.84	8.86

							66.00	1.00	1.22	1.30
FB15032	7169488.79	1602290.53	474.81	297.4	-44.57	35.00	16.00	7.00	2.84	10.60
FB15033	7169624.07	1602339.10	479.86	269.3	-45.57	50.00	25.00	9.00	1.94	6.43
FB15034	7169626.52	1602388.67	483.69	266.8	-44.34	51.80	39.00	3.00	2.85	2.43

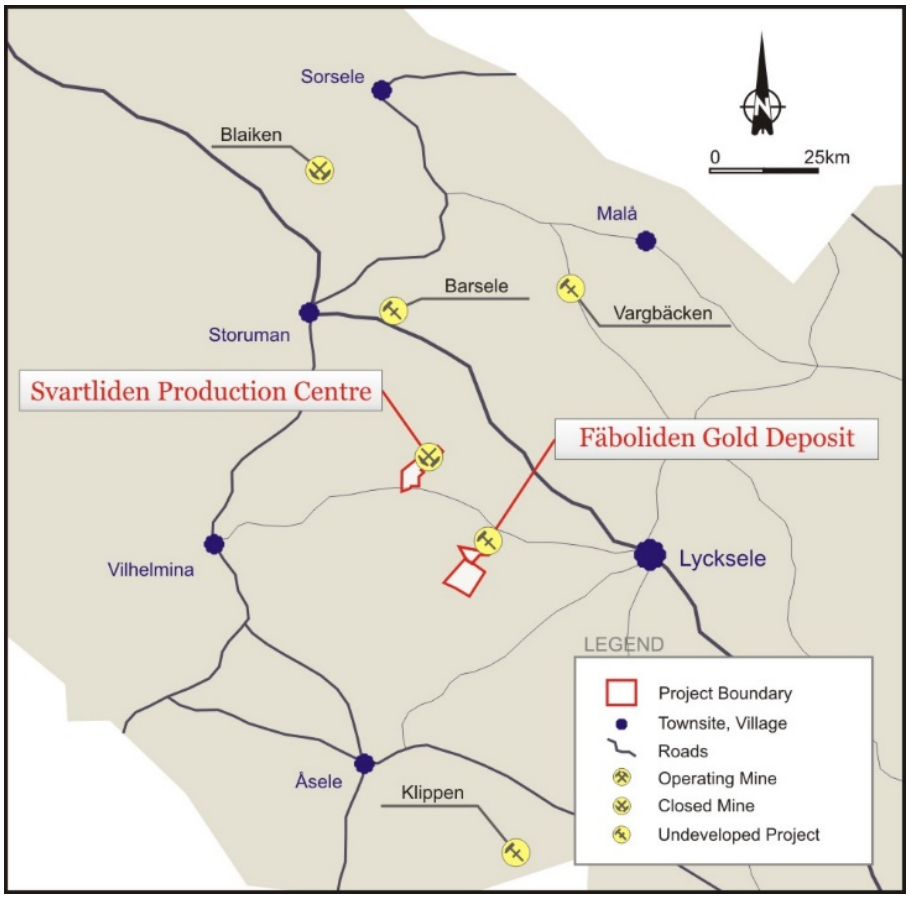


Figure 1 – Svartliden Production Centre, showing the location of the Fäboliden Gold Deposit.

