ASX ANNOUNCEMENT **30 MARCH 2016**

- **Total Ore Reserves increase by 102,600 ounces.**
- **Increase in Proved Ore Reserves for the Vammala Production Centre.**
- **Positive outcome for the Fäboliden and Kaapelinkulma Pre-Feasibility level studies.**

ORE RESERVES UPDATED FOR THE NORDIC PRODUCTION CENTRES

Dragon Mining Limited (ASX:DRA) ("Dragon Mining" or "the Company") is pleased to announce that an update of the Ore Reserves for the Vammala Production Centre in southern Finland and the Svartliden Production Centre in northern Sweden have been completed. They include for the first time Ore Reserves for the Kaapelinkulma Gold Project ("Kaapelinkulma") in southern Finland and the Fäboliden Gold Project ("Fäboliden") in northern Sweden, following the successful completion of Pre-Feasibility level studies for each of these projects.

The Ore Reserves for the Orivesi Gold Mine ("Orivesi") and the Jokisivu Gold Mine ("Jokisivu") in southern Finland have been estimated internally, audited by independent consultants RungePincockMinarco Limited and reported in accordance with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). The Ore Reserves for Kaapelinkulma and Fäboliden have been estimated by independent consultants RungePincockMinarco Limited and reported in accordance with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code).

The combined Proved and Probable Ore Reserves as at 1 September 2015 totals 1,627,000 tonnes grading 3.5 g/t gold for 183,500 ounces, which represents an increase in tonnes and ounces compared to the Proved and Probable Ore Reserves as at 1 January 2015 of 596,000 tonnes grading 4.2 g/t gold for 80,900 ounces. The Ore Reserve increase is largely attributable to the inclusion of Ore Reserves for Fäboliden, which constitutes 60% of the updated Ore Reserve base. In addition the quantity of material classified as Proved for the Vammala Production Centre has increased by 198,000 tonnes and 26,200 ounces since 1 January 2015, reflecting the nature of the drilling campaigns undertaken at both Jokisivu and Orivesi during 2015.

The updated Ore Reserves are based on the Mineral Resource estimates listed in Appendix 1, which were released to the ASX on 29 February 2016 – Dragon Group Mineral Resources Updated and 31 December 2015 – Maiden Mineral Resource for Fäboliden Gold Deposit. In addition to site specific mining, cost and revenue factors, the updated reserve estimates used a gold price of US$1,150 per ounce and exchange rates of USD/EUR 1.10, USD/SEK 8.50 and AUD/USD 1.37.

Table 1 – Ore Reserves for the Vammala Production Centre in Finland and the Svartliden Production Centre in Sweden as at 1 September 2015.

	Proved			Probable			Total		
	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces
Vammala Production Centre									
Orivesi Gold Mine	85,000	5.0	13,900	126,000	5.2	21,100	211,000	5.1	34,900
Jokisivu Gold Mine	140,000	3.4	15,400	121,000	3.5	13,500	261,000	3.5	28,900
Kaapelinkulma Gold Project	-	-	-	87,000	3.4	9,600	87,000	3.4	9,600
Svartliden Production Centre									
Fäboliden Gold Project	-	-	-	1,067,000	3.2	110,000	1,067,000	3.2	110,000
Group Total	**225,000**	**4.0**	**29,300**	**1,401,000**	**3.4**	**154,200**	**1,627,000**	**3.5**	**183,500**

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

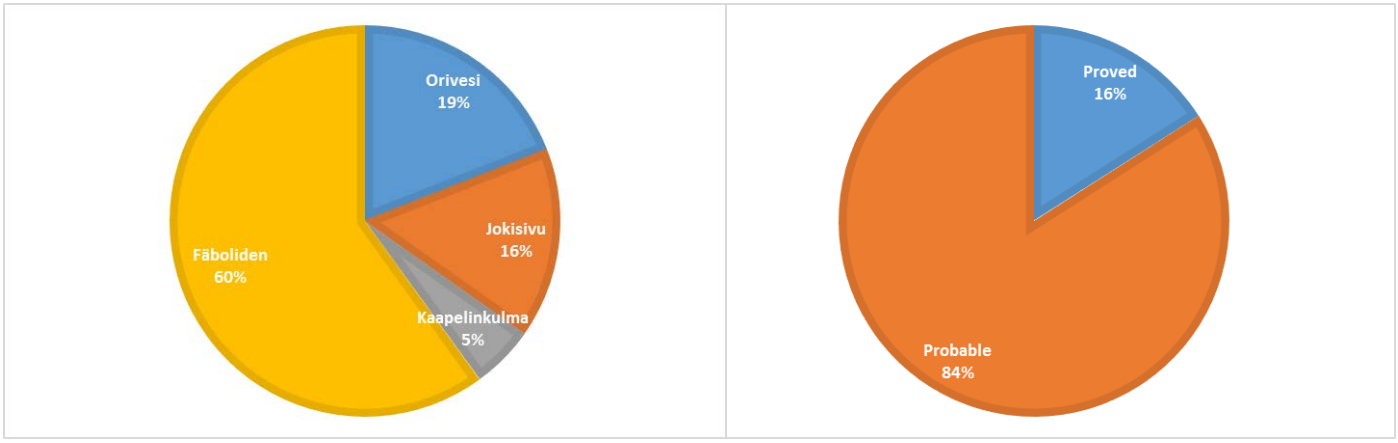

Figure 1 – Ore Reserve Ounces per Project (Left) and Classification (Right).

Subsequent to the Ore Reserves reporting date, mining has progressed at both Orivesi and Jokisivu with a total of 53,000 tonnes grading 5.1 g/t gold (8,600 ounces) being mined from Orivesi and 113,000 tonnes grading 3.1 g/t gold (11,300 ounces) being mined from Jokisivu, between 1 September 2015 and 29 February 2016.

Vammala Production Centre

Orivesi Gold Mine

The updated Proved and Probable Ore Reserves for the Orivesi Gold Mine totals 211,000 tonnes grading 5.1 g/t gold for 34,900 ounces as at 1 September 2015. This represents a 10% decrease in grade and ounces when compared to the Ore Reserves as at 1 January 2015 of 209,000 tonnes grading 5.7 g/t gold for 38,500 ounces.

The Ore Reserves are estimated from underground stope and development designs and were based on the mines operating performance. Further drilling is likely to allow material currently defined as Inferred Mineral Resources to be upgraded to the Indicated Mineral Resource category and at that time stope designs could be modified and Ore Reserves increased.

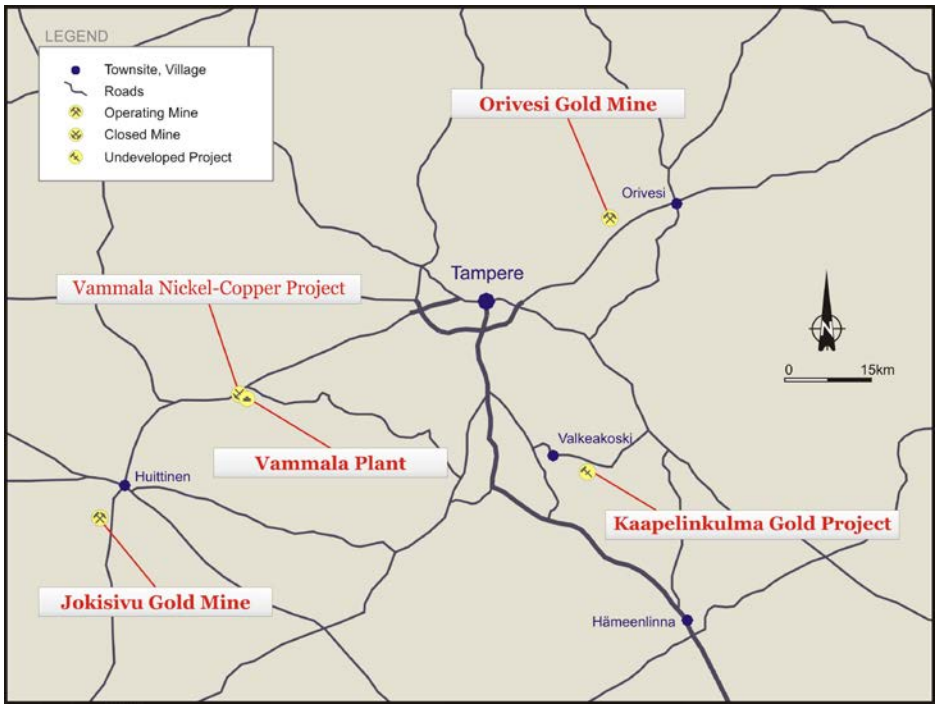

Figure 2 – Vammala Production Centre.

Background

Between 1994 and 2003 the Orivesi Gold Mine was operated by Outokumpu Mining Oy, producing 422,000 ounces of gold at a grade of 9.4 g/t gold from the Kutema lode system down to the 720m level. Dragon Mining acquired the operation at the end of 2003 and recommenced mining in 2007, with mining activities initially focused on the Sarvisuo lode system, 300 meters east of the previously mined Kutema lode system. Staged development and mining of the Kutema lode system below the 720m level commenced in January 2011 and production stoping commenced in August 2012. The deepest part of the mine at 29 February 2016 was at the 1140m level at Kutema, with the gold-bearing zones associated with Kutema Pipe 5 continuing to the 1240m level.

Kutema and Sarvisuo are Palaeoproterozoic gold lode systems located in the Tampere Schist Belt. Gold mineralisation is associated with the Kutema alteration zone and has been interpreted to represent a metamorphosed and deformed high-sulphidation epithermal gold deposit. The lode systems occur as sub-vertical pipe-like structures with extensive vertical continuity. The principal lode system, Kutema remains open with depth, whereas the Sarvisuo lode system extends to the 720m level, though the main pipe lodes appear to be losing continuity at depth below the 620m level with extensive drilling above and below the main lodes failing to locate any continuous zones of high grade mineralisation. A group of isolated pods of mineralisation however, have been identified to the west of Sarvisuo.

The Measured, Indicated and Inferred Mineral Resource for the Orivesi Gold Mine as at 1 September 2015 totals 322,000 tonnes grading 6.4 g/t gold for 66,200 ounces. The Mineral Resources are reported inclusive of Ore Reserves.

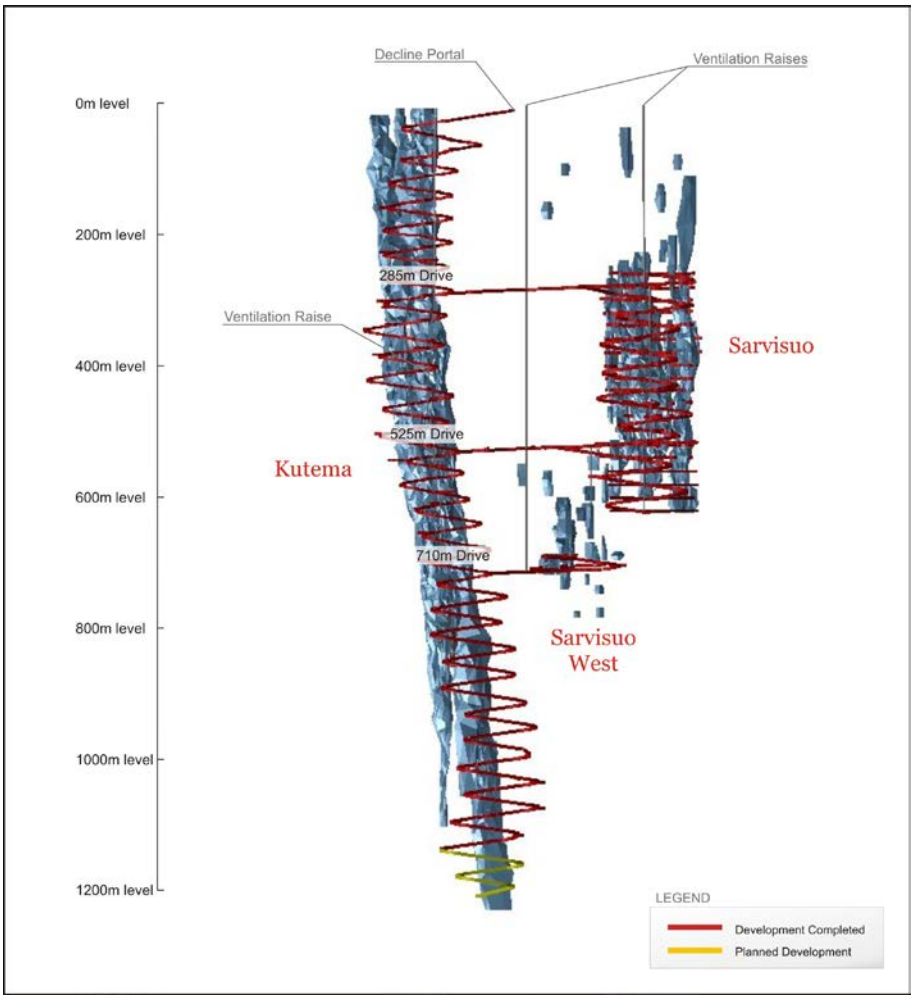

Figure 3 - Orivesi Gold Mine

Summary of Information Material to Understanding the Reported Estimates of Ore Reserves

- *Material Assumptions*

The updated Ore Reserves consist of planned development and stoping tonnages. The Mineral Resources have been converted to Ore Reserves by means of a Life of Mine development and stoping plan, together with economic model preparation. Operational costs are based on historical and budgeted costs.

- *Estimation Methodology*

Ore Reserve estimation was completed by establishing ore stope outlines and development designs, within the economic mining limits. ROM ore quantities within the designs were estimated by applying mining modifying factors.

- *Cut-off Grades*

The in-situ Ore cut-off grade is based on the gold price of US$1,150 per ounce, mining factors, metallurgical factors and costs. The stoping cut-off grade includes the operating cost without ore development. That is, the average grade of a stope must be above this value for it to be economic to mine. It assumes stope access development has been completed for the level. The Opex cut-off grade includes all the operating costs inclusive of ore development and hence provides and indicator whether an entire level is economic to be mined. The Project costs include direct underground capital and operating costs.

Table 2 – Orivesi Underground Cut-Off.

	Project	Opex	Stoping
In-situ Gold Grade (g/t gold)	5.1	4.3	3.6

- *Mining Method*

Mining of the Kutema and Sarvisuo lode systems is carried out with trackless diesel powered mobile equipment accessing the underground workings by means of a decline. The current mining method at Orivesi is overhand bench and rock fill mining. Mining advances from bottom upwards in 80 metre vertical panels, leaving a sill panel between each panel. These voids are subsequently backfilled with waste rock from development. Access drives from the main decline to mining areas are developed at 20 metre vertical sub-level intervals which form as service points for each stoping area. A mining dilution factor of 18% and mining recovery factor of 98% have been adopted.

- *Processing*

Ore from Orivesi is processed on a campaign basis through the Vammala Plant, which is located approximately 80 kilometres southwest of the mine, with ore from the Jokisivu mine. The Vammala Plant is a 300,000 tonnes per annum crushing, milling, gravity and flotation circuit that produces a flotation gold concentrate from Orivesi ore. A gold recovery factor of 84% has been applied to the Ore Reserves based on existing processing results. The Orivesi concentrate is transported to the Company's Svartliden Production Centre where the concentrate is processed through a leaching circuit to produce doré bars.

- *Classification*

Ore Reserves have been classified based on the underlying Mineral Resource classification and the level of detail in the mine planning. The Mineral Resources within the underground mine that were identified as Measured and as Indicated have been classified as Proved and Probable for the reporting of Ore Reserves, due to the level of variability in mining these relatively small pipes. No Inferred Mineral Resources were included in the Ore Reserve estimate.

- *Tenure, Permitting and Other*

The Orivesi Gold Mine is located on Mining Concession 2676 - Seri, which covers an area of 39.82 hectares.

On 8 December, the Regional State Administrative Office ("AVI") rejected the application for a new Environmental Permit that had been in submitted in 2010. The Company submitted an appeal against the decision on the 7 January 2016, with relevant arguments supported by an updated waste management plan, the latest fish inventory report and a description of water management improvements. In early January, the Centre for Economic Development, transport and the Environment ("ELY Centre") informed the Company, that it had also appealed against the decision not to extend the permit.

The ruling by the AVI is not binding until the appeals have been processed by the Courts. Until then Orivesi can operate under its previous Environment Permit.

No additional infrastructure is required at Orivesi.

The Vammala Plant is located on the Mining Concession 1895 – Stormi, which covers an area of 157.53 hectares. In 2014 an updated Environmental Permit for the Vammala Plant was approved with conditions, but has been appealed. The previous Environmental Permit will remain in force until the appeal process has been completed.

Jokisivu Gold Mine

The updated Proved and Probable Ore Reserves for the Jokisivu Gold Mine totals 261,000 tonnes grading 3.5 g/t gold for 28,900 ounces as at 1 September 2015. This represents a 16% decrease in tonnes and a 24% decrease in ounces when compared to the Ore Reserves as at 1 January 2015 of 310,000 tonnes grading 3.8 g/t gold for 38,000 ounces.

These decreases are attributable to the Company's focus on improving the knowledge of the extent and geometry of known mineralisation rather than targeting Inferred Mineral Resource positions and extensions to known mineralisation during the first eight months of 2015.

The Ore Reserves are estimated from underground stope and development designs and were based on the mines operating performance. Further drilling is likely to allow material currently defined as Inferred Mineral Resources to be upgraded to the Indicated Mineral Resource category and at that time stope designs could be modified and Ore Reserves increased.

Background

Mining at Jokisivu began in May 2009, commencing initially with open-pit mining. Underground development at Kujankallio commenced in September 2010, the portal being located within the Kujankallio open-pit, 35 metres below the surface. The first stoping ore was delivered to the Vammala Plant, 40 kilometres to the northeast in January 2011. A small open-pit was mined at Arpola between March and July 2011 with underground production stoping commencing in 2014.

The Kujankallio and Arpola deposits are Palaeoproterozoic orogenic gold deposits located in the Vammala Migmatite Zone. They comprise a set of parallel lodes of varying thickness and grade hosted in a west-northwest trending shear zone. Gold mineralisation is contained within quartz veins occurring within a quartz diorite unit. Both the Kujankallio and Arpola deposits remain open with depth.

The Measured, Indicated and Inferred Mineral Resources for Jokisivu as at 1 September 2015 totals 1,480,000 tonnes grading 4.7 g/t gold for 222,200 ounces. The Mineral Resources are reported inclusive of Ore Reserves.

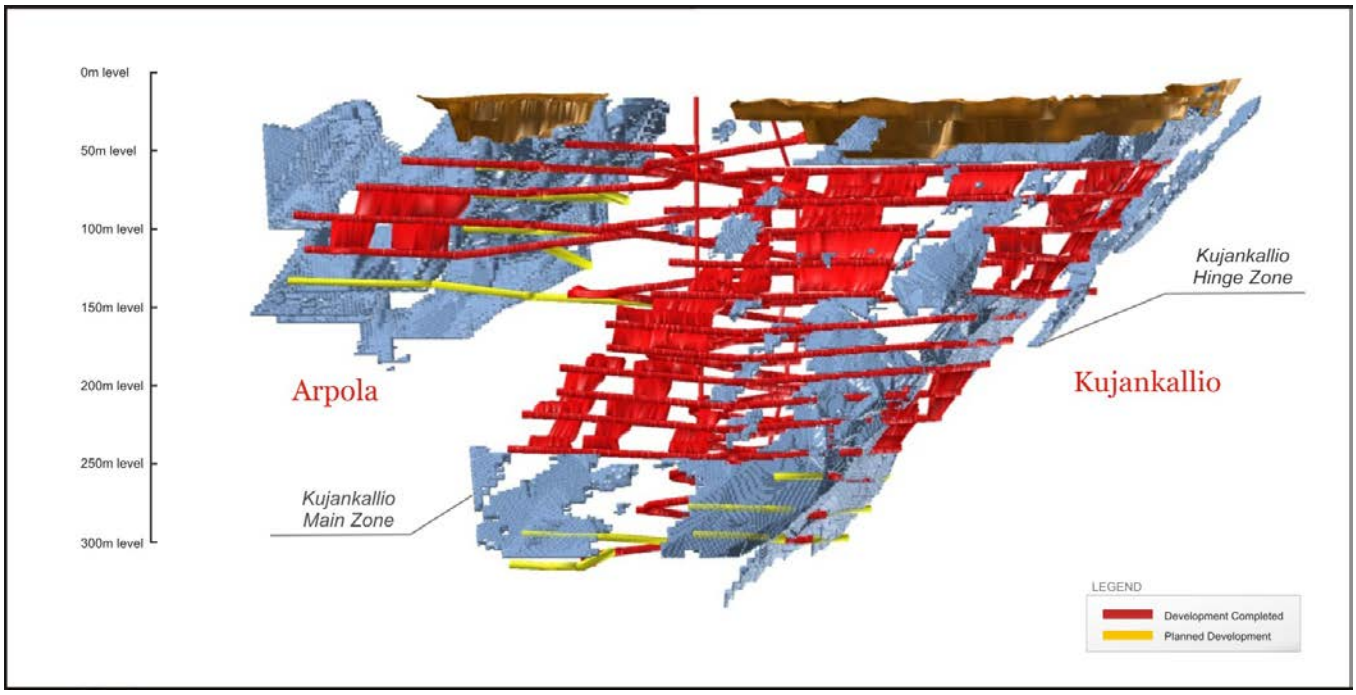

Figure 4 – Jokisivu Gold Mine

Summary of Information Material to Understanding the Reported Estimates of Ore Reserves

- *Material Assumptions*

The updated Ore Reserves consist of proposed development and stoping operations. The Mineral Resources have been converted to Ore Reserves by means of a Life of Mine development and stoping plan, together with economic model preparation. Operational costs are based on historical costs and allowance has been made for royalties' payable at Jokisivu.

- *Estimation Methodology*

Ore Reserve estimation was completed by establishing ore stope outlines and development designs, within the economic mining limits. ROM ore quantities within the designs were estimated by applying mining modifying factors.

- *Cut-off Grades*

The in-situ Ore cut-off grade is based on the gold price of US$1,150 per ounce, mining factors, metallurgical factors and costs. The stoping cut-off grade includes the operating cost without ore development. That is, the average grade of a stope must be above this value for it to be economic to mine. It assumes stope access development has been completed for the level. The Opex cut-off grade includes all the operating costs inclusive of ore development and hence provides and indicator whether an entire level is economic to be mined. The Project costs include direct underground capital and operating costs.

Table 3 – Jokisivu Underground Cut-Off.

	Project	Opex	Stoping
In-situ Gold Grade (g/t gold)	3.7	3.0	2.3

- *Mining Method*

The mining method at Jokisivu is overhand bench and rock fill mining. Mining advances from bottom upwards in approximately 80 metre high mining panels leaving a sill pillar between the panels. Back fill material is waste rock from development. Access drives from the main decline to mining areas are developed at 15 to 20 metre vertical sub-level intervals. A mining dilution factor of 29% and mining recovery factor of 82% of the metal within the defined stope shapes to be mined have been adopted, based on reconciliation of past production.

- *Processing*

Ore from Jokisivu is processed on a campaign basis through the Vammala Plant, which is located 40 kilometres to the northeast, with ore from the Orivesi mine. The Vammala Plant is a 300,000 tonnes per annum, crushing, milling, gravity and flotation circuit that produces a gravity gold concentrate and a flotation gold concentrate. A gold recovery factor of 87% has been applied to the Ore Reserves based on existing processing results. The Jokisivu concentrate is transported to the Company's Svartliden Production Centre where the concentrate is processed through a leaching circuit to produce doré bars.

- *Classification*

Ore Reserves have been classified based on the underlying Mineral Resources classifications and the level of detail in the mine planning. The Mineral Resources were identified as Measured, Indicated and Inferred. The Ore Reserves, based only on the Measured and Indicated Resources have been classified as Proved and Probable Ore Reserves. Volumes of material classified as Inferred within the Mineral Resources that have been included in the shapes that define the ore reserves have been classified as waste with a zero grade. The classification of Probable Ore Reserves has been determined due to uncertainties with respect to grade calculations which depend heavily on the geometrical shape of the high grade material and the dilution necessary to be able to mine the ore.

- *Tenure, Permitting and Other*

The Jokisivu Gold Mine is located on Mining Concession 7244 - Jokisivu, which covers an area of 48.32 hectares. Jokisivu is fully permitted and no additional infrastructure is required.

The Vammala Plant is located on the Mining Concession 1895 – Stormi, which covers an area of 157.53 hectares. In 2014 an updated Environmental Permit for the Vammala Plant was approved with conditions, but has been appealed. The previous Environmental Permit will remain in force until the appeal process has been completed.

Kaapelinkulma Gold Project

A positive outcome was achieved from the Pre-Feasibility level study into the development of the Kaapelinkulma Gold Project in southern Finland. The study was compiled by RungePincockMinarco Limited and was based on the establishment of an open pit mining operation and the haulage of ore to Dragon Mining's operational Vammala Plant to produce a high grade gold concentrate and the processing of this concentrate at Dragon Mining's Svartliden Production Centre to produce doré bars.

The estimated Kaapelinkulma Ore Reserves demonstrate a sound base case operation, which the Company expects to be able to further enhance through the refinement of operating cost estimates. The Proved and Probable Ore Reserves at a US$1,150 per ounce gold price total 87,000 tonnes grading 3.4 g/t gold for 9,600 ounces. This represents a mining life of two years at the proposed mining and processing rates.

Background

Kaapelinkulma is an advanced gold project located 65 kilometres east of Dragon Mining's operating Vammala Plant. It represents an orogenic gold deposit located in the Palaeoproterozoic Vammala Migmatite Belt, comprising 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 and both deposits remain open in several directions. No mining has previously been undertaken on the Kaapelinkulma deposits.

The Indicated and Inferred Mineral Resources for Kaapelinkulma as at 1 September 2015 totals 110,000 tonnes grading 5.2 g/t gold for 18,600 ounces. The Mineral Resources are reported inclusive of Ore Reserves.

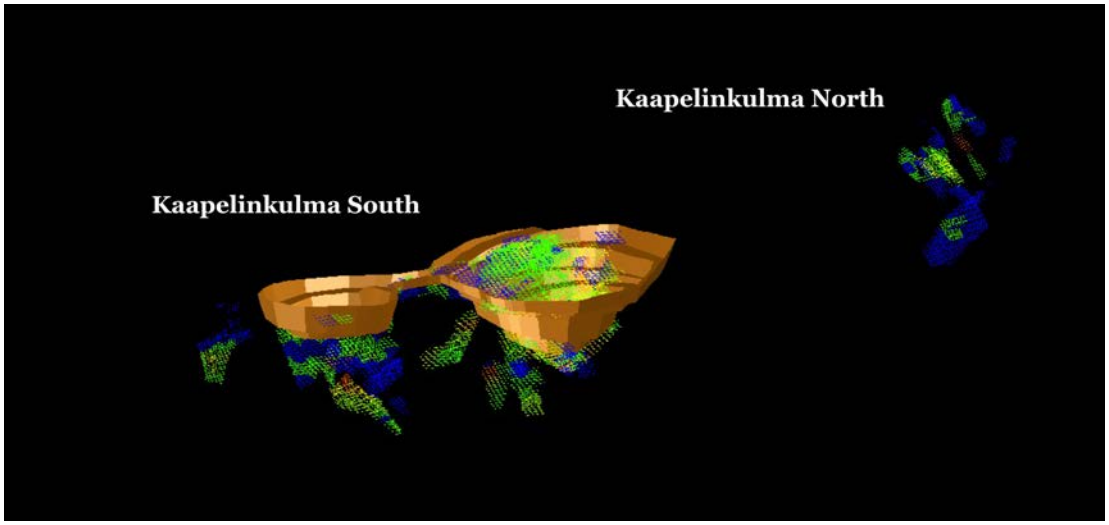

Figure 5 – Kaapelinkulma Gold Project Open Pit Design.

Summary of Information Material to Understanding the Reported Estimates of Ore Reserves

- *Material Assumptions*

The maiden Ore Reserves for Kaapelinkulma consist of a proposed open-pit operation. The Mineral Resources have been converted to Ore Reserves by means of a Life of Mine plan, together with economic model preparation. Operational costs are based on contractors tenders sourced by Dragon Mining as well as unit rates based on the current operations.

- *Estimation Methodology*

Ore Reserve estimation was completed by establishing the economic pit limits that were determined using the Whittle 4X pit limit optimisation software. Parameters utilised in the optimisation are based on independent studies and contractors tenders sourced by Dragon Mining, as well as unit rates based on the current operations.

Mine designs were completed based on the Whittle 100% Revenue Factor pit shell. This shell was composed of a single main pit with a connected smaller satellite pit to the south.

- *Cut-off Grade*

The in-situ Ore cut-off grade is 1.2 g/t gold, which is based on the gold price of US$1,150 per ounce, mining factors, metallurgical factors and costs.

- *Mining Method*

The mining method at Kaapelinkulma is proposed to be open-pit extraction as mineralisation occurs near surface, it will incur minimal initial mining capital investment and the Company's experience with commencing and undertaking open pit mining in the Nordic Region. It will involve the excavation and stockpiling of the overlying till, thence the drill and blast, digging, loading and hauling of ore and waste rock to the surface. Mining will advance on 2.5 metre flitches to enable selective mining of the deposit and minimise Ore loss. A selective mining unit (SMU) size of 2.5m east-west by 2.5m north-south and 2.5m high was applied to the geological model to represent the expected mining loss and dilution at the edges of the ore zones.

- *Processing*

Material from the Kaapelinkulma Gold Project is planned to be processed on a campaign basis through the 300,000 tonne per annum Vammala Plant, 65 kilometres to the east, at a throughput rate of approximately 4,000 tonnes per months over a 2 year period. The Vammala Plant is a crushing, milling, gravity and flotation circuit that produces a gravity gold concentrate and a flotation gold concentrate. A gold recovery factor of 85% has been applied to the Ore Reserves based on bench scale test work on samples from the Kaapelinkulma deposit and from existing processing results. The Kaapelinkulma concentrate will then be transported to the Company's Svartliden Production Centre where the concentrate is processed through a leaching circuit to produce doré bars.

- *Classification*

Ore Reserves have been classified based on the underlying Mineral Resources classifications and the level of detail in the mine planning. The Kaapelinkulma Mineral Resources were identified as Indicated and Inferred. The Ore Reserves, based only on the Indicated Resources have been classified as Probable Ore Reserves. Volumes of material classified as Inferred within the Mineral Resources that have been included in the shapes that define the ore reserves have been classified as waste with a zero grade. The Ore Reserve is classified as Probable in accordance with the JORC Code, corresponding to the Indicated Mineral Resource classification and taking into account other factors where relevant. The deposit's geological model is well constrained. The Ore Reserve classification is considered appropriate given the nature of the deposit, the moderate grade variability, drilling density, structural complexity and mining history.

- *Tenure, Permitting and Other*

The Kaapelinkulma Gold Project is located on Mining Concession K7094 - Kaapelinkulma, which covers an area of 66.54 hectares. A valid Environmental Permit for mining at Kaapelinkulma has been received.

The Vammala Plant is located on the Mining Concession 1895 – Stormi, which covers an area of 157.53 hectares. In 2014 an updated Environmental Permit for the Vammala Plant was approved with conditions, but has been appealed. The previous Environmental Permit will remain in force until the appeal process has been completed. Material from Kaapelinkulma cannot be processed until the updated Environment Permit for the Vammala Plant is valid.

Svartliden Production Centre

Fäboliden Gold Project

A positive outcome was achieved from the Pre-Feasibility level study into the development of the Fäboliden Gold Project in northern Sweden. The study was compiled by RungePincockMinarco Limited and was based on the establishment of a multiple open-pit mining operation and the haulage of ore to Dragon Mining's operational Svartliden CIL Plant to produce doré bars.

The Fäboliden Ore Reserves demonstrate a base case operation, which the Company expects to be able to further enhance through the refinement of operating cost estimates and improvement in process recovery. The Proved and Probable Ore Reserves at a US$1,150 per ounce gold price total 1,067,000 tonnes grading 3.2 g/t gold for 110,000 ounces. This represents a mining life of approximately four years at a 300,000 tonnes per annum mining and processing rate.

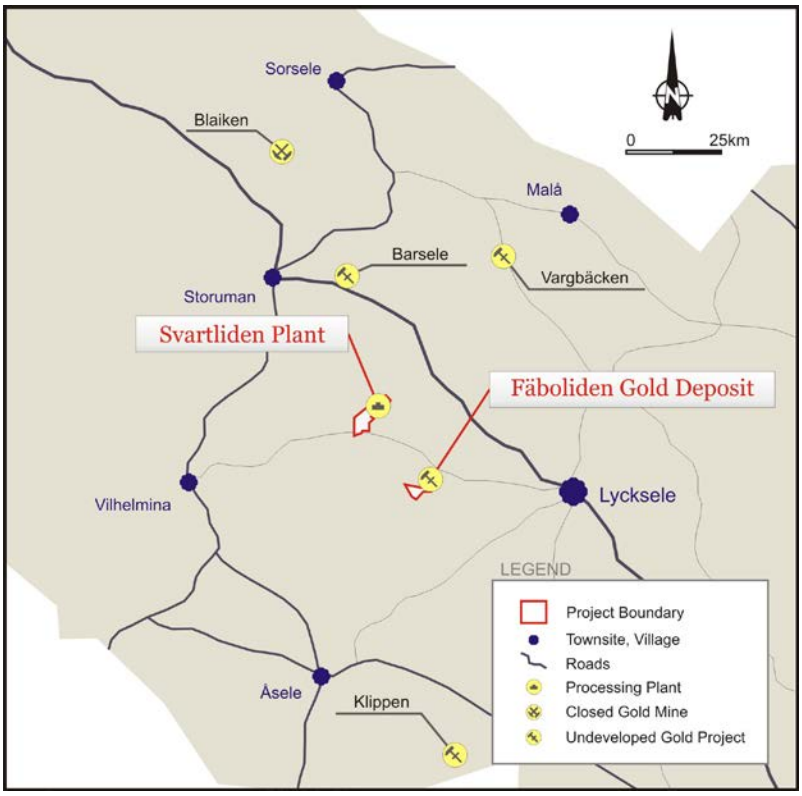

Figure 6 - Svartliden Production Centre

Background

The Fäboliden Gold Deposit is an orogenic gold deposit, with mineralisation 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 mineralised system is delineated over a strike length of 1,295 metres and includes a 665 metre vertical extent from 485mRL to -180mRL. Gold displays a strong association with sulphides and most abundant gangue minerals. Arsenopyrite, boulangerite and pyrrohotite are commonly associated with gold in variably boudinaged quartz and sulphide veins where the gold is found in fractures and as inclusions. Gold is also seen as free grains in the silicate matrix of the host rock with feldspars, quartz and micas common hosts. The gold is generally fine grained ranging from 2µm to 40 µm.

Exploration at Fäboliden commenced in 1993 and has primarily involved the drilling of 367 holes, as well as test mining and processing, resource estimation and compilation of a Definitive Feasibility Study for a large tonnage low grade mining and processing operation.

The Indicated and Inferred Mineral Resources for Fäboliden as at 1 September 2015 totals 6,900,000 tonnes grading 3.3 g/t gold for 743,000 ounces. The Mineral Resources are reported inclusive of Ore Reserves.

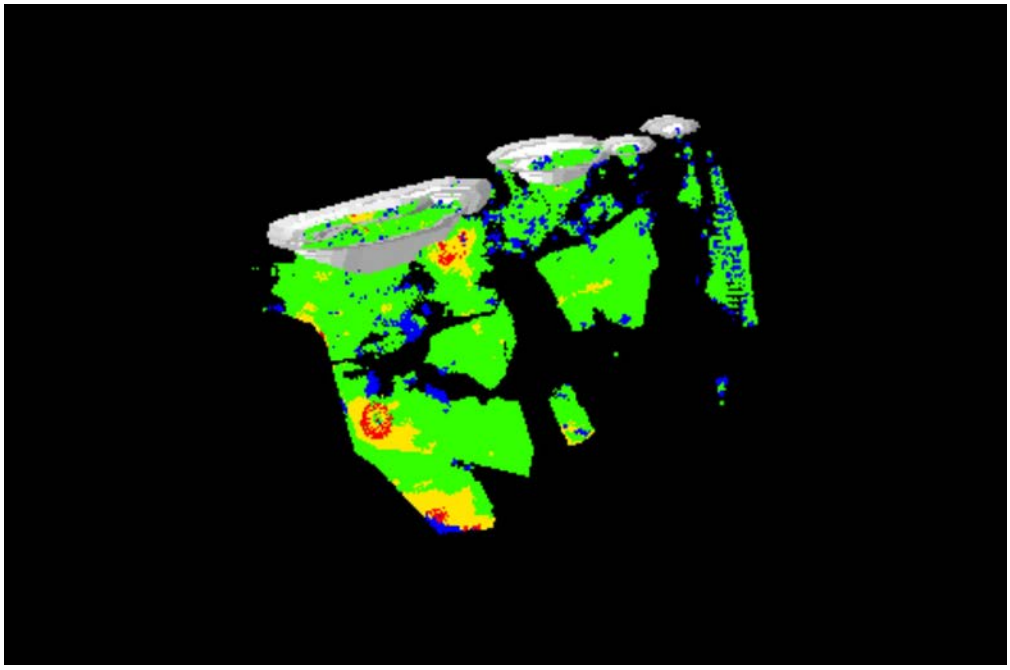

Figure 7 – Fäboliden Gold Project Open Pit Design.

Summary of Information Material to Understanding the Reported Estimates of Ore Reserves

- *Material Assumptions*

The maiden Ore Reserves for Fäboliden comprise material within a multiple open-pit operation. The Mineral Resources have been converted to Ore Reserves by means of a Life of Mine plan, together with economic model preparation. Operational costs are based on contractors tenders sourced by Dragon Mining as well as unit rates based on the current operations.

- *Estimation Methodology*

Ore Reserve estimation was completed by establishing the economic pit limits that were determined using the Whittle 4X pit limit optimisation software. Parameters utilised in the optimisation are based independent studies and contractors tenders sourced by Dragon Mining, as well as unit rates based on the current operations.

Mine designs were completed based on the Whittle 100% Revenue Factor pit shell. The shells were composed of a main pit in the south and a series of three pits further to the north.

- *Cut-off Grade*

The in-situ Ore cut-off grade is 1.63 g/t gold, which is based on the gold price of US$1,150 per ounce, mining factors, metallurgical factors and costs.

- *Mining Method*

The mining method at Fäboliden is proposed to be open-pit extraction as mineralisation occurs near surface, it will incur minimal initial mining capital investment and the Company's experience with commencing and undertaking open pit mining in the Nordic Region. It will involve the excavation and stockpiling of the overlying till, thence the drill and blast, digging, loading and hauling of ore and waste rock to the surface. Mining will advance on 5 metre benches. A selective mining unit (SMU) size of 5m east-west by 5m north-south and 5m high was applied to the geological model to represent the expected mining loss and dilution at the edges of the ore zones.

- *Processing*

Material from the Fäboliden Gold Project is planned to be processed through the 300,000 tonne per annum Svartliden Plant, 30 kilometres by road to the northeast, over a 4 year period. The Svartliden Plant is a conventional crushing, milling and leaching circuit that produces doré bars. A gold recovery factor of 74% has been applied to the Ore Reserves based on bench scale test work on samples from the Fäboliden deposit.

- *Classification*

Ore Reserves have been classified based on the underlying Mineral Resources classifications and the level of detail in the mine planning. The Fäboliden Mineral Resources were identified as Indicated and Inferred. The Ore Reserves, based only on the Indicated Resources have been classified as Probable Ore Reserves. Volumes of material classified as Inferred within the Mineral Resources that have been included in the shapes that define the ore reserves have been classified as waste with a zero grade. The Ore Reserve is classified as Probable in accordance with the JORC Code, corresponding to the Mineral Resource classifications of Measured and Indicated and taking into account other factors where relevant. The deposit's geological model is well constrained. The Ore Reserve classification is considered appropriate given the nature of the deposit, the moderate grade variability, drilling density, structural complexity and mining history.

- *Tenure, Permitting and Other*

The Fäboliden Gold Project is located on Exploitation Concession – Fäboliden K nr 1, which covers an area of 122.00 hectares. The Company is preparing documentation to lodge an application for an Environment Permit.

The Svartliden Gold Mine is located within the Svartlidengruvan K nr 1 Exploitation Concession, which encompasses an area of 87.54 hectares. The Exploitation Concession is surrounded by the Svartlidengruvan Land Designation area that covers 484.01 hectares. The Land Designation area hosts the Svartliden Plant and other infrastructure. The Svartliden Production Centre is fully permitted and no additional infrastructure is required.

For and on behalf of
Dragon Mining Limited

Competent Persons Statement

The information in this report that relates to Ore Reserves is based on information compiled by Mr Joe McDiarmid, who is a Chartered Professional Member of the Australasian Institute of Mining and Metallurgy and is an employee of RungePincockMinarco Limited. Mr Joe McDiarmid has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves. Mr Joe McDiarmid has provided written consent for the inclusion in this report of the matters based on their information in the form and context in which it appears.

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

The Company confirms that it is not aware of any new information or data that materially affects the Mineral Resources for the Orivesi Gold Mine, Jokisivu Gold Mine and Kaapelinkulma Gold Project as reported on the 29 February 2016, and the assumptions and technical parameters underpinning the estimates in the 29 February 2016 release continue to apply and have not materially changed.