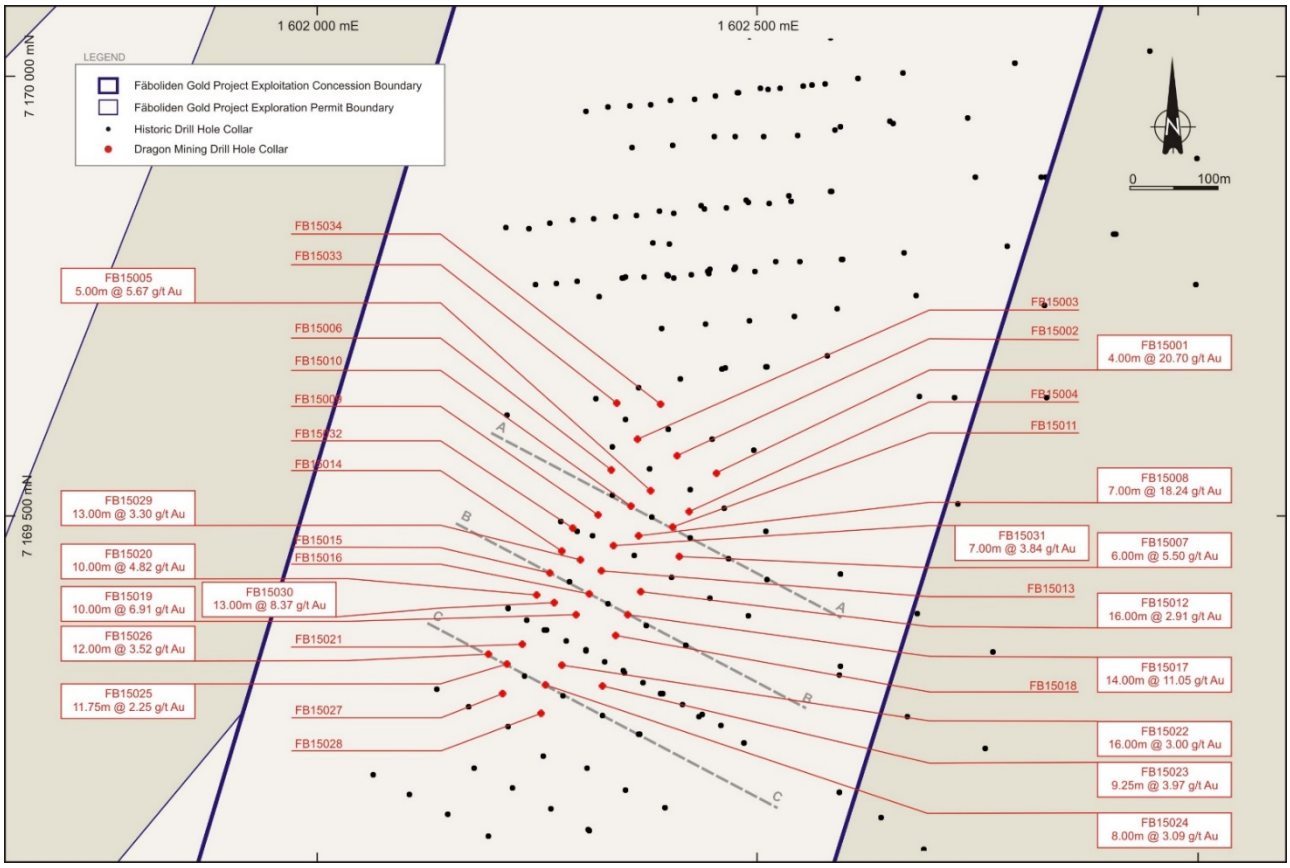


Figure 2 – Fäboliden Drill Hole Collar Plan Displaying Significant Intercepts.