Mr. Neale Edwards BSc (Hons), a Fellow of the Australian Institute of Geoscientists, who is a full time employee of Dragon Mining and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves confirms that the form and context in which the Mineral Resources are presented in this report have not been materially modified and are consistent with the 29 February 2016 release. Mr. Neale Edwards has provided written consent approving the statement of Mineral Resources in this report in the form and context in which it appears.

The information in this report that relates to Mineral Resources for the Fäboliden Gold Project was previously released to the ASX on the 31 December 2015 – Maiden Mineral Resource for Fäboliden Gold Deposit, which can be found at www.asx.com.au (Code:DRA). It fairly represents information and supporting documentation that was compiled or supervised by Mr. Jeremy Clark, who is a full time employee of RungePincockMinarco Limited and a Registered Member of the Australasian Institute of Mining and Metallurgy. Mr. Clark has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that being undertaken to qualify as a Competent Person as defined in the JORC Code 2012 Edition. Written consent was previously provided by Mr. Jeremy Clark for the 31 December 2015 - Maiden Mineral Resource for Fäboliden Gold Deposit release.

The Company confirms that it is not aware of any new information or data that materially affects the Mineral Resources for the Fäboliden Gold Project as reported on the 31 December 2015, and the assumptions and technical parameters underpinning the estimates in the 31 December 2015 release continue to apply and have not materially changed.

Mr. Neale Edwards BSc (Hons), a Fellow of the Australian Institute of Geoscientists, who is a full time employee of Dragon Mining and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves confirms that the form and context in which the Mineral Resources are presented in this report have not been materially modified and are consistent with the 31 December 2015 release. Mr. Neale Edwards has provided written consent approving the statement of Mineral Resources in this report in the form and context in which it appears.

The information in this report that relates to Mineral Resources for the Kuusamo Gold Project and the Svartliden Gold Mine in Sweden were previously released to the ASX on 18 March 2014 – Resource Updates Lift Kuusamo Ounces; and 18 March 2014 – Mineral Resources for the Finland and Sweden Production Centres Update, respectively. These releases can be found at www.asx.com.au (Code:DRA). It fairly represents, information and supporting documentation that was prepared by Mr. Trevor Stevenson, a Fellow of the Australasian Institute of Mining and Metallurgy and a Chartered Professional (Geology), who is a former employee of RungePincockMinarco Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves. Written consent was previously provided by Mr. Trevor Stevenson for the 18 March 2014 – Resource Updates Lift Kuusamo Ounces; and 18 March 2014 – Mineral Resources for the Finland and Sweden Production Centres Update releases.

The Company confirms that it is not aware of any new information or data that materially affects the Mineral Resources for the Kuusamo Gold Project and the Svartliden Gold Mine as reported on the 18 March 2014, and the assumptions and technical parameters underpinning the estimates in the 18 March 2014 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 Mineral Resources are presented in this report have not been materially modified and are consistent with the 18 March 2014 releases. Mr. Neale Edwards has provided written consent approving the statement of Mineral Resources in this report in the form and context in which it appears.

APPENDIX 1

Dragon Mining Gold Mineral Resources as at 1 September 2015 (Inclusive of Ore Reserves).

	Measured			Indicated			Inferred			Total		
	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces
Svartliden Production Centre												
Svartliden Gold Mine												
Open Pit	77,000	3.2	8,000	150,000	3.1	15,100	-	-	-	228,000	3.2	23,100
Underground	20,000	5.9	3,700	96,000	5.9	18,200	39,000	4.9	6,200	155,000	5.7	28,200
Svartliden Total	**97,000**	**3.8**	**11,700**	**246,000**	**4.2**	**33,300**	**39,000**	**4.9**	**6,200**	**383,000**	**4.1**	**51,300**
Fäboliden Gold Project												
Above 350 mRL	**-**	**-**	**-**	3,500,000	2.9	325,000	800,000	2.5	67,000	4,300,000	2.8	392,000
Below 350 mRL	**-**	**-**	**-**	400,000	4.1	47,000	2,300,000	4.1	304,000	2,600,000	4.1	351,000
Total - Fäboliden	**-**	**-**	**-**	**3,800,000**	**3.0**	**372,000**	**3,100,000**	**3.7**	**370,000**	**6,900,000**	**3.3**	**743,000**
Svartliden Total	**97,000**	**3.8**	**11,700**	**4,064,000**	**4.2**	**405,800**	**3,162,000**	**4.9**	**376,600**	**7,323,000**	**4.2**	**793,900**
Vammala Production Centre												
Orivesi Gold Mine												
Kutema Deeps	113,000	5.6	20,200	114,000	5.9	21,700	17,000	7.3	4,000	244,000	5.8	45,900
Sarvisuo	2,000	9.0	500	38,000	7.8	9,700	37,000	8.4	10,200	78,000	8.1	20,300
Total	**115,000**	**5.6**	**20,700**	**152,000**	**6.4**	**31,300**	**54,000**	**8.1**	**14,100**	**322,000**	**6.4**	**66,200**
Jokisivu Gold Mine												
Kujankallio	237,000	4.9	37,300	384,000	4.2	51,500	290,000	3.4	31,800	911,000	4.1	120,700
Arpola	117,000	5.5	20,700	297,000	5.0	47,700	155,000	6.6	33,100	569,000	5.5	101,500
Total	**354,000**	**5.1**	**58,000**	**681,000**	**4.5**	**99,200**	**445,000**	**4.5**	**64,900**	**1,480,000**	**4.7**	**222,200**
Kaapelinkulma Gold Project												
South	**-**	**-**	**-**	95,000	5.3	16,200	8,000	6.0	1,500	103,000	5.3	17,700
North	**-**	**-**	**-**	-	-	-	7,000	3.7	900	7,000	3.7	900
Total	**-**	**-**	**-**	**95,000**	**5.3**	**16,200**	**15,000**	**4.9**	**2,400**	**110,000**	**5.2**	**18,600**
Vammala Total	**470,000**	**5.2**	**78,800**	**928,000**	**4.9**	**146,800**	**515,000**	**4.9**	**81,400**	**1,913,000**	**5.0**	**307,000**
Kuusamo Region												
Kuusamo Gold Project												
Juomasuo	160,000	7.4	38,000	1,389,000	4.6	206,100	822,000	3.9	103,000	2,371,000	4.6	347,000
Hangaslampi	-	-	-	341,000	5.3	57,500	62,000	4.3	8,600	403,000	5.1	66,100
Pohjasvaara	-	-	-	82,000	3.2	8,400	51,000	4.7	7,700	133,000	3.8	16,100
Meurastuksenaho	-	-	-	61,000	2.4	4,700	831,000	2.3	61,800	892,000	2.3	66,500
Sivakkaharju	-	-	-				50,000	7.2	11,500	50,000	7.2	11,500
Kuusamo Total	**160,000**	**7.4**	**38,000**	**1,873,000**	**4.6**	**276,700**	**1,816,000**	**3.3**	**192,600**	**3,849,000**	**4.1**	**507,200**
Group Total	**727,000**	**5.5**	**128,500**	**6,865,000**	**3.8**	**829,100**	**5,493,000**	**3.7**	**650,200**	**13,085,000**	**3.8**	**1,608,000**

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

Reporting Cut-off Grades

Svartliden Gold Mine – Open Pit: 1.3 g/t gold
Svartliden Gold Mine – Underground: 3 g/t gold
Fäboliden Gold Project – Above 350 mRL: 1.5 g/t gold
Fäboliden Gold Project – Below 350 mRL: 2.9 g/t gold
Orivesi Gold Mine – Kutema Deeps: 3 g/t gold
Orivesi Gold Mine – Sarvisuo: 3 g/t gold
Jokisivu Gold Mine – Kujankallio: 2 g/t gold
Jokisivu Gold Mine – Arpola: 2 g/t gold
Kaapelinkulma Gold Project – North: 2 g/t gold
Kaapelinkulma Gold Project – South: 2 g/t gold
Kuusamo Gold Project – Juomasuo: 1 g/t gold
Kuusamo Gold Project – Hangaslampi: 1 g/t gold
Kuusamo Gold Project – Pohjasvaara: 1 g/t gold
Kuusamo Gold Project – Meurastuksenaho: 1 g/t gold
Kuusamo Gold Project – Sivakkaharju: 1 g/t gold

APPENDIX 2

JORC Table 1 - Orivesi Gold Mine

Section 1 Sampling Techniques and Data

Criteria	JORC Code 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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *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.*	• The various mineralised lodes at Orivesi were sampled using surface and underground diamond drill holes (DD) and underground production 'soija' (sludge) holes. Production grade control drilling was undertaken at 4m intervals along development drives, whilst DD 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. Drill holes were surveyed on the local mine grid. • Drill holes used in the Kutema Mineral Resource estimate included 726 surface and underground diamond holes and 4,542 underground production 'soija' (sludge) drill holes for a total of 46,741m within the resource wireframes. The supplied Orivesi database contained a total of 7,233 records for 184,512m of drilling. The majority of holes were drilled from underground towards grid north and angled in 'fans' to optimally intersect the sub-vertical mineralised zones. • Drill holes used in the Sarvisuo Mineral Resource estimate included 327 surface and underground diamond holes, 1,851 underground production 'soija' (sludge) drill holes and 2 reverse circulation holes for a total of 13,555m within the resource wireframes. The supplied database contained a total of 5,997 records for 165,009m of drilling. The majority of holes were drilled from underground towards grid north and angled in 'fans' to optimally intersect the sub-vertical mineralised zones. • All drill hole collar co-ordinates in the Mineral Resource have been accurately surveyed by qualified mine surveyors and tied into the local mine grid. Down hole surveys were undertaken on all exploration and resource development holes, however the majority of historic holes only have dip data with nominal azimuth readings. Surveys were generally taken at 3m or 10m intervals down hole using Maxibor or EMS multishot equipment. The majority of surveys were conducted by Suomen Malmi Oy (SMOY). Recent drill holes were surveyed by Nivalan Timanttikairaus Oy using Maxibor II or Gyro equipment. • Drilling at Kutema was conducted by Lohja Oy, Outokumpu and Dragon. Diamond 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. Diamond drilling by Dragon used 39mm, 40.7mm and 50mm core diameter (WL-56, BQTK and NQ2) with sampling and analysis as described above for Outokumpu drilling. In June 2008, the independent sample preparation laboratory in the town of Outokumpu became part of ALS Chemex laboratories. • Drilling at Sarvisuo was conducted by Outokumpu and by Dragon. Diamond drilling by Outokumpu used 62mm and 50mm diameter core (T76, NQ2 or T56) with sampling at varying intervals based on geological boundaries. Half split or full core was sampled and sent for preparation (crushing and pulverising). Sample preparation was undertaken at the local independent laboratory in the town of Outokumpu. Pulverised samples were sent to laboratories: GAL, VTT, GTK, ACME and ALS, all used Fire-Assay with AAS or ICP finish. Diamond drilling by Dragon used 50mm core diameter (NQ2) with sampling and analysis as described above for Outokumpu drilling. In June 2008,

Criteria	JORC Code Explanation	Commentary
		the independent sample preparation laboratory in the town of Outokumpu became part of ALS Chemex laboratories.
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 and sludge drilling were the primary techniques used at Kutema. Sludge drilling makes up 82% of the total holes drilled with depths ranging from 1m to 40.5m. Diamond holes make up 13% of the total holes drilled with core diameters varying from 39mm to 45mm. Hole depths range from 10m to 566.5m. • Diamond and sludge drilling were the primary techniques used at Sarvisuo. Sludge drilling makes up 70% of the total holes drilled with depths ranging from 3m to 31.5m. Diamond holes make up 10% of the total holes drilled with core diameters varying from 45mm to 62mm. Hole depths range from 26m to 515m. Two RC holes were also included in the resource, for a total of 8m inside the mineralisation wireframes.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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.*	• Recoveries from diamond core were recorded in the supplied database. Core was orientated with an average core recovery of >99%. Lost core was also routinely recorded. • Diamond core was reconstructed into continuous runs for orientation marking with depths checked against core blocks. Core loss observations were noted by geologists during the logging process. No major recovery problems were encountered with sludge drilling which has been routinely applied for almost 20 years at Orivesi. • No relationship was noted between sample recovery and grade. The mineralised zones have predominantly been intersected by percussion and diamond core (13% of drill holes within the wireframes) with 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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All holes were site logged by company geologists to a high level of detail. Diamond holes were logged for recovery, RQD, number and type of defects. The supplied database contained 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. • Drill samples were logged for lithology, rock type, colour, mineralisation, alteration, and texture. Logging is a mix of qualitative and quantitative observations. It has been standard practice by Outokumpu and Dragon (since 2001), that all diamond core be routinely photographed. • All drill holes were logged in full.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of 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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Diamond full-core is usually submitted for sample preparation and assay. In some cases, core is cut in half or quarter using a core saw with half or quarter core is sent for analysis. • 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 Orivesi, sludge drill holes were drilled with a Solo rig, with a hole diameter of 64mm. Sludge drill holes are perpendicular to the strike of the lodes, with the dip of sludge drill holes is usually 30-80 degrees upwards. The slurry runs via a pipe line to a plastic bucket. After thorough mixing, a sample is collected into a sample bag with a sample length of 1.5m. After each sample is collected, the hole is washed with water to minimise contamination. This kind of sludge drilling has been routinely and successfully applied almost 20 years at Orivesi. Samples are dried in the ALS laboratory, and weight of a dry sample is 3 kg, on average. Standards and systematic duplicates are not put to the batches of sludge samples. Samples are assayed at ALS Minerals Ltd using Au_AA25 method, values exceeding 50 g/t are checked with Au_GRA21. In 2015, Activation Laboratories Ltd. (Actlabs) in Canada have been used in sludge hole assaying, with sample preparation

Criteria	JORC Code Explanation	Commentary
		conducted at CRS Minlab Oy in Finland (particularly -710mRL samples). All samples with Actlabs code 1A2-ICP analysed using a 30g sub-sample for FA+ICP for Au between 0.01 to 50 g/t. Over 50g/t samples analysed with gravimetric analysis (code 1A3, 30g sub-sample). Total S assayed (code 4F-S). • Dragon has used systematic standard and pulp duplicate sampling since 2004. Every 20th sample (sample id ending in -00, -20, -40, -60, -80) is submitted as a standard, and every 20th 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). • 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 Au.
Quality of assay 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.* • *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.* • *Nature of 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.*	• From 1992-2002, the Geoanalytical Laboratory in Outokumpu was responsible for all assaying. The whole pulverised core was assayed for Au via Fire Assay using a 40g charge with gravimetric finish using standard methods. From 2002-2003, analysis for Au was undertaken by GTK (50g sub-sample / Pb Fire-Assay / FAAS determination). In addition to Au, some mineralised sections were also analysed for a number of other elements. From June 2003 to April 2006, all pulverized samples were shipped by DHL to Acme Analytical Laboratories Ltd (Vancouver BC, Canada) for Au analysis (30g sub-sample / Pb Fire-Assay / ICP-ES determination). From 2006, all samples were shipped to ALS Chemex (Perth, Australia or more recently Rosia Montana, Romania) for Fire Assay determination (30g subsample) with AAS finish. Recently, for samples analysing above 5ppm, a 50g Fire Assay with GRA finish has been used. Previously, samples exceeding 1g/t or 3g/t Au were re-checked with Fire Assay with GRA finish. The main element assayed was Au, but major and trace elements were analysed on selected drill holes. • No geophysical tools were used to determine any element concentrations used in this Mineral Resource estimate. • Prior to 2004, QAQC programs were restricted to analysis of 41 duplicate samples from drill holes KU-803 to KU-805. Since 2004, a more expansive QAQC program was implemented consisting of systematic duplicate and standard sampling. The program included inserting a duplicate sample every 20th sample and also inserting a standard sample for every 20th sample. ALS Chemex report their internal QAQC results for review by Dragon personnel. Constant monitoring of the standard and duplicate results has been undertaken by Dragon site geologists. The results are considered acceptable.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• RPM has independently verified significant intersections of mineralisation by inspecting drill core from the recent drilling at the Dragon core yard during the 2015 site visit. • There has been no specific drill program at Kutema or Sarvisuo designed to twin existing drill holes. • Primary data is digitised using Drill Logger software. • Dragon adjusted zero Au grades to half the detection limit.
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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drill hole collars and starting azimuths have been accurately surveyed by Dragon mine and exploration surveyors. Down hole surveys were undertaken on all exploration and resource development holes. Surveys were generally taken at 3m or 10m intervals down hole using Maxibor or EMS multishot equipment. The majority of surveys were conducted by Suomen Malmi Oy (SMOY). Recent drill holes were surveyed by Nivalan Timanttikairaus Oy using Maxibor II or Gyro equipment. • A local mine grid system was used for the Kutema and Sarvisuo drilling and Mineral Resource estimates. • A topographic surface was not utilised for the Kutema and Sarvisuo block models. The Mineral Resource at

Criteria	JORC Code Explanation	Commentary
		Kutema is confined to the material approximately 720m below the natural topographic surface. The main mineralised lodes at Sarvisuo commence approximately 200m below the surface.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	• Production grade control drilling was undertaken at 4m intervals along development drives, whilst diamond core holes were drilled at variable spacings but averaged around 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. • The main mineralised domains have demonstrated sufficient continuity in both geological and grade continuity to support the definition of Mineral Resource, and the classifications applied under the 2012 JORC Code. • Samples have been composited to 1.5m lengths using 'best fit' techniques.
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.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• The majority of drill holes are underground drill holes and 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. • 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 and the process was closely reviewed by Jeremy Clark (RPM) during the May 2015 site visit. Dragon personnel or drill contractors transport diamond core to the core logging facilities where Dragon geologists log the core. Core samples are cut either by Dragon personnel or by ALS laboratory personnel. Samples are transported to the sample preparation laboratory and then on to the analysis laboratory using contract couriers or laboratory personnel. Dragon 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.*	• A review of sampling techniques and data was carried out by Jeremy Clark (RPM) during the May 2015 site visit. The conclusion made was that sampling and data capture was to industry standards.

Section 2 Reporting of Exploration Results

Criteria	JORC Code 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 security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	• The Orivesi Mining Lease covers both the Kutema and Sarvisuo deposits which Dragon is actively mining. • Mine lease 'SERI' (K2676, 39.82 ha). • Claims: Exploration Licence 'Sarvisuo1-2' (ML2013:0006, 41.86 ha) and Claim 'Yläinensilmäke' (9245/1, 10.26 ha) are valid. Exploration Licence 'Sarvisuo3' (ML2015:0026, 56.56 ha) is in the preparation process of Finnish mining permit consideration authority (TUKES).
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The gold potential of the area was recognized in the early 1980's as a result of litho-geochemical research work carried out by the Department of Geology, University of Helsinki. Lohja Ab explored the area for Au until 1990 when Outokumpu acquired the property. After a feasibility study was completed, Outokumpu commenced Au production in 1994 based on the estimated ore reserves for the Kutema deposit of 360,000 tonnes at 7g/t Au. Between 1994 and December 2003 the mine produced 1.7Mt of ore grading 9.4 g/t Au (422,000 ounces) from the Kutema Lodes. No mining of the Sarvisuo Lodes was carried out during this period except a small-scale test open pit at Sarvisuo NW in 1994.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Kutema and Sarvisuo deposits are Palaeoproterozoic metamorphosed and deformed paleo-epithermal gold deposits in the Tampere Schist Belt (TSB). The area is dominated by intermediate, often massive, plagioclase porphyritic metatuffs of dacitic, trachydacitic and andesitic composition. The mineralisation is associated with the Kutema alteration

Criteria	JORC Code Explanation	Commentary
		zone and has been interpreted to represent a metamorphosed and deformed high-sulphidation epithermal Au deposit. The mine is located at the south-western edge of the altered metavolcanic sequence. The lodes generally occur as sub-vertical pipe-like structures with extensive vertical continuity.