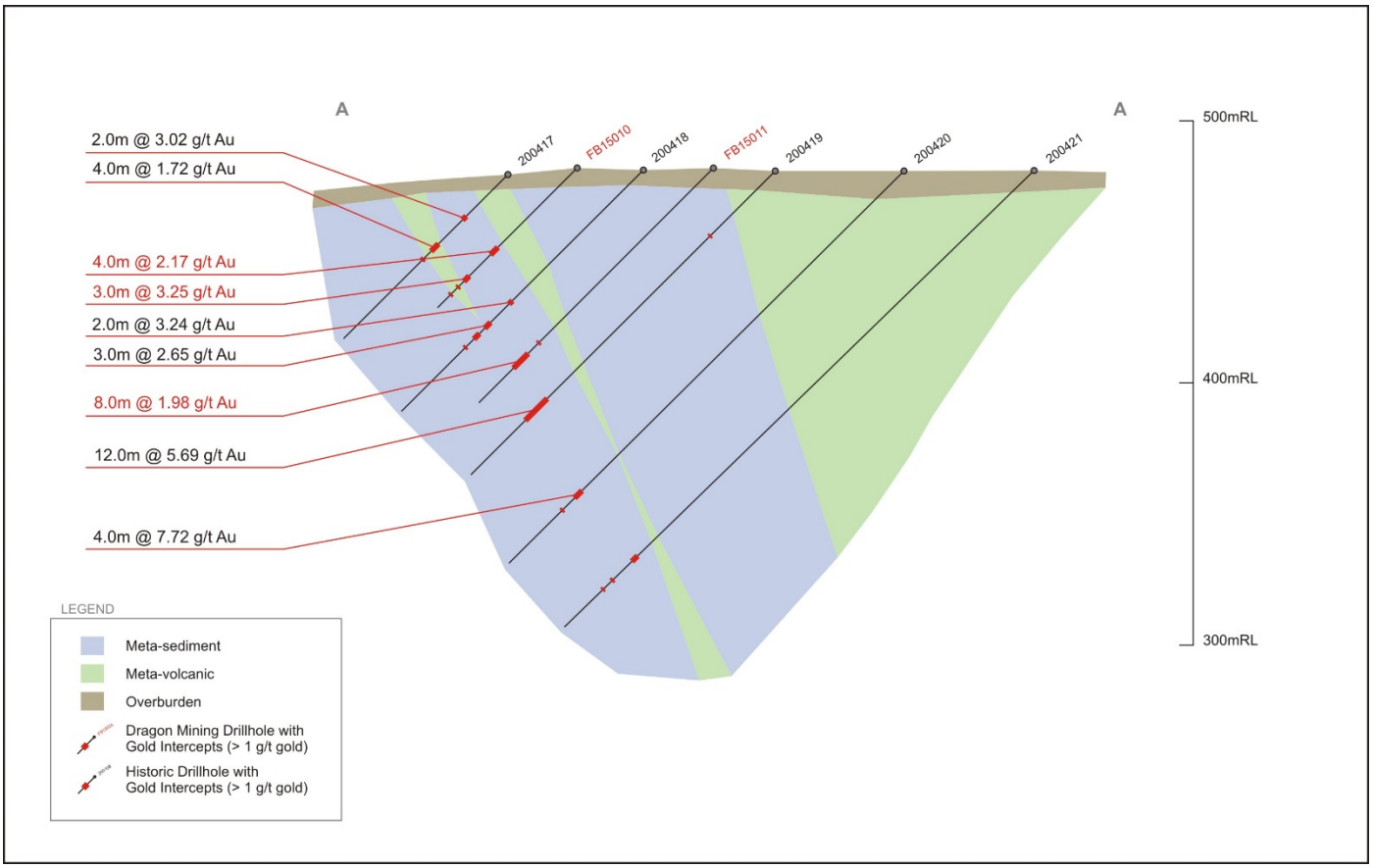


Figure 3 – Drill Hole Cross Section A-A

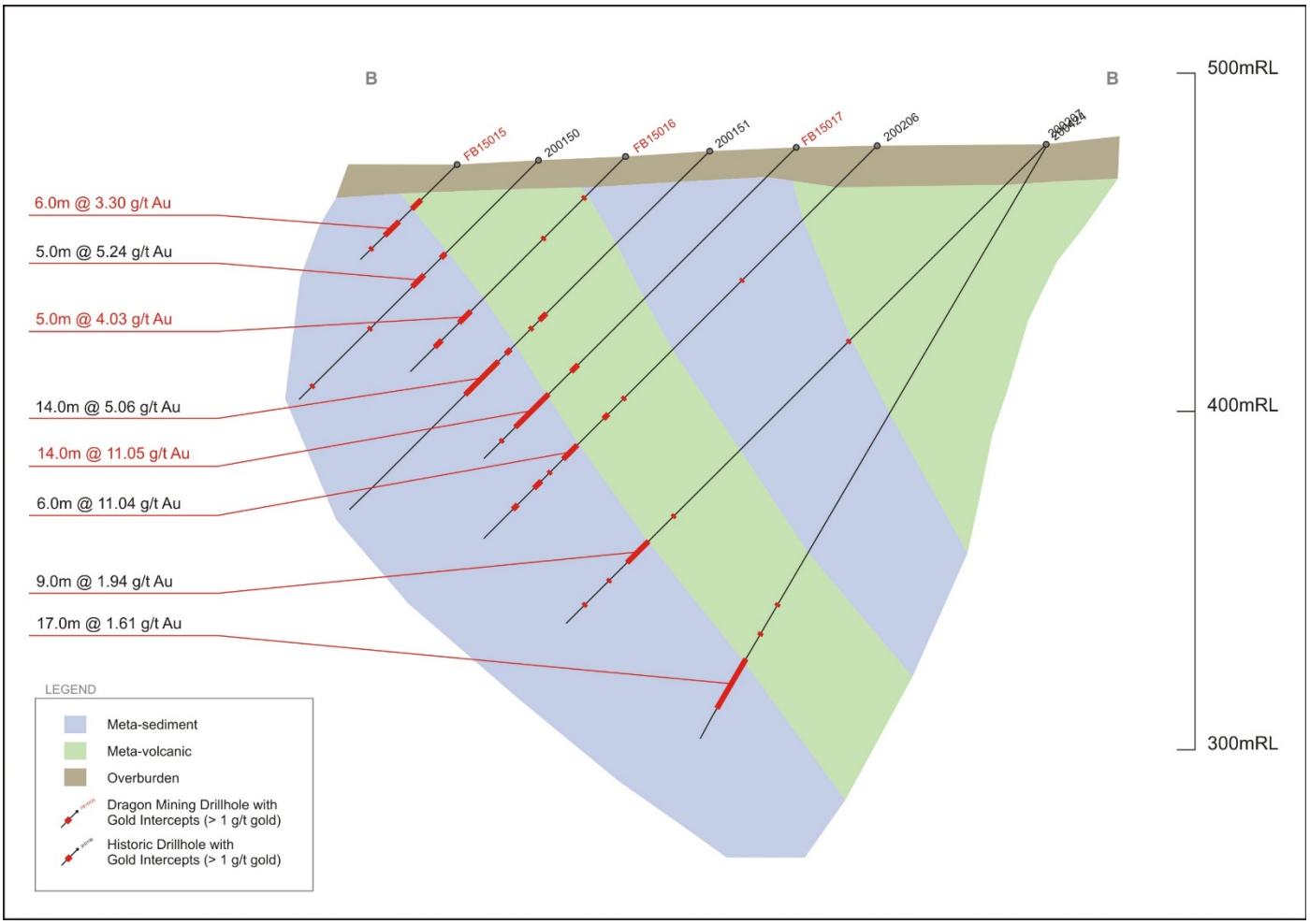


Figure 4 – Drill Hole Cross Section B-B

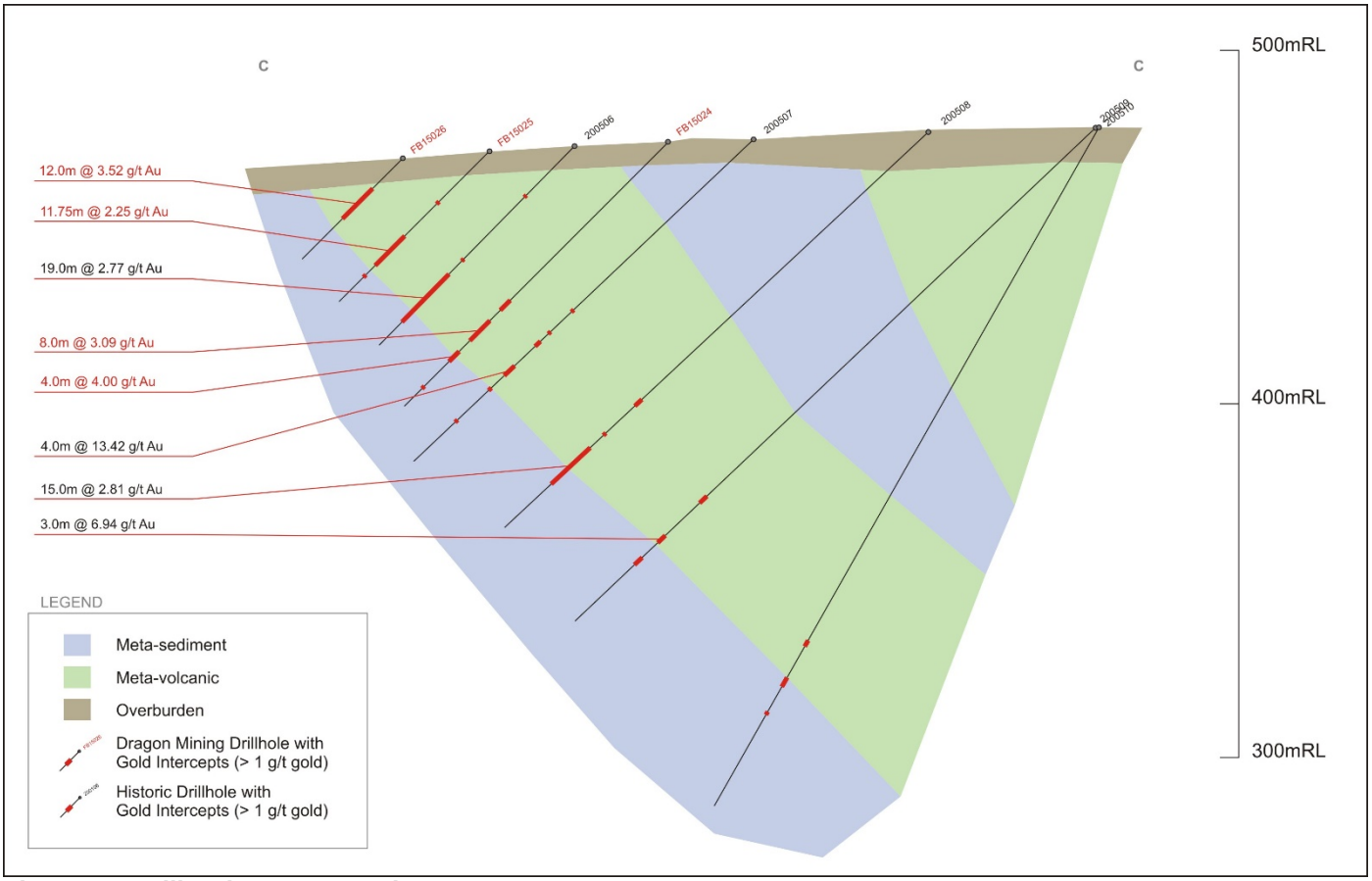


Figure 5 – Drill Hole Cross Section C-C

Appendix 1

JORC Code Table 1 – Fäboliden 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 Fäboliden Gold Deposit has been sampled by a series of diamond core and reverse circulation drill holes completed from surface, as well as test mining and processing. A total of 322 diamond core drill holes and 11 reverse circulation holes have been completed by previous owners Lappland Goldminers Fäboliden AB (Lappland). A total of 98 blast holes were also drilled to carry out the test mining. Dragon Mining has completed 34 WL-66 diamond core drill holes for a total advance of 2,941.50 metres. Historical drilling has been completed on a nominal grid spacing of 50 metres by 50 metres for the near surface material, increasing to 100 metres by 100 metres and greater for the depth extensions. The drilling completed by Dragon mining has improved the drill density to a nominal 25 metres by 25 metres and 25 metres by 50 metre basis for the near surface material, over a strike length of 400 metres. Lappland completed a program of test mining in 2005, targeting a zone of near surface higher grade mineralisation immediately north of Dragon Mining's drilling area, with the excavation of three trenches.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or system used.	Historic drill hole collars have been surveyed to the Swedish National Grid system – RT90 2.5 gon väst (standard). Details of the survey process, equipment used, who performed the surveys or the level of accuracy of the survey has not been documented. A program of resurveying by independent survey consultants Tyrens AB, on behalf of Dragon Mining has verified the historical coordinates. New drill holes have been surveyed using a Trimble R8 GNSS device by independent survey consultants Tyrens AB. Down hole dip and azimuth deviations of historic holes were recorded using a Reflex Maxibor II tool on all holes completed since 2006, approximately 49.6% of all holes drilled. All drill holes completed by Dragon Mining were surveyed using a DeviFlex instrument for down hole dip and azimuth. The starting azimuth was resurveyed by GeoVista AB using a RTK-GPS. All drill core has been geologically logged. Logging information was recorded in Microsoft Excel spreadsheets and then transferred to a Microsoft Access database.
	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	Prior to 1999 the entire core was submitted for analysis. Since 1999 half core samples have been analysed. Samples were generally collected on metre intervals, though samples have varied from 0.1 metres to 4.0 metres. Half core samples of select zones of core from the Dragon Mining drilling program was submitted to the laboratory.

	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.	Sampling was completed on a one metre basis. Sample preparation of historic samples was conducted by ALS Chemex in Piteå, Sweden, with sample pulps sent to ALS Chemex in Vancouver, Canada for assaying for gold by 50 gram Fire Assay methods. Samples were also assayed by aqua regia digest followed by inductively coupled plasma optical emission spectroscopy for a suite of 33 elements. Dragon Mining samples were prepared at the ALS Minerals facility in Piteå, Sweden. Sample pulps were sent to the ALS Minerals facility in Loughrea, Ireland for assaying for gold by 30 gram Fire Assay methods (Au-AA25) and multi-elements by ME-ICP41. Samples with gold values greater than 5 g/t gol were re-analysed using 30 gram Fire Assay methods with gravimetric finish (Au-GRA 21).