Drill hole information	• *A summary of all information material to the under-standing 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 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*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• The Kutema and Sarvisuo lode systems are part of the Orivesi Mine. Recent drilling at the deposit was primarily underground diamond 'fan' drilling. No exploration results are being reported.
		• The Orivesi Mine has been operating since 1994. In the opinion of Dragon, material drill results have been adequately reported previously to the market as required under the reporting requirements of the ASX Listing Rules.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Exploration results are not being reported. • Not applicable as a Mineral Resource is being reported. • Metal equivalent values have not been used.
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 (e.g. 'down hole length, true width not known').*	• The majority of drill holes are underground drill holes and 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.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Relevant diagrams have been included within the Mineral Resource report main body of text.
Balanced Reporting	• *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.* • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Drill hole collars and starting azimuths have been accurately surveyed by Dragon mine and exploration surveyors. Down hole surveys were undertaken on all exploration and resource development diamond drill holes. Surveys were generally taken at 3m or 10m intervals down hole using Maxibor or EMS multishot equipment. The majority of surveys have been conducted by Suomen Malmi Oy (SMOY). Recent drill holes have been surveyed by Nivalan Timanttikairaus Oy using Maxibor II or Gyro equipment. • Exploration results are not being 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.*	• Comprehensive wall and face sampling of development drives is undertaken by Dragon geologists. Results are used to update the resource wireframes but are not incorporated into the Mineral Resource estimate.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large- scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Mine development is ongoing. Dragon is undertaking drilling underground at a number of levels to better understand the nature and extent of the gold mineralisation. • Refer to diagrams in the body of text within the Mineral Resource report.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code Explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• Drilling data is digitised using Drill Logger software and manually entered into a database. Dragon carry out internal checks to ensure the transcription is error free. Laboratory assay results are loaded as electronic files direct from the laboratory so there is little potential for transcription errors. During recent drill programs, logging data has been recorded in a customised Excel spreadsheet and imported into an Access database. • The data base is systematically audited by Dragon geologists. All drill logs are validated digitally by the geologist once assay results are returned from the laboratory. • RPM also performed data audits in Surpac and checked collar coordinates, down hole surveys and assay data for errors. No errors were found.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• Initial site visits were conducted by Aaron Green in June 2007 and Paul Payne in May 2009 (both formerly ResEval and RUL). A site visit was conducted by Trevor Stevenson (formerly RPM) in October 2013. The most recent site visit was conducted by Jeremy Clark (RPM) in May 2015. Drilling, logging, and sampling procedures were viewed and it was concluded that these were being conducted to best industry practice.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• The confidence in the geological interpretation is considered to be good and is based on previous mining history and visual confirmation in underground walls and faces. • Drill hole logging by Dragon geologists, through direct observation of drill core samples has been used to interpret the geological setting. The bedrock is exposed at surface. • The continuity of the main mineralised lodes is clearly observed by Au grades within the drill holes. The close spaced underground drilling and face and wall sampling suggest the current interpretation is robust. The nature of the pipe-like structures would indicate that alternate interpretations would have little impact on the overall Mineral Resource estimation. • Mineralisation occurs within the Kutema alteration zone. The lodes occur as sub-vertical pipe-like structures with extensive vertical continuity. The current interpretations are mainly based on Au assay results. • Au mineralisation is related to strongly deformed and silicified zones characterized by shearing, boudinaging, folding and quartz veining during syn- to late-stage deformation.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• The Kutema Deeps Mineral Resource area extends over a strike length of 110m (from 10,805mE – 10,915mE), has a maximum width of 60m (from 5,540mN to 5,500mE) and includes the 525m vertical interval from -700mRL to -1,225mRL. • The Sarvisuo Mineral Resource area extends over a strike length of 280m (from 10,955mE – 11,235mE), has a maximum width of 50m (from 5,525mN to 5,575mN) and includes the 760m vertical interval from -15mRL to -775mRL.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid*	• Inverse Distance Squared (ID^2) interpolation with an oriented 'ellipsoid' search was used for the estimate. As shown by Dragon's 8 years of mining experience at the Orivesi Mine (Kutema and Sarvisuo deposits), inverse distance provides a robust estimate of grade that reconciles well with production data. Surpac software was used for the estimations. • Three dimensional mineralised wireframes (interpreted by Dragon and reviewed by RPM) were used to domain the Au data. Sample data was composited to 1.5m down hole lengths using the 'best fit' method. Intervals with no assays were excluded from the estimates. • The influence of extreme grade values was addressed by reducing high outlier values by applying high grade cuts to the data. These cut values were determined through statistical analysis (histograms, log probability plots, cv's, and summary multi-variate and bi-variate statistics) using Supervisor software.

Criteria	JORC Code Explanation	Commentary
	mine drainage characterisation). • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	• The maximum distance of extrapolation from data points (down dip) was 25m. • No assumptions have been made regarding recovery of by-products from the mining and processing of the Kutema or Sarvisuo gold resources. • For Kutema an orientated 'ellipsoid' search was used to select data and was based on the observed lode geometry. The search ellipse was orientated to the average strike, plunge, and dip of the main lodes. The model interpolation was divided above and below the -700mRL due to the change in orientation of the main mineralised lode at this level. Above -700mRL, a first pass search radius of 25m was used based on the drill spacing. The search radius was increased to 60m for the second pass. More than 99% of the blocks were filled by the first pass above -700mRL. Below -700mRL, a first pass radius of 25m and a second pass of 60m were used with a minimum number of samples of 10 and 4 respectively. Only mineralisation below the -720mRL has been reported in this report. • Mineral Resource estimates for the Kutema deposit have previously been reported by RPM, with the earliest reported in August 2007. The current estimate is based upon data and interpretations from the previous estimates, and has included information from recent underground diamond drilling. The Kutema Deeps deposit forms part of the Orivesi Mine. Dragon supplied RPM with stope and drift outlines which were used to deplete the current model. • No assumptions were made regarding the recovery of by-products. • The parent block dimensions used were 5m NS by 10m EW by 10m vertical with sub-cells of 1.25m by 2.5m by 2.5m. The parent block size was selected on the basis of being approximately 50% of the average drill hole spacing. • Selective mining units were not modelled. • Only Au assay data was available, therefore correlation analysis was not carried out. • From the interpretations provided, it appears that a combination of Au grade, lithology and structure has been used to define the margins of the mineralised zones based on a nominal 0.6-1.0g/t Au cut-off. The wireframes were applied as hard boundaries in the estimate. • Statistical analysis was carried out on the composited data. The high coefficient of variation within some main lodes, and the scattering of high grade outliers observed on the histograms, suggested that top cuts were required if linear grade interpolation was to be carried out. • A three step process was used to validate the model. A qualitative assessment was completed by slicing sections through the block model in positions coincident with drilling. A quantitative assessment of the estimate was completed by comparing the average Au grades of the composite file input against the Au block model output for all the mineralised wireframes. A trend analysis was completed by comparing the interpolated blocks to the sample composite data within the main lodes. This analysis was completed for eastings and elevations across the deposit. Validation plots showed good correlation between the composite grades and the block model grades. • Production from the Orivesi Mine is composed of material mined from Kutema Deeps, with no production occurring at the adjacent Sarvisuo deposit during 2015. Production from stoping at the Orivesi Mine during 2015 totalled 80,200 tonnes at a grade of 6.1g/t Au, compared to 80,400 tonnes at 6.1g/t Au reported from the block model within the stope wireframes. As dilution is not incorporated into the block model, there is likely to be a slight overestimation of tonnage and underestimation of grade in the block model. • Mineral Resource estimates for the Sarvisuo deposit have previously been reported by RPM, with the earliest reported in November 2004. The current estimate is based upon data and interpretations from the previous estimates, and has included information from recent

Criteria	JORC Code Explanation	Commentary
		underground diamond drilling. The Sarvisuo deposit forms part of the Orivesi Mine. Dragon supplied RPM with stope and drift outlines which were used to deplete the current model. • No assumptions were made regarding the recovery of by-products. • No non-grade deleterious elements were estimated. • The parent block dimensions used were 2m NS by 10m EW by 10m vertical with sub-cells of 0.5m by 2.5m by 2.5m. The parent block size was selected on the basis of being approximately 50% of the average drill hole spacing. • The block model size used in the Mineral Resource estimate was based on drill sample spacing and lode geometry. Selective mining units were not modelled. • Only Au assay data was available, therefore correlation analysis was not carried out. • From the interpretations provided, it appears that a combination of Au grade, lithology and structure has been used to define the margins of the mineralised zones with no particular cut-off grade and no minimum width. This has resulted in numerous intersections being included in the wireframes where the Au grade is extremely low, and where the intersection length is very small. However, in most cases the minimum grade of 0.5g/t Au was used as a limit value when the envelopes of mineralisation were digitised. The wireframes were applied as hard boundaries in the estimate. • Statistical analysis was carried out on the composited data. The high coefficient of variation within some main lodes, and the scattering of high grade outliers observed on the histograms, suggested that top cuts were required if linear grade interpolation was to be carried out. • A three step process was used to validate the model. A qualitative assessment was completed by slicing sections through the block model in positions coincident with drilling. A quantitative assessment of the estimate was completed by comparing the average Au grades of the composite file input against the Au block model output for all the mineralised wireframes. A trend analysis was completed by comparing the interpolated blocks to the sample composite data within the main lodes. This analysis was completed for eastings and elevations across the deposit. Validation plots showed good correlation between the composite grades and the block model grades. • No production occurred at Sarvisuo during 2015. As a result, reconciliation was not conducted.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Tonnages and grades were estimated on a dry in situ basis.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• The Mineral Resource has been reported at a 3g/t Au cut-off. Dragon assumes a cut-off of 2g/t Au is close to the economic limit for underground operations, however are using 3g/t Au cut-off as a conservative cut-off due to the higher cost of mining at the Kutema and Sarvisuo deposits.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• The Kutema Deeps deposit is currently being mined using underground methods. • Until recently, the Sarvisuo deposit was mined by Dragon using underground methods.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported*	• RPM has made no assumptions regarding metallurgical amenability. Ore from Orivesi is processed at the Vammala Plant through a conventional flotation and gravity circuit plant. Only the flotation circuit is used for the Kutema and Sarvisuo ore due to the fine-grained gold.

Criteria	JORC Code Explanation	Commentary
	with an explanation of the basis of the metallurgical assumptions made.	
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	• No assumptions have been made by RPM regarding possible waste and process residue disposal options.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• A bulk density value of 2.80t/m^3 was assigned to all material (ore and waste) based on 87 core measurements and almost 20 years of mining experience at the Orivesi Mine (Kutema and Sarvisuo deposits). • Bulk density is measured. Moisture is accounted for in the measuring process. It is assumed there are minimal void spaces in the rocks at Kutema. • All material at the Kutema deposit is fresh rock and has been assigned the value of 2.80t/m^3.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• Mineral Resources were classified in accordance with the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC, 2012). The Mineral Resource was classified on the basis of sample spacing and continuity of the interpreted zones. The Measured portion of the deposit was defined for the main mineralised zones where there was extensive underground level development and sludge drilling. The Indicated Mineral Resource was defined within areas of reasonably close spaced diamond drilling (less than 30m by 30m) due to the good continuity and predictability of the lode positions. The Inferred Mineral Resource included areas of the deposit where sampling was greater than 30m by 30m, small isolated pods of mineralisation outside the main mineralised zones and geologically complex zones. • The input data is comprehensive in its coverage of the mineralisation and does not favour or misrepresent in-situ mineralisation. The definition of mineralised zones is based on high level geological understanding producing a robust model of mineralised domains. This model has been confirmed by infill drilling which supported the interpretation. Validation of the block model shows good correlation of the input data to the estimated grades. The drilling and sampling processes used by Dragon are 'best practice' and certified laboratories have been used for Au analyses of samples. The input data is considered reliable and suitable for use in the resource estimate. • The Mineral Resource estimate appropriately reflects the view of the Competent Person.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• Internal audits have been completed by RPM which verified the technical inputs, methodology, parameters and results of the estimate.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include*	• The Kutema Deeps Mineral Resource estimate has been reported with a high degree of confidence. The lode geometry and continuity has been verified through sampling and mapping of underground development drives, and through infill drilling orientated to optimally intersect the lodes. Dragon has been mining the Kutema deposit for many years and has a good understanding of the geology and mineralisation controls. • The Mineral Resource statement relates to global estimates of tonnes and grade. • Results from chip samples taken along underground development drives have confirmed the lode geometry and position. • The Sarvisuo Mineral Resource estimate has been reported with a high degree of confidence. The lode

Criteria	JORC Code Explanation	Commentary
	assumptions made and the procedures used. • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	geometry and continuity has been verified through sampling and mapping of underground development drives, and through infill drilling orientated to optimally intersect the lodes. Dragon has been mining the Sarvisuo deposit for many years and has a good understanding of the geology and mineralisation controls. • The Mineral Resource statement relates to global estimates of tonnes and grade. • Results from chip samples taken along underground development drives have confirmed the lode geometry and position.

Section 4: Estimation and Reporting of Ore Reserves

Criteria	JORC Code Explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	• *Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.* • *Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.*	• The Mineral Resources for Orivesi is a combination of the Kutema and Sarvisuo deposits. The Competent Person for the Mineral Resource estimate is Jeremy Clark who is a full time employee of RPM Limited and is a Members of the Australasian Institute of Geoscientists with sufficient relevant experience to qualify as a Competent Person. • The Mineral Resources are inclusive of these Ore Reserves.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• **Error! Reference source not found.**
Study status	• *The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.* • *The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.*	• Orivesi is an operating mine. The mine was initially operated by Outokumpu from 1994 to 2003 and again by Dragon since 2007. Geological studies are being updated as more data is obtained. Mining studies are continually being updated by a budgeting process. • Standard modifying factors based on historic mining as stated below were used for underground mining.
Cut-off parameters	• *The basis of the cut-off grade(s) or quality parameters applied.*	• An in situ stoping COG includes the operating cost without ore development is estimated as 3.6 g/t for gold. The Opex COG includes all the operating cost inclusive of ore development and is estimated at 4.3 g/t for gold and the Project COG is estimated at 5.1 g/t for gold and includes all site capital and operating costs. • The key parameters to estimate ore cut-off grade are based on the current mining operations.
Mining factors or assumptions	• *The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).* • *The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.* • *The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling.* • *The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).* • *The mining dilution factors used.* • *The mining recovery factors used.* • *Any minimum mining widths used.* • *The manner in which Inferred Mineral Resources are*	• Reconciliation of past production for this mine was used to determine appropriate miming modifying factors to convert the Mineral Resource to an Ore Reserve • Overhand bench and rock fill mining has been successfully used at the mine for many years and is appropriate for this style of deposit. Mining advances from bottom upwards in 80 m high mining panels leaving a sill pillar between the panels. Back fill material is waste rock from development. Access drives from the main decline to mining areas are developed at 20 m vertical sub level intervals. • The stopes have been designed based on historical operational parameters and validated using a commercial stope optimisation product. • The average mining dilution factor adopted is 18% • The average mining recovery factor adopted is 98% of the metal within the defined shapes. • A minimum mining width of 5m is adopted. • Inferred Mineral Resources may be included within stope shapes but the assigned grade to this material is zero and hence assumed to be waste rock. • All required infrastructure is present or proposed (such as ventilation raises) as this is an ongoing operation.

Criteria	JORC Code Explanation	Commentary
	utilised in mining studies and the sensitivity of the outcome to their inclusion. • *The infrastructure requirements of the selected mining methods.*	
Metallurgical factors or assumptions	• *The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.* • *Whether the metallurgical process is well-tested technology or novel in nature.* • *The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.* • *Any assumptions or allowances made for deleterious elements.* • *The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.* • *For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?*	• Material from the Orivesi Gold Mine is processed through a conventional flotation circuit at Vammala with a gold concentrate being produced, which is subsequently treated at the company's Svartliden CIL Plant in northern Sweden. • The metallurgical process is well tested having been in operation since 1994. • The metallurgical recovery is estimated at 84% based on the historical performance of the plant. • Bulk samples are not required for further metallurgical testing.
Environmental	• *The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.*	• The Orivesi Mine and the Vammala Plant have separate Environmental Permits. As an ongoing mining operation no adverse environmental restrictions are anticipated. • An environmental extension permit for Orivesi has been rejected by the Western and Inland Finland Regional State Administrative Office ("AVI") and has been appealed by Dragon. The ruling by the AVI is not binding until the appeals have been processed by the courts and these Ore Reserves will be depleted by the time the appeals process will be complete.
Infrastructure	• *The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.*	• Existing site infrastructure is in place, no additional infrastructure is required.
Costs	• *The derivation of, or assumptions made, regarding projected capital costs in the study.* • *The methodology used to estimate operating costs.* • *Allowances made for the content of deleterious elements.* • *The derivation of assumptions made of metal or commodity price(s), for the principal minerals and co-products.* • *The source of exchange rates used in the study.* • *Derivation of transportation charges.* • *The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.* • *The allowances made for royalties payable, both Government and private.*	• Only sustaining capital has been utilised, calculated from historic costs • The operational costs have been based on historical costs • Allowances for deleterious elements and concentrate treatment have been allowed for in the economic model. • The gold price was supplied by Dragon and reviewed by RPM. • The exchange rate was supplied by Dragon. • Transport charges are based on current site operating conditions. • Treatment and refining charges have been applied as per ongoing experience. • Minimal royalties are payable to the land owner.
Revenue factors	• *The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.* • *The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.*	• A gold price of US$1,150/oz was provided by Dragon and confirmed by RPM as reasonable using published metal price forecasts. • An exchange rate of USD/EURO 1.10 was provided by Dragon and validated by internal RPM data bases.
Market assessment	• *The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.*	• The demand for gold is considered in the gold price used. • It was considered that gold will be marketable for beyond the processing life of these Reserves.

Criteria	JORC Code Explanation	Commentary
	• *A customer and competitor analysis along with the identification of likely market windows for the product.* • *Price and volume forecasts and the basis for these forecasts.* • *For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.*	• The commodity is not an industrial metal.
Economic	• *The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.* • *NPV ranges and sensitivity to variations in the significant assumptions and inputs.*	• This project has been operating since 2007 and the inputs into the economic modelling are based on this historic information. The economic modelling demonstrates that the Project is cash flow positive. • The base case results in a positive economic outcome as assessed by a NPV calculation (@10% DCF). The NPV is most sensitive to the gold price. The NPV at a discount factor of 10%pa changes by +/- 46% with a +/- 10% change in gold price.
Social	• *The status of agreements with key stakeholders and matters leading to social licence to operate.*	• Operations have been in place since 2007 and enjoy a good relationship with the local community.
Other	• *To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:* • *Any identified material naturally occurring risks.* • *The status of material legal agreements and marketing arrangements.* • *The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.*	• Ingress of water and geotechnical issues are addressed by site. • All legal and marketing arrangements are in good standing. • Government agreements and approvals are in line with current operations.
Classification	• *The basis for the classification of the Ore Reserves into varying confidence categories.* • *Whether the result appropriately reflects the Competent Person's view of the deposit.* • *The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).*	• The Ore Reserve is classified as Proved and Probable in accordance with the JORC Code, corresponding to the resource classifications of Measured and Indicated. • The deposit's geological model is well constrained. The Ore Reserve classification is considered appropriate given the nature of the deposit, the moderate grade variability, drilling density, structural complexity and mining history. • No Measured was included in the Probable Ore Reserve • No Inferred Mineral Resources were included in the Ore Reserve estimate.
Audits or reviews	• *The results of any audits or reviews of Ore Reserve estimates.*	• RPM has completed an internal review of the Ore Reserve estimate and found it to be reasonable.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.* • *It is recognised that this may not be possible or appropriate in all circumstances. These statements of*	• RPM has used mine design practices and estimates based on the operational factors that have occurred throughout the mines life since 2007. No statistical analysis procedures have been applied. • The Ore Reserve report is a global assessment of the Orivesi Gold Mine based on the assumption that the operation will continue in operation. • The accuracy and confidence limits are based on the current designs and cut-off grade analysis employed in the economic evaluation. Material changes to the economic assumptions including the operating assumption and the revenue factors may materially impact the accuracy of the estimate. • The Ore Reserve has utilised parameters provided by site as made available.

Criteria	JORC Code Explanation	Commentary
	relative accuracy and confidence of the estimate should be compared with production data, where available.	