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).*	Diamond core drilling has been the primary drilling method used at Fäboliden. The majority of the historic drilling was completed using 36mm to 39mm core diameter, more recent drilling completed using 42mm to 49mm (NQ) diameter. Historical hole depths ranged from 41.6 metres to 762.0 metres. Core was collected with a standard tube. There is no record to indicate that core orientation was undertaken on all of the historical holes.. Down hole dip and azimuth deviations were recorded using a Reflex Maxibor II tool on all holes completed since 2006, approximately 49.6% of all holes drilled. The recent drilling completed by Dragon Mining was completed using WL-66, with hole depths ranging from 35 to 162 metres. Core was collected with a standard tube and all holes except the first hole were fully orientated. All drill holes completed by Dragon Mining were surveyed using a DeviFlex instrument for down hole dip and azimuth. The starting azimuth was resurveyed by GeoVista AB using a RTK-GPS.
Drill Sample Recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	Historic diamond core was reconstructed into continuous runs for logging and marking, with depths checked against core blocks. Core recoveries were not routinely recorded. Dragon Mining diamond core was fully orientated except the first hole, and reconstructed into continuous runs for logging and marking, with depths checked against core blocks. Core recoveries were routinely recorded during the RQD logging process.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	Core recovery has been excellent and corresponded well with expectations of drilling in unweathered crystalline bedrock. Experienced local drilling contract groups undertook the drilling completed by Lappland and Dragon Mining.
	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 has been noted between sample recovery and grade.
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*	Detailed geological logging was undertaken on all drill core. The core was logged using 286 codes, made up of 77 lithology codes, 5 intensity codes, 97 structural codes, 82 mineralisation codes and 25 general codes. Logging was performed to a level that will support Mineral Resource

	and metallurgical studies.	estimation.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Drill samples were logged for lithology, mineralisation and alteration. Logging was a mix of qualitative and quantitative observations. The core was systematically photographed by hand.
	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.*	Prior to 1999 the entire core was submitted for analysis. Since 1999 half core samples have been analysed. Drill core was cut by saw.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	Drilling completed by the previous owners Lappland was completed primarily by diamond core methods. Reverse circulation drill hole samples were collected at 1 metre intervals. Samples were collected at the rig, representing cutting's coarse fraction. A sub-sample was collected at the drill rig for analysis. There is no information available describing the sub-sampling process or the quality of the sample. Drilling completed by Dragon Mining was completed by diamond core methods.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Sampling of diamond core samples used industry standard techniques. Drill core is sawn in half using a core saw. With respect to the nature of the mineralised system and the core diameter the use of half-core is considered appropriate. 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. Samples are submitted to the ALS Minerals facility in Piteå, Sweden for sample preparation. Half-core samples are weighed, assigned a unique bar code and logged into the ALS system. The entire sample is dried and crushed to 5mm. A sub-sample of the crushed material is then pulverised to better than 85% passing 75 microns using a LM5 pulveriser. The pulverised sample is split with multiple feed in a Jones riffle splitter until a 100-200 gram sub-sample is obtained for dispatch to the ALS Minerals facilities at Vancouver in Canada for analysis for gold and multi-elements for the historical samples and Loughrea in Ireland for gold and multi-elements for the Dragon Mining samples.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	All sub-sampling is carried out at the ALS Minerals facility in Piteå, Sweden. Core sample intervals are measured and clearly marked on core. Core is sawn in half longitudinally and at the start and finish of each individual sample. ALS personnel were trained to carry out the sampling of the Dragon Mining drill core, in accordance with Dragon Mining protocols. Certified reference material and blanks were routinely inserted with the sample submission, at a rate of 1 sample

		every 20 samples. Results have returned in accordance with expected values, apart from one sample that returned a value outside the acceptable levels. This has been fully checked by the Company and the laboratory and it has been concluded that the original results was incorrect from follow-up analysis. Additional check work has been instigated by the Company. Certified reference materials were not routinely inserted with the sample submission by Lappland. The small database available returned an acceptable level of bias from the laboratory. Blank samples were inserted at the rate of 1 in 20 by Lappland, the results indicating that there is little evidence of contamination between samples.
	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.	Analysis of coarse crush duplicates has not been performed by Lappland. Dragon Mining has commenced a program of check analysis on coarse crush duplicates. Results from the initial batch returned values commensurate with the primary analysis. Results are pending from the second batch.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	The method selected for sample preparation is considered appropriate to correctly represent 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.*	Historic samples were submitted to ALS Minerals in Vancouver, Canada for analysis for gold by 50 gram fire assay fusion with an Atomic Absorption Spectrometry (AAS) finish. Dragon Mining samples were submitted to ALS Minerals in Loughrea, Ireland for analysis for gold by 30 gram fire assay fusion with an Atomic Absorption Spectrometry (AAS) finish. Samples with gold values greater than 5 g/t gold were re-analysed using 30 gram fire assay methods with gravimetric finish (Au-GRA 21). 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. The analytical methods used for gold are considered total. The analytical work is undertaken at a level suitable for inclusion in Mineral Resource estimates.
	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 from Fäboliden.
	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 were not stringently adhered to throughout the duration of all drilling programs undertaken by Lappland. Lappland implemented a program of inserting certified reference materials (sourced from Ore Research and Exploration and supplied by Analytical Solutions Ltd from Toronto, Canada) representing six different standards ranging in gold grades from 0.43 g/t gold to 9.64 g/t gold in 2005. Insertion was completed at a rate of approximately 1 for every 188 samples submitted. Blank samples were inserted at a rate of 1 in 20 samples. The samples were submitted by the laboratory in behalf of