APPENDIX 3

JORC Table 1 - Jokisivu Gold Mine

Section 1 Sampling Techniques and Data

Criteria	JORC Code 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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *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.*	• The various mineralised lodes at the Kujankallio and Arpola deposit were sampled using surface and underground diamond drill holes, RC percussion drill holes, and sludge drill holes, surface trench sampling, and face chip sampling from underground development drives. • Drill hole collars and starting azimuths have been accurately surveyed by various contract surveyors. Dip values were measured at 10m intervals down hole by drillers using conventional equipment. Azimuth deviations of the deepest holes were surveyed with Reflex Maxibor or EMS multi-shot equipment. Drill samples were taken at geological intervals with average sample lengths of 1m. Face and wall samples were taken from development drives within ore zones. • Drilling was conducted by Outokumpu and Dragon. In the 1990s, diamond drilling by Outokumpu used 45mm core diameter (T56) with sampling at varying intervals based on geological boundaries. Half-split core was sampled and sent for preparation (crushing and pulverising) and assaying at Outokumpu's laboratory where samples were analysed using a Fire-Assay method with AAS or ICP finish. Since 2000, diamond drilling by Outokumpu and Dragon used 62mm and 50mm diameter core (T76 or NQ2) with sampling and preparation as described above. In some circumstances drill holes have been sampled using the full-core sample. Sample preparation was undertaken at the local independent laboratory in Outokumpu. Pulverised samples from drilling programs over the period 2000 to mid-2003 were assayed for gold using a 50g Fire Assay with AAS or ICP finish at VTT laboratory (Outokumpu town) and GTK's laboratory (Espoo and Rovaniemi). In addition to Au, some mineralised sections were assayed by ACME Analytical Laboratories (Vancouver, Canada) for a multi-element suite by ICP-MS method. From mid-2003 to 2007, all pulverised sample pulps have been shipped by DHL to ACME Analytical Laboratories (Vancouver, Canada) for Au analysis using a 30g Fire Assay with ICP-ES finish. During this period, all samples exceeding a 1ppm Au value were checked using Fire Assay with gravimetric finish. From the start of 2008 to the end of 2013, analysis of Dragon's pulverised core was completed at ALS Chemex Laboratory (Rosia Montana, Romania) for Au using a 30g Fire Assay with AAS finish. In 2008, any Au values exceeding 3ppm were checked with Fire Assay using gravimetric finish. Since 2009, grade control program, Au values in diamond core and percussion samples in excess of 5ppm and 50ppm respectively were checked using Fire Assay with gravimetric finish. Since 2014, full core from infill drilling was submitted to ALS Chemex, whilst half core was submitted from surface exploration holes. In 2015, analysis of the Jokisivu sludge samples was conducted at the Kemian Tutkimuspalvelut Oy/CRS Minlab laboratory in Finland, using PAL1000 cyanide leach with AAS finish.
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, percussion, sludge and reverse circulation (RC) were the primary drilling techniques used at Kujankallio and Arpola. Mini drill holes were also used historically at surface. Diamond holes make up 20% of the total holes drilled at the Kujankallio deposit with core diameters varying from 45mm to 62mm. Hole depths ranged from 11m to 544m. Recoveries from diamond core were recorded as RQD figures in the database. A

Criteria	JORC Code Explanation	Commentary
		total of 61,033 records have currently been recorded with an average value of 92%. Core was orientated using Reflex tools. Runs of diamond core were placed in cradles by Dragon geologists and marked up with an orientated centre line prior to logging. Lost core was also routinely recorded. RC drilling makes up 2% of the total holes drilled with depths ranging from 8m to 85m. Percussion drilling makes up 29% of the drill holes with depths ranging from 1m to 17m. Trench or channel sampling accounts for less than 4% of the 'drilling' at the deposit with sampling at intervals from 0.3m to 10.5m. Diamond holes make up 30% of the total holes drilled at the Arpola deposit with core diameters varying from 45mm to 62mm. Hole depths ranged from 0.3m to 339m. Recoveries from diamond core were recorded as RQD figures in the supplied database. A total of 61,042 records were supplied with an average value of 92. Core was orientated using Reflex tools. Runs of diamond core were placed in cradles by Dragon geologists and marked up with an orientated centre line prior to logging. Lost core was also routinely recorded. RC drilling makes up 6% of the total holes drilled with depths ranging from 4m to 85m.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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.*	• Diamond core was reconstructed into continuous runs for orientation marking with depths checked against core blocks. Core loss observations were noted by geologists during the logging process. All percussion and RC samples were visually checked for recovery, moisture and contamination and no recovery problems were encountered. • 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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All holes were field logged by company geologists to a high level of detail. • Diamond holes were logged for recovery, RQD, number and type of defects. The supplied database contained tables with information on quartz vein shearing and vein percentage with observations recorded for alpha/beta angles, dips, azimuths, and true dips. The amount and type of ore textures and ore minerals were also recorded within a separate table. • Drill samples were logged for lithology, rock type, colour, mineralisation, alteration, and texture. Logging was a mix of qualitative and quantitative observations. It has been standard practice by Outokumpu and Dragon (since 2000), that all diamond core be routinely photographed. • All drill holes were logged in full.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of 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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Diamond core is cut in half using a core saw with half core submitted for assay. In some circumstances, full-core or quarter core has been sent for analysis. • Open pit percussion drill samples were collected at 1m intervals. Samples were collected at the rig, representing cutting's coarse fraction. The whole sample was collected and split at the laboratory's sample handling facility. Samples were predominantly dry. Percussion drilling was halted immediately if groundwater was encountered. Drilling was through bedrock from surface. Sampling of diamond core and RC chips uses industry standard techniques. After drying the sample was subject to a primary crush, then pulverised so that 85% passes a -75um sieve. • Underground sludge holes were sampled at 1m intervals. The collected sample represents the whole drilled bulk material. Sample material was collected directly from the hole into a large plastic bucket. • Dragon has used systematic standard and pulp duplicate sampling since 2004. Every 20th sample (sample id ending in -00, -20, -40, -60, -80) is submitted as a standard, and every 20th 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). • Sample sizes are considered appropriate to correctly

Criteria	JORC Code Explanation	Commentary
		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 Au.
Quality of assay 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.* • *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.* • *Nature of 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.*	• The predominant assay method for drill samples was by Fire Assay with AAS or ICP finish (30g or 50g pulps). From 2008, samples reporting greater than 5ppm were checked using the gravimetric finish. Trench samples were analysed using Aqua-Regia digestion with ICP-MS analysis. The main element assayed was Au, but major and trace elements were analysed on selected drill holes with analysis undertaken at ACME Analytical Laboratories (Vancouver, Canada). In 2015, analysis of the Jokisivu sludge samples was conducted at the Kemian Tutkimuspalvelut Oy/CRS Minlab laboratory in Finland, using PAL1000 cyanide leach with AAS finish. • No geophysical tools were used to determine any element concentrations used in this resource estimate. • Sample preparation checks for fineness were carried out by the laboratory as part of internal procedures to ensure the grind size of more than 85% passing 75µm was being attained. Laboratory QAQC includes the use of internal standards using certified reference material, and pulp replicates. The various programs of QAQC carried out by various companies over the years have produced results which support the sampling and assaying procedures used at the various deposits. • A total of 5 different certified reference materials representing a variety of grades from 1.34g/t to 18.12g/t were inserted systematically since 2004 for a total of 1,387 samples for Kujankallio and 389 samples for Arpola. Results highlighted that the sample assays are accurate, showing no obvious bias. • A total of 782 blank samples were submitted during the Kujankallio drill programs. Results show that no contamination has occurred. Field duplicate analyses (2,095) honour the original assay and demonstrate best practice sampling procedures have been adopted. • A total of 185 blank samples were submitted during the Arpola drill programs. Results show that contamination of samples has not occurred. Field duplicate analyses (585) honour the original assay and demonstrate best practice sampling procedures have been adopted.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• RPM has independently verified significant intersections of mineralisation by inspecting drill core from the recent drilling at the Dragon core yard during the 2015 site visit. • There has been no specific drill program at Kujankallio or Arpola designed to twin existing drill holes. • Primary data is digitised using Drill Logger software. During recent years, drill logging has been recorded on customised Excel spreadsheets and imported onto an Access database. • Dragon adjusted zero Au grades to half the detection limit.
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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drill hole collars and starting azimuths have been accurately surveyed by various contract surveyors. Down hole dip values were recorded at 10m intervals by the drillers using conventional equipment. The azimuth deviations of the deepest holes have been surveyed with Maxibor equipment. All drilling from 2010 has been surveyed using the Maxibor or Deviflex equipment. • Drill hole locations were positioned using the Finnish National Grid System (FIN KKJ2, 2003) with survey control established by Suomen Malmi Oy. A local mine grid is used at the Jokisivu Mine and all resource modelling was done using the local grid co-ordinates. • The topographic surface over the Jokisivu Mine was prepared by Dragon using topographic contours from digi-form maps. Surveyed data points from drill hole collars and trench samples were used to create a more accurate surface immediately above the mineralised lodes. The Kujankallio and Arpola open pits were generated from mine survey pickups.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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*	• Drill holes have been located at 5m by 10m through the shallow portions of the mineralised lodes at Kujankallio and Arpola. The nominal spacing across the deposits is at 20m by 20m.

Criteria	JORC Code Explanation	Commentary
	estimation procedure(s) and classifications applied. • *Whether sample compositing has been applied.*	• The main mineralised domains have demonstrated sufficient continuity in both geological and grade continuity to support the definition of Mineral Resource, and the classifications applied under the 2012 JORC Code. • Samples have been composited to 1m lengths using 'best fit' techniques.
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.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• 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. Underground 'fan' drilling is at variable dips and directions dependant on the drill site within the drives and orientated to optimally intercept the mineralised lodes. • There is the potential for orientation based sampling bias due to sludge drill holes being drilled up into the mineralised lodes but is not considered to be material.
Sample security	• *The measures taken to ensure sample security.*	• Chain of custody of samples is managed by Dragon and the process was closely reviewed by Jeremy Clark (RPM) during the May 2015 site visit. Dragon personnel or drill contractors transport diamond core to the core logging facilities where Dragon geologists log the core. Core samples are cut either by Dragon personnel or by ALS laboratory personnel. Samples are transported to the sample preparation laboratory and then on to the analysis laboratory using contract couriers or laboratory personnel. Dragon 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.*	• A review of sampling techniques and data was carried out by Jeremy Clark (RPM) during the May 2015 site visit. The conclusion made was that sampling and data capture was to industry standards.

Section 2 Reporting of Exploration Results

Criteria	JORC Code 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 security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	• The Jokisivu Mining Lease covers both the Arpola and Kujankallio deposits which Dragon are actively mining. • Mine lease 'JOKISIVU' (K7244 1a-1b, 48.32 ha) and application for extension of the mine lease 'JOKISIVU2' (KL2015:0005, 21.31 ha). • Claims, close to mine lease area: Jokisivu4-5 (ML2012:0112, 90.82 ha), Jokisivu6 (8768/1, 4.22 ha), Jokisivu7 (8970/1, 6.70 ha) and Jokisivu8 (8970/2, 26.40 ha). • The tenements are in good standing and no known impediments exist.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The Kujankallio and Arpola deposits were discovered by Outokumpu Mining Oy.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Jokisivu is a Palaeoproterozoic orogenic gold deposit comprising two major ore bodies (Kujankallio and Arpola) in a diorite. Mineralisation is hosted within relatively undeformed and unaltered diorite in 1m to 5m wide shear zones that are characterised by laminated, pinching, and swelling quartz veins.

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 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*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• The Kujankallio deposit is part of the Jokisivu Mine. Recent drilling at the deposit was primarily underground diamond 'fan' drilling from two locations at depth. No exploration results are being reported in this report.
		• The Arpola deposit is part of the Jokisivu Mine. The latest diamond drill program was executed in 2015. Open pit RC drilling at 5m by 10m spacing was undertaken in 2010. No exploration results are being reported in this report.
		• The Jokisivu Mine has been operating since 2009. In the opinion of Dragon, material drill results have been adequately reported previously to the market as required under the reporting requirements of the ASX Listing Rules.

Data aggregation	• *In reporting Exploration Results, weighting averaging*	• Exploration results are not being reported.

Criteria	JORC Code Explanation	Commentary
methods	*techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Not applicable as a Mineral Resource is being reported. • Metal equivalent values have not been used.
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 (e.g. 'down hole length, true width not known').*	• The majority of Kujankallio 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. • Drill holes at Arpola were orientated predominantly to an azimuth of 180° (local mine grid) and angled to an average dip of approximately -50° which is approximately perpendicular to the orientation of the mineralised trends. • The narrow mineralised zones strike at approximately 280° (local grid) and are variably dipping between 45° and 65° to the north (local grid).
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Relevant diagrams have been included within the Mineral Resource report main body of text.
Balanced Reporting	• *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.* • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Drill hole collars and starting azimuths have been accurately surveyed by Dragon mine and exploration surveyors. Down hole surveys were undertaken on all exploration and resource development diamond drill holes. Surveys were generally taken at 3m or 10m intervals down hole using Maxibor, EMS multishot or Deviflex equipment. The majority of surveys have been conducted by Suomen Malmi Oy (SMOY). Recent drill holes have been surveyed by Nivalan Timanttikairaus Oy using Maxibor II, Gyro or Deviflex equipment. • Exploration results are not being 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.*	• Face and wall chip sampling has been undertaken as development continues at Kujankallio and Arpola. These samples are not included in Mineral Resource estimates but are used by Dragon to guide the mineralisation interpretations.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large- scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Mine development is ongoing. Dragon is undertaking drilling underground at a number of levels to better understand the nature and extent of the gold mineralisation. • Refer to diagrams in the body of text within the Mineral Resource report.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code Explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• During recent years, drill logging has been recorded on customised Excel spreadsheets and imported onto an Access database. Dragon carry out internal checks to ensure the transcription is error free. Laboratory assay results are loaded as electronic files direct from the laboratory so there is little potential for transcription errors. • The data base is systematically audited by Dragon geologists. All drill logs are validated digitally by the geologist once assay results are returned from the laboratory.

Criteria	JORC Code Explanation	Commentary
		• RPM also performed data audits in Surpac and checked collar coordinates, down hole surveys and assay data for errors. Minor errors were noted but pertain to data outside the resource.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• Initial site visits were conducted by Aaron Green in June 2007 and Paul Payne in May 2009 (both formerly ResEval and RUL). A site visit was conducted by Trevor Stevenson (formerly RPM) in October 2013. The most recent site visit was conducted by Jeremy Clark (RPM) in May 2015. Drilling, logging, and sampling procedures were viewed and it was concluded that these were being conducted to best industry practice.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• The Kujankallio deposit comprises a set of parallel lodes of varying thickness and grade hosted in a shear zone striking west-north-west. The shears are characterised by laminating, pinching, and swelling quartz veins and a well-developed, moderately plunging lineation. The lodes are hosted within a sheared quartz diorite unit. Ongoing underground development has increased the level of confidence in the current interpretations. • Drill hole logging by Dragon geologists, through direct observation of drill core and percussion samples have been used to interpret the geological setting. The bedrock is exposed at surface and within the open pit. • The continuity of the main mineralised lodes is clearly observed by Au grades within the drill holes. The close spaced drilling (5m) at shallow depths, and ongoing face and wall sampling, suggest the current interpretation is robust. The majority of the mineralisation has been captured within the current interpretations of thin parallel lodes. Alternate interpretations would have little impact on the overall Mineral Resource estimation. • Mineralisation occurs within quartz diorite which is directly observed at surface. Vein percent has been used in geological logging to highlight mineralised intersections. The current interpretations are mainly based on Au assay results. • Gold mineralisation is contained within quartz veins occurring within the barren host rocks. • The Arpola deposit comprises a set of multiple thin, discontinuous structures modelled as sub-parallel lodes in a tight array. The lodes are hosted within a sheared quartz diorite unit. Open pit mining and underground development has increased the level of confidence in the current interpretations. • Drill hole logging by Dragon geologists, through direct observation of drill core and percussion samples have been used to interpret the geological setting. The bedrock is exposed at surface and within the current open pit. • The continuity of the main mineralised lodes is clearly observed by Au grades within the drill holes. The close spaced drilling (5m) at shallow depths, and trench sampling, suggest the current interpretation is robust. The majority of the mineralisation has been captured within the current interpretations of thin parallel lodes. Alternate interpretations would have little impact on the overall Mineral Resource estimation. • Mineralisation occurs within quartz diorite which is directly observed at surface. Vein percent has been used in geological logging to highlight mineralised intersections. The current interpretations are mainly based on Au assay results. • Gold mineralisation is contained within quartz veins occurring within the barren host rocks.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• The Kujankallio resource area extends over strike length of 700m (from 5,650mE to 6,350mE local grid) and includes the 350m vertical interval from 0m to -350m. • The Arpola Mineral Resource area extends over a strike length of 395m (from 6,055mE – 6,450mE) and includes the 220m vertical interval from -10mRL to -230mRL.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining,*	• Inverse Distance Squared (ID^2) interpolation with an oriented 'ellipsoid' search was used for the estimate. Surpac software was used for the estimations.

Criteria	JORC Code Explanation	Commentary
	interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used. • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	• Three dimensional mineralised wireframes (interpreted by Dragon and checked by RPM) were used to domain the Au data. Sample data was composited to 1m down hole lengths using the 'best fit' method. Intervals with no assays were excluded from the estimates. • The influence of extreme grade values was addressed by reducing high outlier values by applying top-cuts to the data. These cut values were determined through statistical analysis (histograms, log probability plots, cv's, and summary multi-variate and bi-variate statistics) using Supervisor software. • The maximum distance of extrapolation from data points (down dip) was 20m. • RPM has not made assumptions regarding recovery of by-products from the mining and processing of ore from the Kujankallio and Arpola deposits. • No estimation of deleterious elements was carried out. Only Au was interpolated into the block model. • An orientated 'ellipsoid' search was used to select data and was based on the observed lode geometry. The search ellipse was orientated to the average strike, plunge, and dip of the main lodes. Three passes were used in the estimation. For Kujankallio, the first pass used a range 45m with a minimum of 10 samples. For the second pass, the range was extended to 60m, with a minimum of 6 samples. A third pass radius of 150m with a minimum of two samples was used to fill the model. A maximum of 40 samples was used for all 3 passes. Greater than 94% of the blocks were filled in the first two passes. For Arpola main lodes the first pass used a range 30m with a minimum of 10 samples. For the second pass, the range was extended to 60m, with a minimum of 6 samples. A third pass radius of 90m with a minimum of two samples was used to fill the model. A maximum of 32 samples was used for all 3 passes. Greater than 97% of the blocks were filled in the first two passes. • Mineral Resource estimates for the Kujankallio deposit have previously been reported by RPM, with the earliest reported in January 2009. Prior to this, an estimate was completed by Maxwell Geoservices in January 2005. The current estimate is based upon data and interpretations from the previous estimates, and has included information from recent underground diamond drilling. The Kujankallio deposit forms part of the Jokisivu Mine. Dragon supplied RPM with stope and drift outlines which were used to deplete the current model. • Mineral Resource estimates for the Arpola deposit have previously been reported by RPM, with the earliest reported in July 2010. Prior to this, an estimate was completed by Maxwell Geoservices in February 2005. The current estimate is based upon data and interpretations from the previous estimates, and has included information from recent surface drilling and underground sampling. The Arpola deposit forms part of the Jokisivu Mine. Recent underground development has occurred at Arpola. Dragon supplied RPM with drift outlines which were used to deplete the current model. • No assumptions were made regarding the recovery of by-products. • No non-grade deleterious elements were estimated. • For Kujankallio the parent block dimensions used were 2m NS by 5m EW by 5m vertical with sub-cells of 0.5m by 1.25m by 1.25m. The parent block size was selected on the basis of being approximately 50% of the average drill hole spacing. • Selective mining units were not modelled. The block size used in the resource model was based on drill sample spacing and lode orientation. • Only Au assay data was available, therefore correlation analysis was not carried out. • The deposit mineralisation was constrained by wireframes constructed using a combination of Au grade, lithology, and structure. No minimum intercept length was used, and a lower grade cut-off was not applied although, in most cases, the minimum grade of 1.0g/t Au was used as a limit. The wireframes were

Criteria	JORC Code Explanation	Commentary
		applied as hard boundaries in the estimate. • Top cuts were applied to the data. Statistical analysis was carried out on data from each lode. The high coefficient of variation within some main lodes, and the scattering of high grade outliers observed on the histograms, suggested that top-cuts were required if linear grade interpolation was to be carried out. • To validate the model, a qualitative assessment was completed by slicing sections through the block model in positions coincident with drilling. A quantitative assessment of the estimate was completed by comparing the average Au grades of the composite file input against the Au block model output for all the resource objects. A trend analysis was completed by comparing the interpolated blocks to the sample composite data within the main lodes. This analysis was completed for eastings and elevations across the deposit. Validation plots showed good correlation between the composite grades and the block model grades. • For Arpola, the parent block dimensions used were 2m NS by 10m EW by 5m vertical with sub-cells of 0.5m by 2.5m by 1.25m. The parent block size was selected on the basis of being approximately 50% of the average drill hole spacing. • Selective mining units were not modelled. • Only Au assay data was available, therefore correlation analysis was not carried out. • The deposit mineralisation was constrained by wireframes constructed using a combination of Au grade, lithology, and structure. No minimum intercept length was used, and a lower grade cut-off was not applied although, in most cases, the minimum grade of 0.5g/t Au was used as a limit. The wireframes were applied as hard boundaries in the estimate. • Top-cuts were applied to the data based on a statistical analysis of samples at Arpola. The high coefficient of variation within some main lodes, and the scattering of high grade outliers observed on the histograms, suggested that top-cuts were required if linear grade interpolation was to be carried out. • To validate the model, a qualitative assessment was completed by slicing sections through the block model in positions coincident with drilling. A quantitative assessment of the estimate was completed by comparing the average Au grades of the composite file input against the Au block model output for all the resource objects. A trend analysis was completed for 20m eastings and 10m elevations for lode 1. The model validation showed good correlation between the composite grades and the block model grades and highlighted the smoothing effect of the estimated grades compared to the composites.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Tonnages and grades were estimated on a dry in situ basis.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• The Mineral Resource has been reported at a 2g/t Au cut-off based on assumptions made by Dragon in regard to economic cut-off grades for open pit and underground mining.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• The Kujankallio and Arpola deposits are currently being mined using underground methods.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made*	• RPM has made no assumptions regarding metallurgical amenability. Ore from Jokisivu is processed at the Vammala Plant through a conventional flotation and gravity circuit plant.