		Lappland and are not considered blind. There was no systematic blind repeat sampling program implemented by Lappland, the repeat pulp samples submitted being done at a rate of 1 sample for every 49 samples. No coarse duplicates samples were submitted by Lappland. QAQC protocols were stringently adhered to throughout the duration of all drilling programs undertaken by Dragon Mining. Dragon Mining included a certified reference standard, blank and pulp duplicated on a 1 in 20 basis. Coarse crush duplicates are being undertaken at an umpire facility on a 1 in 10 basis. ALS Minerals implement an internal QAQC program that includes the insertion of blanks, certified reference material and duplicates with each analytical run. A review of the Lappland QAQC results has shown reasonable consistency between different laboratories, analytical methods and results. The results for Dragon Mining have yielded values as expected to date, apart from one sample that returned a value outside the acceptable levels. This has been fully checked by the Company and the laboratory and it has been concluded that the original results was incorrect from follow-up analysis. Additional check work has been instigated by the Company.
Verification of Sampling and Assaying	*The verification of significant intersections by either independent or alternative company personnel.*	Dragon Mining have no knowledge of the procedures implemented by Lappland to verify significant intersections. Significant intersections are verified by Dragon Mining geologists.
	The use of twinned holes.	The Lappland reverse circulation program was implemented to twin some of the diamond core drill holes. Dragon Mining have not twinned any holes.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Primary data was collected by Lappland and Dragon Mining personnel. All measurements and observations were recorded into an Excel spreadsheet. Primary assay and QAQC data is entered into an Excel spreadsheet.
	Discuss any adjustment to assay data.	No adjustment has been made to 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.*	Details of the survey process, equipment used, who performed the surveys or the level of accuracy of the survey was not been located during the due diligence process completed by Dragon Mining. A program of resurveying by independent survey consultants Tyrens AB, on behalf of Dragon Mining has verified the historical coordinates. New drill holes have been surveyed using a Trimble R8 GNSS device by independent survey consultants Tyrens AB. Historic down hole dip and azimuth deviations were

		recorded using a Reflex Maxibor II tool on all holes completed since 2006, approximately 49.6% of all holes drilled. All drill holes completed by Dragon Mining were surveyed using a DeviFlex instrument for down hole dip and azimuth. The starting azimuth was resurveyed by GeoVista AB using a RTK-GPS.
	Specification of the grid system used.	The grid system used for the reporting of results is the Swedish National Grid System RT90 2.5 gon väst (standard).
	Quality and adequacy of topographic control.	Details of the topographic control over the Fäboliden deposit was not obtained by Dragon Mining. Dragon Mining are yet to establish specific topographic control over the Fäboliden Gold Project. The survey methodology and equipment utilised during the collar surveys provides sufficient detail and accuracy for the topographic control as needed for inclusion in Mineral Resource estimates.
Data Spacing and Distribution	*Data spacing for reporting of Exploration Results.*	Historic drilling has been undertaken from surface on a nominal grid base of 50 metres by 50 metres for the near surface material and 100 metres by 100 metres and greater for the material at depth. Drilling by Dragon Mining has improved drill density to a nominal 25 metre by 25 metre and 25 metre by 50 metre basis over a strike length of 400 metres to an approximate depth of 100 metres.
	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 from hole to hole. Work completed by Dragon Mining has improved data quality to a level whereby it 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.
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.*	Gold mineralisation at the Fäboliden Gold Deposit is delineated over 1,300 metres along the shear zone, is up to 50 metres wide and extends to a depth of at least 500 metres. Most drill holes were completed perpendicular to the strike of the deposit and drilled at dips between -35° and -75°. A small number of holes were drilled vertically.
	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 sampling bias is believed to have been introduced.
Sample Security	*The measures taken to ensure sample security.*	Chain of custody of the historical samples was managed by Lappland. Company personnel transported diamond core to the core shed where geologists logged the core. Core for sampling was then transported to the ALS Minerals Piteå facility, for cutting, sample preparation and assaying. Lappland had no further involvement in the process once the material arrived at the Piteå ALS facility. Chain of custody of the Dragon Mining samples was managed by Dragon Mining. Company personnel transported diamond core to the core shed where geologists logged the core. Core for sampling was then transported to the ALS Minerals Piteå facility, for cutting, sample preparation and assaying.

		Dragon Mining had no further involvement in the process once the material arrived at the Piteå ALS facility.
Audits or Reviews	*The results of any audits or reviews of sampling techniques and data.*	It is not known if Lappland have undertaken its own reviews and audits of sampling techniques and data. Dragon Mining has completed audits of the ALS Minerals facilities at Piteå, Sweden and Vancouver, Canada. The completed reviews and audits raised no issues. No audits have been completed of ALS Minerals facility at Loughrea in Ireland.