Criteria	JORC Code Explanation	Commentary
	when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	• No assumptions have been made by RPM regarding possible waste and process residue disposal options.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• The bulk density values assigned to the block model were assumed. A value of 2.8t/m^3 was used for fresh material (both mineralised and waste material). A value of 1.75t/m^3 was assigned to the overlying till material. These values are consistent with similar styles of mineralisation and lithologies at neighbouring Dragon operations.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• Kujankallio Mineral Resources were classified in accordance with the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC, 2012). The Mineral Resource was classified as Measured, Indicated and Inferred Mineral Resource on the basis of data quality, sample spacing, and lode continuity. The Measured Mineral Resource has been defined by extensive open cut and underground grade control drilling (10m strike spacing), surface trenching and underground mapping which has confirmed the geological and grade continuity of the mineralisation. The Indicated Mineral Resource was defined within areas of reasonably close spaced diamond drilling (less than 30m by 30m) due to the good continuity and predictability of the lode positions. The Inferred Mineral Resource included areas of the resource where sampling was greater than 30m by 30m, small isolated pods of mineralisation outside the main mineralised zones and geologically complex zones. • The mineralised lodes interpreted at Kujankallio are based on a high level of geological understanding of similar deposits currently being mined by Dragon. The drilling and sampling processes used by Dragon are 'best practice' and certified laboratories have been used for Au analyses of samples. The input data is considered reliable and suitable for use in the estimate. • The Kujankallio Mineral Resource estimate appropriately reflects the view of the Competent Person. • Arpola Mineral Resources were classified in accordance with the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC, 2012). The Mineral Resource was classified on the basis of sample spacing and continuity of the interpreted zones. In general, any zone defined by surface trenching or drilling immediately below the mined pit, where drill hole spacing was 10m by 5m, and good geological lode continuity was apparent (or confirmed by underground development), was classified as Measured Mineral Resource. Remaining areas where drill hole spacing was less than 20m by 20m and reasonable geological lode continuity was apparent were classified as Indicated Mineral Resource. Those zones where drill hole spacing was greater than 20m by 20m, or where the continuity and/or geometry were

Criteria	JORC Code Explanation	Commentary
		uncertain were classified as Inferred Mineral Resource. Zones with less than four drill hole intersections were also classified as Inferred. • The mineralised lodes interpreted at Arpola are based on a high level of geological understanding of similar deposits currently being mined by Dragon. The drilling and sampling processes used by Dragon are 'best practice' and certified laboratories have been used for Au analyses of samples. The input data is considered reliable and suitable for use in the Mineral Resource estimate. • The Arpola Mineral Resource estimate appropriately reflects the view of the Competent Person.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• Internal audits have been completed by RPM which verified the technical inputs, methodology, parameters and results of the estimate.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• The Kujankallio and Arpola Mineral Resource estimates have been reported with a high degree of confidence. The lode geometry and continuity has been verified through sampling and mapping of underground drives, and through infill drilling orientated to optimally intersect the lodes. Dragon has a good understanding of the geology and mineralisation controls gained through mining of the deposit since 2009. • The Mineral Resource statement relates to global estimates of tonnes and grade. • Results from chip samples taken along underground development drives have confirmed the lode geometry and position.

Section 4: Estimation and Reporting of Ore Reserves

Criteria	JORC Code Explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	• *Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.* • *Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.*	• The Mineral Resources for Jokisivu is a combination of the Kujankallio and Arpola deposits. The Competent Person for the Mineral Resource estimate is Jeremy Clark who is a full time employee of RPM Limited and is a Members of the Australasian Institute of Geoscientists with sufficient relevant experience to qualify as a Competent Person. • The Mineral Resources are inclusive of these Ore Reserves.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	**Error! Reference source not found.**
Study status	• *The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.* • *The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.*	• Jokisivu is an operating mine with a history of mining in the types of development and stopes included in the Ore Reserves. The Mineral Resources have been converted to Ore Reserves by means of Life of Mine development and stoping plan together with economic budget preparation. Material, even if within the Mineral Resources that have not been planned to be mined at this stage have not been included in the Ore Reserves. • Standard modifying factors based on historic mining as stated below were used for underground mining.
Cut-off parameters	• *The basis of the cut-off grade(s) or quality parameters applied.*	• An in situ stoping COG includes the operating cost without ore development is estimated as 2.3 g/t for gold. The Opex COG includes all the operating cost inclusive of ore development and is estimated at 3.0 g/t for gold and the Project COG is estimated at 3.7g/t for gold and includes all site capital and operating costs. • The key parameters to estimate ore cut-off grade are based on the current mining operations.

Criteria	JORC Code Explanation	Commentary
Mining factors or assumptions	• *The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).* • *The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.* • *The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling.* • *The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).* • *The mining dilution factors used.* • *The mining recovery factors used.* • *Any minimum mining widths used.* • *The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.* • *The infrastructure requirements of the selected mining methods.*	• Reconciliation of past production for this mine was used to determine appropriate miming modifying factors to convert the Mineral Resource to an Ore Reserve • Overhand bench and rock fill mining has been successfully used at the mine for many years and is appropriate for this style of deposit. Mining advances from bottom upwards in 80 m high mining panels leaving a sill pillar between the panels. Back fill material is waste rock from development. Access drives from the main decline to mining areas are developed at 15 to 20 m vertical sub level intervals. • The stopes have been design based on historical operational parameters and validated using a commercial stope optimisation product. • The average mining dilution factor adopted is 29% • The average mining recovery factor adopted is 82% of the metal within the defined shapes. • A minimum mining width of 3m is adopted. • Inferred Mineral Resources may be included within stope shapes but the assigned grade to this material is zero and hence assumed to be waste rock. • All required infrastructure is present or proposed (such as ventilation raises) as this is an ongoing operation.
Metallurgical factors or assumptions	• *The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.* • *Whether the metallurgical process is well-tested technology or novel in nature.* • *The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.* • *Any assumptions or allowances made for deleterious elements.* • *The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.* • *For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?*	• Material from the Jokisivu Gold Mine is processed through a conventional flotation circuit at Vammala with a gold concentrate being produced, which is subsequently treated at the company's Svartliden CIL Plant in northern Sweden. • The metallurgical process is well tested having been in operation since 1994. • The metallurgical recovery is estimated at 87% based on the historical performance of the plant. • Bulk samples are not required for further metallurgical testing.
Environmental	• *The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.*	• The Jokisivu mine and the Vammala Plant have separate Environmental Permits. As an ongoing mining operation no adverse environmental restrictions are anticipated.
Infrastructure	• *The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.*	• Existing site infrastructure is in place, no additional infrastructure is required.
Costs	• *The derivation of, or assumptions made, regarding projected capital costs in the study.* • *The methodology used to estimate operating costs.* • *Allowances made for the content of deleterious elements.* • *The derivation of assumptions made of metal or commodity price(s), for the principal minerals and co-products.* • *The source of exchange rates used in the study.*	• Only sustaining capital has been utilised, calculated from historic costs • The operational costs have been based on historical costs • Allowances for deleterious elements and concentrate treatment have been allowed for in the economic model. • The gold price was supplied by Dragon and reviewed by RPM. • The exchange rate was supplied by Dragon. • Transport charges are based on current site operating conditions. • Treatment and refining charges have been applied as per ongoing experience. • Minimal royalties are payable to the land owner.

Criteria	JORC Code Explanation	Commentary
	• *Derivation of transportation charges.* • *The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.* • *The allowances made for royalties payable, both Government and private.*	
Revenue factors	• *The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.* • *The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.*	• A gold price of US$1,150/oz was provided by Dragon and confirmed by RPM as reasonable using published metal price forecasts. • An exchange rate of USD/EURO 1.10 was provided by Dragon and validated by internal RPM data bases.
Market assessment	• *The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.* • *A customer and competitor analysis along with the identification of likely market windows for the product.* • *Price and volume forecasts and the basis for these forecasts.* • *For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.*	• The demand for gold is considered in the gold price used. • It was considered that gold will be marketable for beyond the processing life of these Reserves. • The commodity is not an industrial metal.
Economic	• *The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.* • *NPV ranges and sensitivity to variations in the significant assumptions and inputs.*	• This project has been operating since 2009 and the inputs into the economic modelling are based on this historic information. The economic modelling demonstrates that the Project is cash flow positive. • The base case results in a positive economic outcome as assessed by a NPV calculation (@10% DCF). The NPV is most sensitive to the gold price. The NPV at a discount factor of 5%pa changes by +/- 46% with a +/- 10% change in gold price.
Social	• *The status of agreements with key stakeholders and matters leading to social licence to operate.*	• Operations have been in place since 2009 and enjoy a good relationship with the local community.
Other	• *To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:* • *Any identified material naturally occurring risks.* • *The status of material legal agreements and marketing arrangements.* • *The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.*	• Ingress of water and geotechnical issues are addressed by site. • All legal and marketing arrangements are in good standing. • Government agreements and approvals are in line with current operations.
Classification	• *The basis for the classification of the Ore Reserves into varying confidence categories.* • *Whether the result appropriately reflects the Competent Person's view of the deposit.* • *The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).*	• The Ore Reserve is classified as Proved and Probable in accordance with the JORC Code, corresponding to the resource classifications of Measured and Indicated. • The deposit's geological model is well constrained. The Ore Reserve classification is considered appropriate given the nature of the deposit, the moderate grade variability, drilling density, structural complexity and mining history. • No Measured was included in the Probable Ore Reserve • No Inferred Mineral Resources were included in the Ore Reserve estimate.
Audits or reviews	• *The results of any audits or reviews of Ore Reserve estimates.*	• RPM has completed an internal review of the Ore Reserve estimate and found it to be reasonable.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of*	• RPM has used mine design practices and estimates based on the operational factors that have occurred throughout the mines life since 2009. No statistical analysis procedures have been applied.

Criteria	JORC Code Explanation	Commentary
	statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate. • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.* • *It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• The Ore Reserve report is a global assessment of the Jokisivu Gold Mine based on the assumption that the operation will continue in operation. • The accuracy and confidence limits are based on the current designs and cut-off grade analysis employed in the economic evaluation. Material changes to the economic assumptions including the operating assumption and the revenue factors may materially impact the accuracy of the estimate. • The Ore Reserve has utilised parameters provided by site as made available.

APPENDIX 4

JORC Table 1 – Kaapelinkulma Gold Project

Section 1 Sampling Techniques and Data

Criteria	JORC Code 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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *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.*	• The various mineralised lodes at the Kaapelinkulma deposit were sampled using surface diamond drill holes, percussion holes, and surface trench sampling. Drilling was conducted primarily on 10m or 20m line spacing increasing to 40m at depth, and drilled on the Finnish National Grid system (FIN KKJ2, 2003). • Sawed channel profiles at the surface trenches were spaced at 10m or 20m along strike over the southern lodes. Trench samples were split and then quartered in the field by Dragon personnel to produce representative samples. • Drill holes were generally angled at -50° towards the north-west (average of 292° azimuth) to optimally intersect the mineralised zones. • Diamond core was sampled at geological intervals prior to being cut, with half core sent for analysis (in some cases quarter core was submitted for analysis). • Drill hole collars and starting azimuths appear to have been accurately surveyed by Dragon mine and exploration surveyors. Dip values were measured at 10m intervals down hole by drillers using conventional equipment. Azimuth deviations of the deepest holes were surveyed with Maxibor equipment. In the recent drilling campaigns (2010 and 2014-2015), all drill holes were down-hole surveyed using Maxibor, Gyro or DeviFlex equipment. • Drilling was conducted by Geological Survey of Finland (GTK), Outokumpu Mining Oy, and by Polar Mining Oy/Dragon Mining Oy (subsidiaries of Dragon Mining Limited). Diamond drilling by GTK used 45mm core diameter (T56) with sampling at varying intervals based on geological boundaries. Half-split core was sampled and sent for preparation (crushing and pulverising) and assaying at GTK's laboratory where samples were analysed using a Fire-Assay method with AAS or ICP finish. Diamond drilling by Outokumpu used 62mm and 50mm diameter core (T76 or NQ2) with sampling and preparation as described above. Sample analysis was undertaken at the local independent laboratory in the town of Outokumpu using Fire-Assay with AAS or ICP finish. Diamond drilling by Dragon used 50 to 57.5mm core diameter (T66WL, NQ2 and T76WL) with sampling and analysis as described above for Outokumpu drilling. In June 2008, the independent sample preparation laboratory in the town of Outokumpu became part of ALS Chemex laboratories.

Criteria	JORC Code Explanation	Commentary
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 or percussion drilling were the primary techniques used at Kaapelinkulma. Diamond holes make up over 90% of the total metres drilled with core diameters varying from 45mm to 62mm. Hole depths range from 14m to 181m. Percussion drill hole depths range from <2m to 21m. The length of sawed channels varies from 0.4m to 15m.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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.*	• RQD values for diamond core were recorded in the supplied database. Core was orientated with an average RQD of 89%. Lost core was also routinely recorded. • Diamond core was reconstructed into continuous runs for orientation marking with depths checked against core blocks. Core loss observations were noted by geologists during the logging process. All percussion samples were visually checked for recovery, moisture and contamination and no recovery problems were encountered. • 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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All holes were field logged by company geologists to a high level of detail. • Diamond holes were logged for recovery, RQD, number and type of defects. The supplied database contained tables with information on quartz vein shearing and vein percent with observations recorded for alpha/beta angles, dips, azimuths, and true dips. The amount and type of ore textures and ore minerals were also recorded within a separate table. • Drill samples were logged for lithology, rock type, colour, mineralisation, alteration, and texture. Logging is a mix of qualitative and quantitative observations. It has been standard practice by Outokumpu and Dragon (since 2001), that all diamond core be routinely photographed. • All drill holes were logged in full.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of 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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Diamond core is cut in half using a core saw with half core submitted for assay. In some cases, quarter core is sent for analysis. • Percussion drill samples were collected at either 1m or 2m intervals. Samples were collected at the rig and split on a plastic covered table at the drill site. The sample cone was first split in half using hard and thin sheets, and then quarter split to obtain a sample to be sent for analysis. Samples were predominantly dry. Percussion drilling was halted immediately if groundwater was encountered. Drilling was through bedrock from surface. Sampling of diamond core uses industry standard techniques. After drying the sample was subject to a primary crush, then pulverised so that more than 85% passes a -75um sieve at ALS Chemex Ltd. • Dragon has used systematic standard and pulp duplicate sampling since 2004. Every 20th sample (sample id ending in -00, -20, -40, -60, -80) is submitted as a standard, and every 20th 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). • 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 Au.
Quality of assay 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.* • *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.*	• The predominant assay method for drill samples was by Fire Assay with AAS or ICP finish (30g or 50g pulps). Values exceeding 1ppm Au (prior to 2009) and 5ppm Au (from 2009) were checked using Fire-Assay with gravimetric finish. Trench samples were also analysed using Aqua-Regia digestion with ICP-MS analysis for multi-element assays. The main element assayed was Au, but major and trace elements were analysed on selected drill holes.

Criteria	JORC Code Explanation	Commentary
	• *Nature of 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.*	• No geophysical tools were used to determine any element concentrations used in this resource estimate. • Sample preparation checks for fineness were carried out by the laboratory as part of internal procedures to ensure the grind size of more than 85% passing 75µm was being attained. Laboratory QAQC includes the use of internal standards using certified reference material, and pulp replicates. The various programs of QAQC carried out by various companies over the years have produced results which support the sampling and assaying procedures used at the various deposits. • A total of 5 different certified reference materials representing a variety of grades from 1.34g/t to 18.12g/t were inserted systematically since 2004 for a total of 461 samples. Results highlighted that the sample assays are accurate, showing no obvious bias. • A total of 293 blank samples were submitted during the drill programs. Results show that no contamination has occurred. • Field duplicate analyses (760) honour the original assay and demonstrate best practice sampling procedures have been adopted.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• RPM has independently verified significant intersections of mineralisation by inspecting drill core from the recent drilling at the Dragon core yard during the 2015 site visit. • There has been no specific drill program at Kaapelinkulma designed to twin existing drill holes, although infill drilling has largely confirm continuity and tenor. • Primary data was documented on paper logs prior to being digitised using Drill Logger software. During recent years, drill logging observation data has been recorded in customised Excel sheets and imported into an Access database. • Dragon adjusted zero Au grades to half the detection limit.
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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drill hole collars and starting azimuths have been accurately surveyed by Dragon mine and exploration surveyors. Down hole dip values were recorded at 10m intervals by the drillers using conventional equipment. The azimuth deviations of the deepest holes have been surveyed with Maxibor equipment. All drilling from 2010 has been surveyed using Maxibor, Gyro or Deviflex equipment. • Drill hole locations were positioned using the Finnish National Grid System (FIN KKJ2, 2003). • The topographic surface over the Kaapelinkulma deposit was provided to RPM by Dragon and was prepared by Dragon using topographic contours from digi-form maps. Surveyed data points from drill hole collars and trench samples were used to create a more accurate surface immediately above the mineralised lodes.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	• Drill holes have been located at 10m by 10m through the southern zone. In the north, the nominal drill spacing is at 20m on 40m spaced drill lines. • The main mineralised domains have demonstrated sufficient continuity in both geological and grade continuity to support the definition of Mineral Resource, and the classifications applied under the 2012 JORC Code. • Samples have been composited to 1m lengths using 'best fit' techniques.
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.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Drill holes are orientated predominantly to an azimuth of 290° and drilled at an angle of between 30° and 80° to the north-east which is approximately perpendicular to the orientation of the mineralised trends. • 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 and the process was closely reviewed by Jeremy Clark (RPM) during the May 2015 site visit. Dragon personnel or drill contractors transport diamond core to the core logging facilities where Dragon geologists log the core. Core samples are cut either by Dragon

Criteria	JORC Code Explanation	Commentary
		personnel or by ALS laboratory personnel. Samples are transported to the sample preparation laboratory and then on to the analysis laboratory using contract couriers or laboratory personnel. Dragon 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.*	• A review of sampling techniques and data was carried out by Jeremy Clark (RPM) during the May 2015 site visit. The conclusion made was that sampling and data capture was to industry standards.

Section 2 Reporting of Exploration Results

Criteria	JORC Code 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 security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	• Mine lease application 'KAAPELINKULMA' (K7094, 66.54 ha) is in the preparation process of Finnish Mining Authority (TUKES). • Claims close to mine lease application area: Perkoonsuo1 (7094/2, 40.19 ha), Kaapelinkulma (7094/1, 32.05 ha), Kairankorpi (7942/1, 99.98 ha) are still valid. • A small NATURA conservation area 'PITKÄKORPI' (FI0349001, 70 ha) is located 400 metres east of Kaapelinkulma Au deposit. The conservation area covers a small part of the KAIRANKORPI claim area.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The Kaapelinkulma deposit was discovered by the Geological Survey of Finland (GTK) after an Au bearing boulder was sent by an amateur prospector in 1986. Subsequent exploration by GTK, Outokumpu Oy (Outokumpu), and then by Dragon, outlined a small, medium to high grade deposit.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Kaapelinkulma is a Palaeoproterozoic orogenic gold deposit located in the Vammala Migmatite Zone. The deposit comprises a set of sub-parallel lodes in a tight array hosted within a sheared quartz diorite unit inside a tonalitic intrusive. A mica gneiss surrounds the tonalite.

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 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*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• Drill hole locations and the resource distribution are shown in the attached Mineral Resource report.
		• In the opinion of Dragon, material drill results have been adequately reported previously to the market as required under the reporting requirements of the ASX Listing Rules.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Exploration results are not being reported. • Not applicable as a Mineral Resource is being reported. • Metal equivalent values have not been used.
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 (e.g. 'down hole length, true width not known').*	• Drill holes were orientated predominantly to an azimuth of 290° and angled to a dip of -50° which is approximately perpendicular to the orientation of the mineralised trends. • The narrow mineralised zones strike at approximately 020° in the south to 000° in the north and are variably dipping between 25° and 45° to the east.
Diagrams	• *Appropriate maps and sections (with scales) and*	• Relevant diagrams have been included within the

Criteria	JORC Code Explanation	Commentary
	tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	Mineral Resource report main body of text.
Balanced Reporting	• *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.* • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Drill hole collars and starting azimuths have been accurately surveyed by Dragon mine and exploration surveyors. Down hole surveys were undertaken on all exploration and resource development diamond drill holes. Recent drill holes, drilled by SMOY, KaTi Oy and Northdrill Oy, have been surveyed using Maxibor II, Gyro or Deviflex equipment at 3 or 10m intervals.
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.*	• In addition to drilling, trench samples were taken at Kaapelinkulma. A field diamond saw was used to cut 6cm channels within the exposed bedrock. Channel profiles were spaced at either 10m or 20m. Sampling occurred at intervals ranging from 0.15m to 0.90m. Logging and sampling was carried out by Dragon geologists.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large- scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Pit optimisation and design studies are planned in 2015, in order to report an Ore Reserve for Kaapelinkulma. • Refer to diagrams in the body of text within the Mineral Resource report.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code Explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• Drilling data is initially captured on paper logs and manually entered into a database. Dragon carries out internal checks to ensure the transcription is error free. Laboratory assay results are loaded as electronic files direct from the laboratory so there is little potential for transcription errors. During recent drill programs, logging data has been recorded in a customised Excel spreadsheet and imported into an Access database. • The data base is systematically audited by Dragon geologists. All drill logs are validated digitally by the geologist once assay results are returned from the laboratory. • RPM also performed data audits in Surpac and checked collar coordinates, down hole surveys and assay data for errors. No errors were found.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• Initial site visits were conducted by Paul Payne in May 2009 (formerly ResEval and RUL). A site visit was conducted by Trevor Stevenson (formerly RPM) in October 2013. The most recent site visit was conducted by Jeremy Clark (RPM) in May 2015. Drilling, logging, and sampling procedures were viewed and it was concluded that these were being conducted to best industry practice.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• The Kaapelinkulma deposit comprises a set of sub-parallel lodes in a tight array hosted within a sheared quartz diorite unit which occurs inside a tonalitic intrusive. The shear system is en echelon type. Surrounding the tonalite is a mica gneiss. Au mineralisation is mainly free Au in quartz veins. • Mineralisation occurs at two locations along a shear zone which strikes approximately 020° in the south and 000° in the north. Narrow mineralised lodes, within quartz diorite, dip between 30° and 80° to the east. The confidence in the geological interpretation of the main lodes is considered to be good as the drilling is close spaced, and the continuity of mineralisation can be traced along strike at surface through trench sampling. • Drill hole logging by Dragon geologists, through direct observation of drill core and percussion samples have been used to interpret the geological setting. The bedrock is exposed at surface. • The continuity of the main mineralised lodes is clearly observed by Au grades within the drill holes. The close

Criteria	JORC Code Explanation	Commentary
		spaced drilling and trench sampling suggest the current interpretation is robust. The nature of the thin parallel lodes would indicate that alternate interpretations would have little impact on the overall Mineral Resource estimation. • Mineralisation occurs within quartz diorite which is directly observed at surface. Vein percentage has been used in geological logging to highlight mineralised intersections. The current interpretations are mainly based on Au assay results. • Gold mineralisation is contained within quartz veins occurring within the barren host rocks.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• The Kaapelinkulma Mineral Resource area extends over a combined strike length of 440m (280m in the southern area from 6,791,165mN to 6,791,445mN) and (160m in the northern area from 6,791,630mN to 6,791,790mN) and includes the vertical extent of 85m from 120mRL to 35mRL.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	• Inverse Distance Squared (ID^2) interpolation with an oriented 'ellipsoid' search was used for the estimate. Surpac software was used for the estimations. • Three dimensional mineralised wireframes (interpreted by Dragon and reviewed by RPM) were used to domain the Au data. Sample data was composited to 1m down hole lengths using the 'best fit' method. Intervals with no assays were excluded from the estimates. • The influence of extreme grade values was addressed by reducing high outlier values by applying high grade cuts to the data. These cut values were determined through statistical analysis (histograms, log probability plots, cv's, and summary multi-variate and bi-variate statistics) using Supervisor software. • The maximum distance of extrapolation from data points (down dip) was 20m. • No assumptions have been made regarding recovery of by-products from the mining and processing of the Kaapelinkulma Au resource. • An orientated 'ellipsoid' search was used to select data and was based on the observed lode geometry. The search ellipse was orientated to the average strike, plunge, and dip of the main lodes. The plunge was generally aligned to the 40°-45° south lineation as reported by Dragon. Three passes were used in the estimation. For the main lodes, the first pass used a range 40m, with a minimum of 10 samples. For the second pass, the range was extended to 80m, with a minimum of 10 samples. For the minor lodes, a first pass radius of 25m and a second pass of 50m were used with a minimum of 10 samples. A third pass radius of 100m with a minimum of 1 sample was used to fill the model. A maximum of 40 samples was used for all 3 passes. Greater than 80% of the blocks were filled in the first two passes. • No mining has occurred at the Kaapelinkulma deposit. A Mineral Resource estimate was reported by RUL in January 2009 and November 2010. RPM updated the estimate in December 2013. • No assumptions were made regarding the recovery of by-products. • No non-grade deleterious elements were estimated. • The parent block dimensions used were 10m NS by 2m EW by 5m vertical with sub-cells of 2.5m by 0.5m by 1.25m. • Selective mining units have not been modelled. The block size used in the Mineral Resource estimate was based on the drill hole sample spacing and the orientation of the lode geometry. • Multi-element results were supplied for 833 samples. Results showed a good correlation between Au and As (from arsenopyrite and loellingite). Arsenic was not estimated or reported by RPM and is not considered material to the current estimate. • The deposit mineralisation was constrained by wireframes constructed using a 0.5g/t Au cut-off grade with a minimum intercept of 2m required. The wireframes were applied as hard boundaries in the estimate. • Statistical analysis was carried out on data from each

Criteria	JORC Code Explanation	Commentary
		prospect. The high coefficient of variation within some main lodes, and the scattering of high grade outliers observed on the histograms, suggested that high grade cuts were required if linear grade interpolation was to be carried out. • A three step process was used to validate the model. A qualitative assessment was completed by slicing sections through the block model in positions coincident with drilling. A quantitative assessment of the estimate was completed by comparing the average Au grades of the composite file input against the Au block model output for all the resource objects. A trend analysis was completed by comparing the interpolated blocks to the sample composite data within the main lodes. This analysis was completed for northings and elevations across the deposit. Validation plots showed good correlation between the composite grades and the block model grades.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Tonnages and grades were estimated on a dry in situ basis.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• The nominal cut-off grade of 0.5g/t Au appears to be a natural cut-off between mineralised veins and host rock as determined from analysis of log probability plots of all samples at the deposit. This cut-off was used to define the mineralised wireframes. • The Mineral Resource has been reported at a 2g/t Au cut-off based on assumptions made by Dragon in their internal Conceptual Study. The reporting cut-off may be modified at the conclusion of the Pre-Feasibility Study that is currently being conducted.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• RPM has assumed that the deposit could potentially be mined using small scale open pit techniques as part of a larger operation.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• RPM has made no assumptions regarding metallurgical amenability. This work is currently being conducted as part of a Pre-Feasibility Study and this section will be updated at its conclusion.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	• No assumptions have been made by RPM regarding possible waste and process residue disposal options.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in*	• A bulk density value of 2.83t/m^3 was assigned to all material (ore and waste) below the till, based on 630 core measurements. The till was assigned a value of 1.8t/m^3. • Bulk density is measured. Moisture is accounted for in the measuring process. It is assumed there are minimal void spaces in the rocks at Kaapelinkulma. • All material at the Kaapelinkulma deposit is fresh rock and has been assigned the value of 2.83t/m^3.

Criteria	JORC Code Explanation	Commentary
	the evaluation process of the different materials.	
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• Mineral Resources were classified in accordance with the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC, 2012). The Mineral Resource was classified on the basis of sample spacing and continuity of the interpreted zones. The Indicated Mineral Resource was defined within areas of close spaced diamond drilling (less than 20m by 20m) due to the good continuity and predictability of the lode positions. The Inferred Mineral Resource included areas of the deposit where sampling was greater than 20m by 20m, small isolated pods of mineralisation outside the main mineralised zones and geologically complex zones. • The input data is comprehensive in its coverage of the mineralisation and does not favour or misrepresent in-situ mineralisation. The definition of mineralised zones is based on high level geological understanding producing a robust model of mineralised domains. This model has been confirmed by infill drilling which supported the interpretation. Validation of the block model shows good correlation of the input data to the estimated grades. The drilling and sampling processes used by Dragon are 'best practice' and certified laboratories have been used for Au analyses of samples. The input data is considered reliable and suitable for use in the resource estimate. • The Mineral Resource estimate appropriately reflects the view of the Competent Person.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• Internal audits have been completed by RPM which verified the technical inputs, methodology, parameters and results of the estimate.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• The Kaapelinkulma Mineral Resource estimate has been reported with a high degree of confidence. The lode geometry and continuity has been verified through sampling and mapping of surface bedrock, and through infill drilling orientated to optimally intersect the lodes. Dragon is currently mining similar deposits near to the Kaapelinkulma deposit and has a good understanding of the geology and mineralisation controls. • The Mineral Resource statement relates to global estimates of tonnes and grade. • No mining has occurred at the deposit.

Section 4: Estimation and Reporting of Ore Reserves

Criteria	JORC Code Explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	• *Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.* • *Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.*	• The Mineral Resources for Kaapelinkulma were compiled and supervised by Mr Jeremy Clark. Mr Clark, who is a Registered Member of the Australasian Institute of Mining and Metallurgy, is a full time employee of RPM and is the Competent Person for the Mineral Resource estimate • Mineral Resources quoted in this report are inclusive of Ore Reserves.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• The Ore Reserve for Kaapelinkulma is based on information compiled and reviewed by Mr Joe McDiarmid, who is a Chartered Professional and Member of the Australasian Institute of Mining and Metallurgy, and is an employee of RPM • A site visit was undertaken by Mr McDiarmid to the Project area in May 2015. The site visit confirmed site conditions and enabled planning assumptions to be reviewed.

Criteria	JORC Code Explanation	Commentary
Study status	• *The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.* • *The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.*	• The Mineral Resources have been converted to Ore Reserves by means of a Pre-Feasibility level Life of Mine plan including economic assessment. • Key aspects of the study were technically achievable pit designs based on Pit Limit Optimisation. These designs were also assessed to ensure economic viability.
Cut-off parameters	• *The basis of the cut-off grade(s) or quality parameters applied.*	• The cut-off grade is based on the processing costs and parameters developed for the Operation. The cut-off grade derived and used in this study is 1.2 g/t gold.
Mining factors or assumptions	• *The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).* • *The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.* • *The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling.* • *The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).* • *The mining dilution factors used.* • *The mining recovery factors used.* • *Any minimum mining widths used.* • *The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.* • *The infrastructure requirements of the selected mining methods.*	• The chosen mining method is conventional open pit mining utilising hydraulic excavators and trucks, mining bench heights of 2.5 m. • The economic pit shell was defined using Whittle 4X pit optimisation software ("Whittle 4X") with inputs such as geotechnical parameters, ore loss and dilution, metallurgical recovery and mining costs. • The pit optimisation was run with revenue generated only by Indicated Mineral Resources as there was no Measured Resource in the model. No value was allocated to Inferred Mineral Resource and it was mined as waste. • Whittle 4X inputs were based on parameters and costs developed by Dragon Mining, contractor quotations, Dragon Mining's consultants and supporting technical studies. • The pit wall design criteria are based on a desktop geotechnical assessment by Infra Tech Consulting Pty Ltd. Overall pit with slopes of 57 degrees inclusive of berms spaced at between 20m vertically and berm widths of 7.5 m. Till slope angles of 18.4 degrees (1:3) were used. • Appropriate mining modifying factors such as ore loss, dilution and design parameters were used to convert the Mineral Resource to an Ore Reserve • Based on the digging unit selected and geometry of mineralisation the geological models were re-blocked and regularised to represent the smallest mining unit (SMU) size. The SMU selected for this study was 2.5m east-west (X), 2.5m north-south (Y) and 2.5m vertically (Z). The resulting SMU model has ore loss and dilution included. • A minimum mining width of 20 m was generally applied to the pit designs. • Inferred Resources have not been included in this mining study. • As the Company has been operating mines in the region since 2007 and the mining method is the same as previously used at Jokisivu, the only infrastructure needed to access new mining areas is that required due to the selected mining method. • RPM has not identified or been informed of any physical constraints to mining within the lease area. No property, infrastructure or environmental issues are known to exist which may limit the extent of mining within the mining lease.
Metallurgical factors or assumptions	• *The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.* • *Whether the metallurgical process is well-tested technology or novel in nature.* • *The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.*	• The Vammala Plant is a 300,000 tonne per annum crushing, milling and flotation facility that was recommissioned in June 2007. • The Svartliden Plant is a conventional comminution and carbon-in-leach (CIL) circuit with a design capacity of 300,000 tonnes per annum. • The technology used in the both processing plants is well proven, and the plants have been operating successfully since 2005 at Svartliden and 1994 on gold ore at Vammala. • The processing test work is based on a historical core samples from the pit area. The samples may not be

Criteria	JORC Code Explanation	Commentary
	• *Any assumptions or allowances made for deleterious elements.* • *The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.* • *For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?*	fully representative of the different material types throughout the mining area. • No deleterious material has been identified • A processing recovery of 85% has been estimated based the bench scale metallurgical test work. • Only fresh rock will be processed as ore.
Environmental	• *The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.*	• No environmental issues are known to exist which will prevent open pit mining and ore processing to operate. Dragon Mining appears to have sufficient space available for waste dumps to store the expected quantities of mine waste rock associated with the open pit Ore Reserve. Any potentially acid generating material will be encapsulated within the waste rock. • Environmental Permits are currently in place • (Environmental permit 92/2011/1, Dnro LSSAVI/315/04.08/2010 • Environmental permit 175/2015/1 (Dnro LSSAVI/4511/04.08/2014) • The validity of the Kaapelinkulma Mining Concession is pending Dragon Mining finalising purchase or compensation agreements with affected landowners. • In 2014 an updated Environmental Permit for the Vammala Plant was approved with conditions, but has been appealed. The previous Environmental Permit will remain in force until the appeal process has been completed. Material from Kaapelinkulma cannot be processed until the updated Environment Permit for the Vammala Plant is valid. • In December 2012 a new Operating Permit was received by Dragon Mining for the Svartliden Operation. The permit adjusted discharge conditions. • The Svartliden Water Treatment Plant (SWTP) is used to discharge treated water from the tailings storage facility to a nearby clear water dam.
Infrastructure	• *The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.*	• No significant infrastructure currently exists at Kaapelinkulma. As processing of the ore will take place at Vammala, the Kaapelinkulma site will only require the building of offices, site amenities and structures for use by the mining contractor • Existing site infrastructure at Vammala and Svartliden is in place and includes haul roads, a conventional CIL plant, stockpiles, offices, tailings dam and associated facilities.
Costs	• *The derivation of, or assumptions made, regarding projected capital costs in the study.* • *The methodology used to estimate operating costs.* • *Allowances made for the content of deleterious elements.* • *The derivation of assumptions made of metal or commodity price(s), for the principal minerals and co-products.* • *The source of exchange rates used in the study.* • *Derivation of transportation charges.* • *The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.* • *The allowances made for royalties payable, both Government and private.*	• Capital costs were derived by Dragon Mining based on infrastructure requirements, material estimates and their previous operating experience within Finland • The mining cost is based on a schedule of rates provided by a selected Dragon Mining contractor. All other operating costs have been provided by Dragon Mining and its consultants • No deleterious materials have been identified • Gold is the only metal considered in the Ore Reserves and has been assigned a price in line with consensus forecasts for the project duration • Exchange rates were provided by Dragon Mining in line with consensus forecasts for the duration of the Project • All costs in this report have been converted to US$ • Transportation costs of the ore from Kaapelinkulma to Vammala have been obtained from a contractor quotation • Refining costs are based on historical costs from the company owned and operated Svartliden processing plant • No royalties on the metal price are applicable
Revenue factors	• *The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.* • *The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals*	• A Gold price of US$1,150/oz was provided by Dragon Mining and validated by RPM using independent consensus price forecasts. • The following Processing & Refining costs have been applied; • Processing cost of US$23/tonne ore. • Concentrate transport cost of US$70/dmt

Criteria	JORC Code Explanation	Commentary
	and co-products.	• Refining cost of US$26/ozt gold • Processing and Refining costs are based on historical data from Dragon Mining's processing facilities at Vammala and Svartliden • No royalties on the metal price are applicable
Market assessment	• *The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.* • *A customer and competitor analysis along with the identification of likely market windows for the product.* • *Price and volume forecasts and the basis for these forecasts.* • *For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.*	• The demand for gold is considered in the gold price used. • It was considered that gold will be marketable for beyond the processing life. • The processing forecast and mine life are based on life of mine plans. • The commodity is not an industrial metal
Economic	• *The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.* • *NPV ranges and sensitivity to variations in the significant assumptions and inputs.*	• **Error! Reference source not found.** **Error! Reference source not found.**
Social	• *The status of agreements with key stakeholders and matters leading to social licence to operate.*	• Dragon Mining has held information meetings with the local community in relation to developing the Kaapelinkulma Gold Project • The validity of the Kaapelinkulma Mining Concession is pending Dragon Mining finalising purchase or compensation agreements with affected landowners. Dragon Mining have been active in the region since 2003 and enjoys a good relationship with the local community.
Other	• *To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:* • *Any identified material naturally occurring risks.* • *The status of material legal agreements and marketing arrangements.* • *The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.*	• **Error! Reference source not found.** • Ingress of water and geotechnical issues are part of the ongoing study before mining commences. • All marketing arrangements are in good standing. • The Kaapelinkulma Open Pit occurs fully within the Mining Concession – Kaapelinkulma K7094 that covers an area of 66.54 hectares. The validity of the Kaapelinkulma Mining Concession is pending Dragon Mining finalising purchase or compensation agreements with affected landowners. • Environmental Permits to commence mining at Kaapelinkulma are granted. • In 2014 an updated Environmental Permit for the Vammala Plant was approved with conditions, but has been appealed. The previous Environmental Permit will remain in force until the appeal process has been completed. Material from Kaapelinkulma cannot be processed until the updated Environment Permit for the Vammala Plant is valid. • The Svartliden processing site is fully permitted.
Classification	• *The basis for the classification of the Ore Reserves into varying confidence categories.* • *Whether the result appropriately reflects the Competent Person's view of the deposit.* • *The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).*	• **Error! Reference source not found.**
Audits or reviews	• *The results of any audits or reviews of Ore Reserve estimates.*	• RPM has completed an internal review of the Ore Reserve estimate. • **Error! Reference source not found.** • **Error! Reference source not found.**
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.*	• **Error! Reference source not found.** • The Ore Reserve has utilised all parameters provided by Dragon Mining as made available. • The accuracy of the underlying Mineral Resources is defined by the Resource Category that the Mineral Resources are assigned to. As the Project has no Measured Resource only Indicated Resource has been used for estimating Ore Reserves.

Criteria	JORC Code Explanation	Commentary
	• *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.* • *It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	

APPENDIX 5

JORC Table 1 - Fäboliden Gold Project

Section 1 Sampling Techniques and Data

Criteria	JORC Code 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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *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.*	• The Fäboliden 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 the previous owners. A total of 98 blast holes were also drilled to carry out the test mining. • Dragon 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 50m by 50m for the near surface material, increasing to 100m by 100m and greater for the depth extensions. • The drilling completed by Dragon has improved the drill density to a nominal 25m by 25m and 25m by 50m basis for the near surface material, over a strike length of 400m. • The previous owners completed a program of test mining in 2005, targeting a zone of near surface higher grade mineralisation immediately north of Dragon's drilling area, with the excavation of three trenches. • 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 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 50% of all holes drilled. • All drill holes completed by Dragon 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. • Prior to 1999 the entire core was submitted for analysis. Since 1999 half core samples have been analysed.

Criteria	JORC Code explanation	Commentary
		Samples were generally collected on metre intervals, though samples have varied from 0.1m to 4m. • Half core samples of select zones of core from the Dragon drilling program was submitted to the laboratory. 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 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 30g Fire Assay methods (Au-AA25) and multi-elements by ME-ICP41. Samples with gold values greater than 5g/t Au were re-analysed using 30g 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 41.6m to 762m. • 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 50% of all holes drilled. • The recent drilling completed by Dragon was completed using WL-66, with hole depths ranging from 35 to 162m. • Core was collected with a standard tube and all holes except the first hole were fully orientated. • All drill holes completed by Dragon 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.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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.*	• 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 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. • 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 the previous owners and Dragon. • 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 and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• 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 estimation. • 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. • All holes were logged in full.
Sub-sampling	• *If core, whether cut or sawn and whether quarter, half or*	• Prior to 1999 the entire core was submitted for analysis.

Criteria	JORC Code explanation	Commentary
techniques and sample preparation	*all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of 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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	Since 1999 half core samples have been analysed. Drill core was cut by saw. • Drilling completed by the previous owners was completed primarily by diamond core methods. • Reverse circulation drill hole samples were collected at 1m 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 was completed by diamond core methods. • 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 100-200g 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 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 drill core, in accordance with Dragon 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 the previous owners. 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 the previous owners, the results indicating that there is little evidence of contamination between samples. • Analysis of coarse crush duplicates has not been performed by the previous owners. Dragon 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. • 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 assay 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 50g fire assay fusion with an Atomic Absorption Spectrometry (AAS) finish.