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 Fäboliden Gold Deposit is located within granted Exploitation Concession Fäboliden K nr1. The Exploitation Concession is located nearby to a series of contiguous Exploration Permits - Fäboliden nr 10, Fäbodliden nr 72, Fäbodliden nr 82 and Svannäs nr 12.
	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 tenements are in good standing and no impediments exist to undertake work programs.
Exploration Completed by Other Parties	*Acknowledgement and appraisal of exploration by other parties.*	The prospectivity of the area was first recognized in 1988 with the discovery of gold bearing mineralized boulders to the south-east of Fäboliden. Exploration on the Fäboliden project area commenced in 1993 and has primarily involved drilling over a 21 year period. A total of 333 holes have been completed, comprising 64,784.47 metres by Lappland. Dragon Mining have undertaken one drilling program on the project comprising 34 holes for 2941.50 metres.
Geology	*Deposit type, geological setting and style of mineralisation.*	The Fäboliden Gold Deposit is located within the Fennoscandian Shield and is an orogenic gold deposit. Mineralisation is hosted by Paleoproterozoic meta-sediments and meta-volcanic rocks, surrounded by granitoids. The host sequence is cross-cut by a set of northwest-southeast striking, flat lying undeformed dolerites which are not mineralised. The gold mineralisation system is delineated over a strike length of 1,300 metres, is up to 50 metres wide and extends to a depth of at least 500 metres. Mineralisation is commonly hosted by the arsenopyrite and graphite bearing, variably boudinaged quartz and sulphide veins within the host rocks. The gold is fine grained 2 to 40 µm and is found in fractures and as inclusions within the arsenopyrite-loellingite. Gold is also seen as free grains in the silicate matrix of the host rock.
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:* • *easting and northing of the drill hole collar;* • *elevation or RL (Reduced*	Refer to: Table 1 - Results from the surface diamond core drilling program that targeted the Fäboliden Gold Deposit at the Fäboliden Gold Project.

	Level – elevation above sea level in metres) of the drill hole collar; • *dip and azimuth of the hole;* • *down hole length and interception depth;* • *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.*	Presented weighted average gold intercepts in the Table and diagrams 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: Table 1 - Results from the surface diamond core drilling program that targeted the Fäboliden Gold Deposit at the Fäboliden Gold Project.
	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.* *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* *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 shown in the diagrams are down hole lengths. True widths have not been calculated.
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 Figures 1 to 5.
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.*	Reporting of all drill information was historically undertaken by Lappland. Lappland made a number of releases and these can be found on their website, www.lapplandgoldminers.com.
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.*	Historic work completed at the Fäboliden Gold Deposit is dominated by diamond core drilling. The results for completed drilling campaigns have not been reported to the ASX as the previous owner was a Swedish entity listed on the First North Stockholm market. Lappland made a number of releases and these can be found on their website, www.lapplandgoldminers.com. In addition to drilling, other activities carried out include test mining and processing in 2005, Mineral Resource estimates in 2008, 2010 and 2011, and a Definitive Feasibility Study for a large tonnage low grade operation in 2012. Dragon Mining has recently conducted a program of bench scale metallurgical test work and production testing. These

		programs are part of the due diligence process. A selection of representative quarter core samples were collected from an area identified by Dragon Mining as the area of future activities. These core samples were collected from depths ranging from surface to approximately 100 metres vertically. A high grade composite was established from this material. The metallurgical test work was completed at the ALS Metallurgy facility in Perth, Western Australia under the management of independent consultants Minnovo. It comprised bench scale comminution and leach programs. The comminution results showed moderate hardness and abrasion, with a Bond ball mill work index of 15.3 kWh/t and an abrasion index of 0.2614. The leach test work program did not show a strong correlation between grind sizes and leach extraction with extraction levels ranging from 70.3% to 84.4%. All tests completed displayed relatively fast leaching, with approximately 97% of the final gold extraction being achieved after 16 hours. Cyanide and lime consumption were moderate at approximately 1.0 kg/t and 0.3 kg/t, respectively. Minnovo commented that the initial leach test conducted at P80 53 µm, which returned a gold extraction level of 84.43% appeared to be anomalous as the subsequent tests undertaken at this grind size failed to replicate the initial result. It was thus concluded that at the minimum grind size (P_{80} 53 µm) considered achievable when processing ore at the Svartliden Plant, that gold extraction levels exceeding approximately 75% is unlikely for material from Fäboliden. At the Svartliden Plant, a full scale production test of approximately 1,000 tonnes of mineralised material from Fäboliden that had been stockpiled on the surface was also undertaken during the due diligence period. This material was excavated during the test mining and processing program undertaken by Lappland in 2005 from an area of near surface higher grade mineralisation. The production test confirmed the results of the recent bench scale test work, yielding a head grade of 3.02 g/t gold and a gold extraction level of 79.4%.
Further Work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	Further work will include an updated environmental permit application for a revised development plan with a significantly reduced environmental impact and a pre-feasibility study for the mining of the Fäboliden Gold Deposit and processing through the Svartliden Plant.
	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 Figures 1 to 5.