Criteria	JORC Code explanation	Commentary
	• *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.* • *Nature of 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.*	• Dragon Mining samples were submitted to ALS Minerals in Loughrea, Ireland for analysis for gold by 30g fire assay fusion with an Atomic Absorption Spectrometry (AAS) finish. • Samples with gold values greater than 5g/t Au were re-analysed using 30g 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, 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. • No geophysical tools were used for analytical purposes on sample material from Fäboliden. • QAQC protocols were not stringently adhered to throughout the duration of all drilling programs undertaken by the previous owners. • The previous owners 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 to 9.64g/t Au 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 the previous owners and are not considered blind. • There was no systematic blind repeat sampling program implemented by the previous owners, the repeat pulp samples submitted being done at a rate of 1 sample for every 49 samples. • No coarse duplicates samples were submitted by the previous owners. • QAQC protocols were stringently adhered to throughout the duration of all drilling programs undertaken by Dragon. • Dragon 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 previous owners QAQC results has shown reasonable consistency between different laboratories, analytical methods and results. • The results for Dragon have yielded values as expected to date, apart from one sample that returned a value outside the acceptable levels. This has been fully checked Dragon 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 Dragon.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Dragon has no knowledge of the procedures implemented by the previous owners to verify significant intersections. • Significant intersections are verified by Dragon geologists. • The previous owners reverse circulation program was implemented to twin some of the diamond core drill holes. • Dragon has not twinned any holes. • Primary data was collected by the previous owners and Dragon personnel. • All measurements and observations were recorded into an Excel spreadsheet. Primary assay and QAQC data is entered into an Excel spreadsheet. • 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.

Criteria	JORC Code explanation	Commentary
	• *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• A program of resurveying by independent survey consultants Tyrens AB, on behalf of Dragon 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 50% of all holes drilled. • All drill holes completed by Dragon were surveyed using a DeviFlex instrument for down hole dip and azimuth. The starting azimuth was resurveyed by GeoVista AB using a RTK-GPS. • The grid system used for the reporting of results is the Swedish National Grid System RT90 2.5 gon väst (standard). • Details of the topographic control over the Fäboliden deposit were not obtained by Dragon. Dragon is 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.* • *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.* • *Whether sample compositing has been applied.*	• Historic drilling has been undertaken from surface on a nominal grid base of 50m by 50m for the near surface material and 100m by 100m and greater for the material at depth. • Drilling by Dragon has improved drill density to a nominal 25m by 25m and 25m by 50m basis over a strike length of 400m to an approximate depth of 100m. • The geology and mineralisation displays satisfactory continuity from hole to hole. Work completed by Dragon 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). • Samples were composited to 1m for Mineral Resource estimation.
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.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• 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. • No orientation based sampling bias has been identified in the data.
Sample security	• *The measures taken to ensure sample security.*	• Chain of custody of the historical samples was managed by the previous owners. 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. • The previous owners had no further involvement in the process once the material arrived at the Piteå ALS facility. • Chain of custody of the Dragon samples was managed by Dragon. 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 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.*	• Jeremy Clark of RPM reviewed drilling and sampling procedures during the 2015 site visit and found that all procedures and practices conform to industry standards. • Dragon Mining has completed audits of the ALS Minerals facilities at Piteå, Sweden and Vancouver, Canada. The completed reviews and audits raised no issues.

Section 2 Reporting of Exploration Results

Criteria	JORC Code 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 security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	• The Fäboliden 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 tenements are in good standing with no known impediment to future grant of a mining permit.
Exploration done by other parties	• *Acknowledgment 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 the previous owners.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Fäboliden 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. • 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 40µm 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 under-standing 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 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*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• All exploration results have previously been reported by Dragon Mining during 2015.
		• All information has been included in the appendices. No drill hole information has been excluded.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Exploration results are not being reported. • Not applicable as a Mineral Resource is being reported. • Metal equivalent values have not been used.
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 (e.g. 'down hole length, true width not known').*	• Most drill holes are angled to the west so that intersections are orthogonal to the expected orientation of mineralisation. It is interpreted that true width is approximately 70-100% of down hole intersections.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Relevant diagrams have been included within the Mineral Resource report main body of text.

Criteria	JORC Code explanation	Commentary
Balanced Reporting	• *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.* • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• New drill holes have been surveyed using a Trimble R8 GNSS device by independent survey consultants Tyrens AB. The grid system used for the reporting of results is the Swedish National Grid System RT90 2.5 gon väst (standard). • Exploration results are not being 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.*	• Historic work completed at the Fäboliden 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. The previous owners made a number of releases at the time; however they have now been delisted. • 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 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 was collected from an area identified by Dragon as the area of future activities. These core samples were collected from depths ranging from surface to approximately 100m 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 15.3kWh/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 53µm, 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 (P80 53µm) 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 1,000t 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 the previous owners 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 3.02g/t Au and a gold extraction level of 79.4%.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large- scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• 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 deposit and processing through the Svartliden Plant. • Refer to diagrams in the body of text within the Mineral Resource report.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• Drill logging was recorded on customised Excel spreadsheets and imported onto an Access database. Dragon carry out internal checks to ensure the transcription is error free. Laboratory assay results are loaded as electronic files direct from the laboratory so there is little potential for transcription errors. • The data base is systematically audited by Dragon geologists. All drill logs are validated digitally by the geologist once assay results are returned from the laboratory. • RPM also performed data audits in Surpac and checked collar coordinates, down hole surveys and assay data for errors. No errors were found.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• A site visit was conducted by Jeremy Clark (RPM) in May 2015. Drilling, logging, and sampling procedures were viewed and it was concluded that these were being conducted to best industry practice.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• The confidence in the geological interpretation is considered to be good and is based on a significant number of diamond drill holes. • Geochemistry and geological logging has been used to assist identification of lithology and mineralisation. • The deposit consists of shallow east dipping (20-30˚) lodes. The continuity of the main mineralised lodes is clearly observed by Au grades within the drill holes. Infill drilling has supported and refined the model and the current interpretation is considered robust. Alternate interpretations would have little impact on the overall Mineral Resource estimation. • Outcrops of host rocks confirm the geometry of the mineralisation. The current interpretations are mainly based on Au assay results. • Infill drilling has confirmed geological and grade continuity.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• The Fäboliden Mineral Resource area extends over a strike length of 1,295m (from 7,169,125mN – 7,170,420mN) and includes the 665m vertical interval from 485mRL to -180mRL.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use*	• Using parameters derived from modelled variograms, Ordinary Kriging (OK) was used to estimate average block grades in three passes using Surpac software. Linear grade estimation was deemed suitable for the Fäboliden Mineral Resource due to the geological control on mineralisation. Maximum extrapolation of wireframes from drilling was 40m down-dip beyond the last drill holes on section. This was equivalent to approximately half drill hole spacing in the this portion of the deposit and classified as Inferred Mineral Resource or left unclassified. Extrapolation was generally half drill hole spacing in between drill holes. • The current estimate was checked with the previous, unreported estimate by Dragon that was conducted with a similar approach. Results were comparable for the Mineral Resource within 150m of the topographic surface. • There is potential for recovery of silver during milling. Silver was estimated into the block model but not reported. • Potential deleterious elements are As, S and Sb. All have been estimated into the block model and will be flagged in the Mine Schedule. • The parent block dimensions used were 10m NS by 5m EW by 5m vertical with sub-cells of 2.5m by 1.25m by 1.25m. The parent block size was selected on the results obtained from Kriging Neighbourhood Analysis that suggested this was the optimal block size for the Fäboliden datatset. • An orientated 'ellipsoid' search was used to select data and adjusted to account for the variations in lode orientations, however all other parameters were taken from the variography. Three passes were used. The first pass had a range of 50m, with a minimum of 10 samples. For the second pass, the range was 100m,

Criteria	JORC Code explanation	Commentary
	of reconciliation data if available.	with a minimum of 6 samples. For the third pass, the range was extended to 150m, with a minimum of 2 samples. A maximum of 30 samples was used for all passes. A maximum of 6 samples per hole was used in the Interpolation. • No assumptions were made on selective mining units. • Weak positive correlations were evident for most assay pairs, apart from Au and S which had no correlation. • The deposit mineralisation was constrained by wireframes constructed using a 0.5g/t Au cut-off grade for low grade and 1.3g/t for high grade. The wireframes were applied as hard boundaries in the estimate. • Statistical analysis was carried out on data from 13 high grade lodes and four low grade halos. The high coefficient of variation and the scattering of high grade values observed on the histogram for some of the domains suggested that high grade cuts were required if linear grade interpolation was to be carried out. As a result high grade cuts ranging between 15 to 40g/t Au and 15 to 70g/t Ag were applied, resulting in a total of 14 Au assays and 18 Ag assays being cut. • Validation of the model included detailed comparison of composite grades and block grades by northing and elevation. Validation plots showed reasonable correlation between the composite grades and the block model grades.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Tonnages and grades were estimated on a dry in situ basis.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• The Mineral Resource is reported at depth dependant cut-offs due to changing mining methods. For material within 135m of the topographic surface (485mRL to 350mRL), a reporting cut-off of 1.5g/t Au was applied (open pit portion). For deeper material (350mRL to -180mRL), a reporting cut-off of 2.9g/t Au was applied (underground portion). Cut-off parameters and depth of transition from open pit to underground mining were selected based on the same parameters used in the current Pre-Feasibility Study (PFS) and previous underground mining studies, however applied a 1,500 USD gold price to account for longer term gold price guidance which is considered suitable to report the Fäboliden Mineral Resource.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• RPM has assumed that the deposit could potentially be mined using open pit and potentially underground mining techniques. No assumptions have been made for mining dilution or mining widths, however mineralisation is generally broad with mineralisation widths of greater than 8m. It is a requirement that mining dilution and ore loss be in incorporated into any Ore Reserve estimated from this Mineral Resource.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• During the due diligence period, Dragon also carried out a full scale production test of approximately 1,000t of higher grade gold bearing material from Fäboliden at the Svartliden Plant. This material was excavated during the previous owner's 2005 test mining and processing program and stockpiled at surface. The production test confirmed the results of the new bench scale leach test work, yielding a head grade of 3.02g/t Au and a gold extraction level of 79.4%. Further testing is planned as part of the Pre-Feasibility Study currently being conducted and this section will be updated at its conclusion.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported.*	• No assumptions have been made regarding environmental factors. Dragon will work to mitigate environmental impacts as a result of any future mining or mineral processing.

Criteria	JORC Code explanation	Commentary
	Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• Dragon collected 790 specific gravity measurements during the 1999 to 2015 drilling programs at Fäboliden. All samples were in fresh rock. RPM extracted the specific gravity measurements within the lodes and geological units. RPM then subdivided the measurements into lithology. • Bulk density is measured. Moisture is accounted for in the measuring process and measurements were separated for lithology, mineralisation and weathering. • It is assumed there are minimal void spaces in the rocks within the Fäboliden deposit. The Mineral Resource contains minor amounts of glacial till material above the fresh bedrock. A value for this zone was derived from known bulk densities from the nearby Svartliden deposit.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• The Mineral Resource estimate is reported here in compliance with the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' by the Joint Ore Reserves Committee (JORC). The Mineral Resource was classified as Indicated and Inferred Mineral Resource based on data quality, sample spacing, and lode continuity. The Indicated Mineral Resource was defined within areas of close spaced diamond and RC drilling of less than 50m by 50m, and where the continuity and predictability of the lode positions was good. The Inferred Mineral Resource was assigned to areas where drill hole spacing was greater than 50m by 50m, where small isolated pods of mineralisation occur outside the main mineralised zones, and to geologically complex zones. • The input data is comprehensive in its coverage of the mineralisation and does not favour or misrepresent in-situ mineralisation. The definition of mineralised zones is based on high level geological understanding producing a robust model of mineralised domains. This model has been confirmed by infill drilling which supported the interpretation. Validation of the block model shows good correlation of the input data to the estimated grades. • The Mineral Resource estimate appropriately reflects the view of the Competent Person.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• Internal audits have been completed by RPM which verified the technical inputs, methodology, parameters and results of the estimate.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• The lode geometry and continuity has been adequately interpreted to reflect the applied level of Indicated and Inferred Mineral Resource. The data quality is good and the drill holes have detailed logs produced by qualified geologists. A recognised laboratory has been used for all analyses. • The Mineral Resource statement relates to global estimates of tonnes and grade. • Reconciliation could not be conducted as no large scale mining has occurred at the deposit.

Section 4: Estimation and Reporting of Ore Reserves

Criteria	JORC Code Explanation	Commentary
Mineral Resource estimate for	• *Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.*	• The Mineral Resources for Fäboliden were compiled and supervised by Mr Jeremy Clark. Mr Clark, who is a Registered Member of the Australasian Institute of

Criteria	JORC Code Explanation	Commentary
conversion to Ore Reserves	• *Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.*	Mining and Metallurgy, is a full time employee of RPM and is the Competent Person for the Mineral Resource estimate • Mineral Resources quoted in this report are inclusive of Ore Reserves.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• The Ore Reserve for Fäboliden is based on information compiled and reviewed by Mr Joe McDiarmid, who is a Chartered Professional and Member of the Australasian Institute of Mining and Metallurgy, and is an employee of RPM • A site visit was undertaken by Mr McDiarmid to the Project area in May 2015. The site visit confirmed site conditions and enabled planning assumptions to be reviewed.
Study status	• *The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.* • *The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.*	• The Mineral Resources have been converted to Ore Reserves by means of a Pre-Feasibility level Life of Mine plan including economic assessment. • Key aspects of the study were technically achievable pit designs based on Pit Limit Optimisation. These designs were also assessed to ensure economic viability.
Cut-off parameters	• *The basis of the cut-off grade(s) or quality parameters applied.*	• The cut-off grade is based on the processing costs and parameters developed for the Operation. The cut-off grade derived and used in this study is 1.63 g/t gold.
Mining factors or assumptions	• *The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).* • *The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.* • *The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling.* • *The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).* • *The mining dilution factors used.* • *The mining recovery factors used.* • *Any minimum mining widths used.* • *The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.* • *The infrastructure requirements of the selected mining methods.*	• The chosen mining method is conventional open pit mining utilising hydraulic excavators and trucks, mining bench heights of 5 m. • The economic pit shell was defined using Whittle 4X pit optimisation software ("Whittle 4X") with inputs such as geotechnical parameters, ore loss and dilution, metallurgical recovery and mining costs. • The pit optimisation was run with revenue generated only Indicated Mineral Resources as there was no Measured Resource in the model. No value was allocated to Inferred Mineral Resources and it was mined as waste. • Whittle 4X inputs were based on parameters and costs developed by Dragon Mining, contractor quotations, Dragon Mining's consultants and supporting technical studies. • The pit wall design criteria are based on a desktop geotechnical assessment by Infra Tech Consulting Pty Ltd. Overall pit slopes 50 to 57 degrees inclusive of berms spaced at between 20m vertically and berm widths of 5.5 to 7.5 m. Till slope angles of 18.4 degrees (1:3) were used. • Appropriate mining modifying factors such as ore loss, dilution and design parameters were used to convert the Mineral Resource to an Ore Reserve • Based on the digging unit selected and geometry of mineralisation the geological models were re-blocked and regularised to represent the smallest mining unit (SMU) size. The resulting SMU model has ore loss and dilution included. • A minimum mining width of 20 m was generally applied to the pit designs. • Inferred Resources have not been included in this mining study. • As the Company has been in operation in the region since 2004 and the mining method is the same as previously used at Svartliden, the only infrastructure needed to access new mining areas is that required due to the selected mining method. • RPM has not identified or been informed of any physical constraints to mining within the lease area. No property, infrastructure or environmental issues are known to exist which may limit the extent of mining within the mining lease.

Criteria	JORC Code Explanation	Commentary
Metallurgical factors or assumptions	• *The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.* • *Whether the metallurgical process is well-tested technology or novel in nature.* • *The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.* • *Any assumptions or allowances made for deleterious elements.* • *The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.* • *For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?*	• The Svartliden Plant is a conventional comminution and carbon-in-leach (CIL) circuit with a design capacity of 300,000 tonnes per annum. • The technology used in the processing plant is well proven, and the plant has been operating successfully since 2005. • The processing test work is based on a historical core samples from the southern pit area and a limited near surface bulk sample. They may not be fully representative of the different material types throughout the mining area. • No deleterious material has been identified • A processing recovery of 74% has been estimated based the bench scale metallurgical test work. • Only fresh rock will be mined as ore.
Environmental	• *The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.*	• No environmental issues are known to exist which will prevent open pit mining and ore processing to operate. Dragon Mining appears to have sufficient space available for waste dumps to store the expected quantities of mine waste rock associated with the open pit Ore Reserve. Any potentially acid generating material will be encapsulated within the waste rock. Waste dumps will be located to ensure that any potential surface run-off will flow away from protected watersheds. • Environmental Permits have yet to be obtained • Dragon Mining is seeking two permits for mining for Fäboliden • Administrative permitting from Västerbotten County Administrative Board (CAB) for test mining • Full scale mining permitting from Land and Environment Court. • In December 2012 a new Operating Permit was received by Dragon Mining for the Svartliden Operation. The permit adjusted discharge conditions. • The Svartliden Water Treatment Plant (SWTP) is used to discharge treated water from the tailings storage facility to a nearby clear water dam.
Infrastructure	• *The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.*	• No significant infrastructure currently exists at Fäboliden. As processing of the ore will take place at Svartliden, the Fäboliden site will only require the building of offices, site amenities and structures for use by the mining contractor • Existing site infrastructure at Svartliden is in place and includes haul roads, a conventional CIL plant, stockpiles, offices, tailings dam and associated facilities.
Costs	• *The derivation of, or assumptions made, regarding projected capital costs in the study.* • *The methodology used to estimate operating costs.* • *Allowances made for the content of deleterious elements.* • *The derivation of assumptions made of metal or commodity price(s), for the principal minerals and co-products.* • *The source of exchange rates used in the study.* • *Derivation of transportation charges.* • *The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.* • *The allowances made for royalties payable, both Government and private.*	• Capital costs were derived by Dragon Mining based on infrastructure requirements, material estimates and their previous operating experience within Sweden • The mining cost is based on a schedule of rates provided by a selected Dragon Mining contractor. All other operating costs have been provided by Dragon Mining and its consultants • No deleterious materials have been identified • Gold is the only metal considered in the Ore Reserves and has been assigned a price in line with consensus forecasts for the project duration • Exchange rates were provided by Dragon Mining in line with consensus forecasts for the duration of the Project • All costs in this report have been converted to US$ • Transportation costs of the ore from Fäboliden to Svartliden have been obtained from a contractor quotation • Refining costs are based on historical costs from the company owned and operated Svartliden processing plant • No royalties on the metal price are applicable
Revenue factors	• *The derivation of, or assumptions made regarding*	• A Gold price of US$1,150/ozt was provided by Dragon

Criteria	JORC Code Explanation	Commentary
	revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc. • *The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.*	Mining and validated by RPM using independent consensus price forecasts. • A processing cost of US$36/tonne ore has been applied. • A refining cost of US$0.29/ozt gold has been applied • Processing and Refining costs are based on historical data from Dragon Mining's processing facility at Svartliden • No royalties on the metal price are applicable
Market assessment	• *The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.* • *A customer and competitor analysis along with the identification of likely market windows for the product.* • *Price and volume forecasts and the basis for these forecasts.* • *For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.*	• The demand for gold is considered in the gold price used. • It was considered that gold will be marketable for beyond the processing life. • The processing forecast and mine life are based on life of mine plans. • The commodity is not an industrial metal
Economic	• *The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.* • *NPV ranges and sensitivity to variations in the significant assumptions and inputs.*	• **Error! Reference source not found.** • **Error! Reference source not found.**
Social	• *The status of agreements with key stakeholders and matters leading to social licence to operate.*	• Dragon Mining has commenced discussions in relation to the project with local stakeholders. • Dragon Mining have been in operation in the region since 2005 and enjoys a good relationship with the local community.
Other	• *To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:* • *Any identified material naturally occurring risks.* • *The status of material legal agreements and marketing arrangements.* • *The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.*	• **Error! Reference source not found.** • Ingress of water and geotechnical issues are part of the ongoing study before mining commences. • All marketing arrangements are in good standing. • The Fäboliden Open Pit occurs fully within the granted Exploitation Concession – Fäboliden K nr 1 that covers an area of 122 hectares. The Exploitation Concession is fully surrounded by a granted Land Designation area covering an area of 1,095.6 hectares which provides working area for the mining operation. • Applications for required Environmental Permits to commence mining are being prepared by the Company. • The Svartliden processing site is fully permitted.
Classification	• *The basis for the classification of the Ore Reserves into varying confidence categories.* • *Whether the result appropriately reflects the Competent Person's view of the deposit.* • *The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).*	• **Error! Reference source not found.**
Audits or reviews	• *The results of any audits or reviews of Ore Reserve estimates.*	• RPM has completed an internal review of the Ore Reserve estimate. • **Error! Reference source not found.** • **Error! Reference source not found.**
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant*	• **Error! Reference source not found.** • The Ore Reserve has utilised all parameters provided by Dragon Mining as made available. • The accuracy of the underlying Mineral Resources is defined by the Resource Category that the Mineral Resources are assigned to. As the Project has no Measured Resource only Indicated Resource has been used for estimating Ore Reserves.

Criteria	JORC Code Explanation	Commentary
	tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. • *Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.* • *It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	