

## HIGHLIGHTS

### OPERATIONS

- Gold production for the Dragon Mining Group of 16,041 ounces at an average cash cost of US\$936<sup>(1)</sup> per ounce.
- At Svartliden, Sweden gold production of 9,690 ounces at an average cash cost of US\$729<sup>(1)</sup> per ounce which includes US\$147 of waste mining costs associated with cutbacks to the open pit.
- At Vammala, Finland gold production of 6,351 ounces at an average cash cost of US\$1,252<sup>(1)</sup> per ounce.
- At Orivesi, Finland development of the Kutema Deeps decline from the 720m level which commenced in January 2011 and advanced 234m in the quarter (920m in total) and had reached the 850m level by the end of March. Lateral development advanced 374m for the quarter (1,164m in total) and development drives have extended to ore on all levels between 720m and 800m resulting in 11,883 tonnes of development ore being mined at an average grade of 4.6 g/t gold.
- At Jokisivu, Finland development of the decline advanced to 1,378m (210m vertical depth). Lateral development advanced 696m for the quarter (5,009m in total). The first stoping ore was mined and processed during the quarter.
- At Svartliden, the decline advanced 260m for a total of 758m and is progressing according to schedule and budget. Mining of development ore from the 345m level commenced.

### EXPLORATION

#### Orivesi, Finland

- Results from an underground diamond core drilling program that targeted the Sarvisuo West area between the 640m and 720m levels returned a series of high grade intercepts, including **6.15m @ 5.86 g/t gold**, **3.70m @ 92.48 g/t gold** and **3.00m @ 9.72 g/t gold**.

#### Kuusamo, Finland

- The first results from the eighth phase of diamond core drilling at Juomasuo has yielded a series of extremely encouraging intercepts including **7.20m @ 8.76 g/t gold**, **4.80m @ 4.70 g/t gold** and **10.20m @ 9.53 g/t gold**, which confirm that mineralisation extends below and along strike from identified lodes at grades commensurate with the upper portions of the deposit.
- Final results from the seventh phase of diamond core drilling at Juomasuo yielded an intercept of **4.10m @ 6.64 g/t gold** highlighting the possibility of a further steeply dipping gold bearing zone 100 metres to the east of the main lode set.
- All assays have been received for the diamond core holes drilled at and in the vicinity of the Hangaslampi deposit since the recommencement of exploration. Better intercepts received from the 50 holes completed include **2.55m @ 156.90 g/t gold**, **6.85m @ 9.04 g/t gold**, **5.90m @ 3.47 g/t gold**, **7.20m @ 3.23 g/t gold**, **5.00m @ 3.40 g/t gold**, **12.45m @ 7.15 g/t gold**, **6.00m @ 7.51 g/t gold** and **9.00m @ 30.17 g/t gold**.
- Results were received from a 7 hole campaign of drilling at the Pohjasvaara deposit, yielding a best intercept of **3.45m @ 20.60 g/t gold**.
- Metallurgical test work advanced with samples from the Juomasuo and Hangaslampi deposits dispatched to ALS Ammtec laboratory in South Australia

#### Svartliden, Sweden

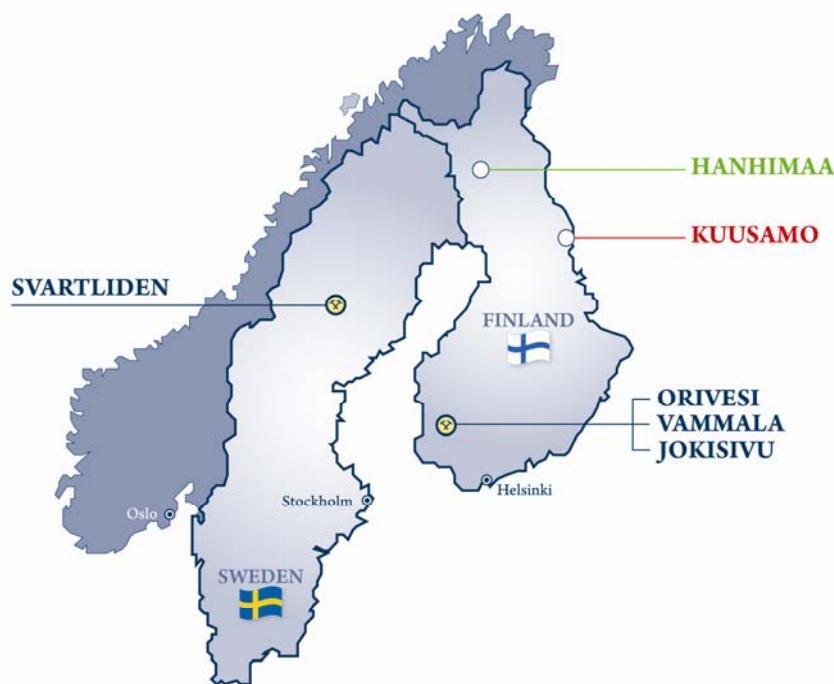
- All results have been received for a diamond core drilling program to better define the lower lens of mineralisation in the western portion of the Svartliden deposit. The program returned intercepts of **6.00m @ 4.22 g/t gold** and **5.00m @ 4.86 g/t gold** from the lower lens and **15.00m @ 4.70 g/t gold**, **5.00m @ 4.80 g/t gold** and **4.00m @ 14.24 g/t gold** from the North Lode.

## CORPORATE

- An underwritten renounceable pro rata rights issue to shareholders was completed at an issue price of \$1.10 per share raising \$15.0 million before underwriting fees and expenses. The proceeds will be primarily used to advance exploration and metallurgical testwork at the Kuusamo Gold Project to enable feasibility studies and development to progress at a more rapid rate and for exploration on Kussamo regional prospects.
- As at 31 March 2012, Dragon Mining held \$25.6m in cash, \$4.9m in net gold concentrate receivables and bullion and \$4.1m in a cash deposit lodged with a Swedish authority as a rehabilitation bond.
- The average cash price received per ounce of gold sold (8,080 ounces) from Svartliden was US\$1,606 and the average sales price received per ounce of gold sold (6,202 ounces) from Vammala was US\$1,516.
- Net cash inflow from operations after exploration spend of \$3.0m for the quarter was \$1.3m.

Note (1): Cash cost per ounce of gold produced is calculated as costs of production relating to gold sales excluding gold in circuit inventory movements divided by gold ounces produced.

### Location of Projects





## OPERATIONS

### SWEDEN

#### Svartliden Gold Mine

**Table 1 – Production Summary**

	Ore Mined (t)	Ore Milled (t)	Head Grade (g/t)	Recovery (%)	Plant Utilisation (%)	Total Gold Production (Ounces)	Cash Cost US/oz
Mar 2012 Quarter	71,616	73,474	4.4	92.6	96.3	9,690	729
Dec 2011 Quarter	34,966	71,195	4.3	93.2	98.0	9,110	966

There were no lost time injuries during the quarter.

Svartliden produced 9,690 ounces of gold from 73,474 tonnes of ore milled at an average head grade of 4.4 g/t gold and a cash cost of US\$729 per ounce. The cash cost includes US\$147 per ounce of cutback costs (all open pit waste mining costs are expensed and included in cash costs).

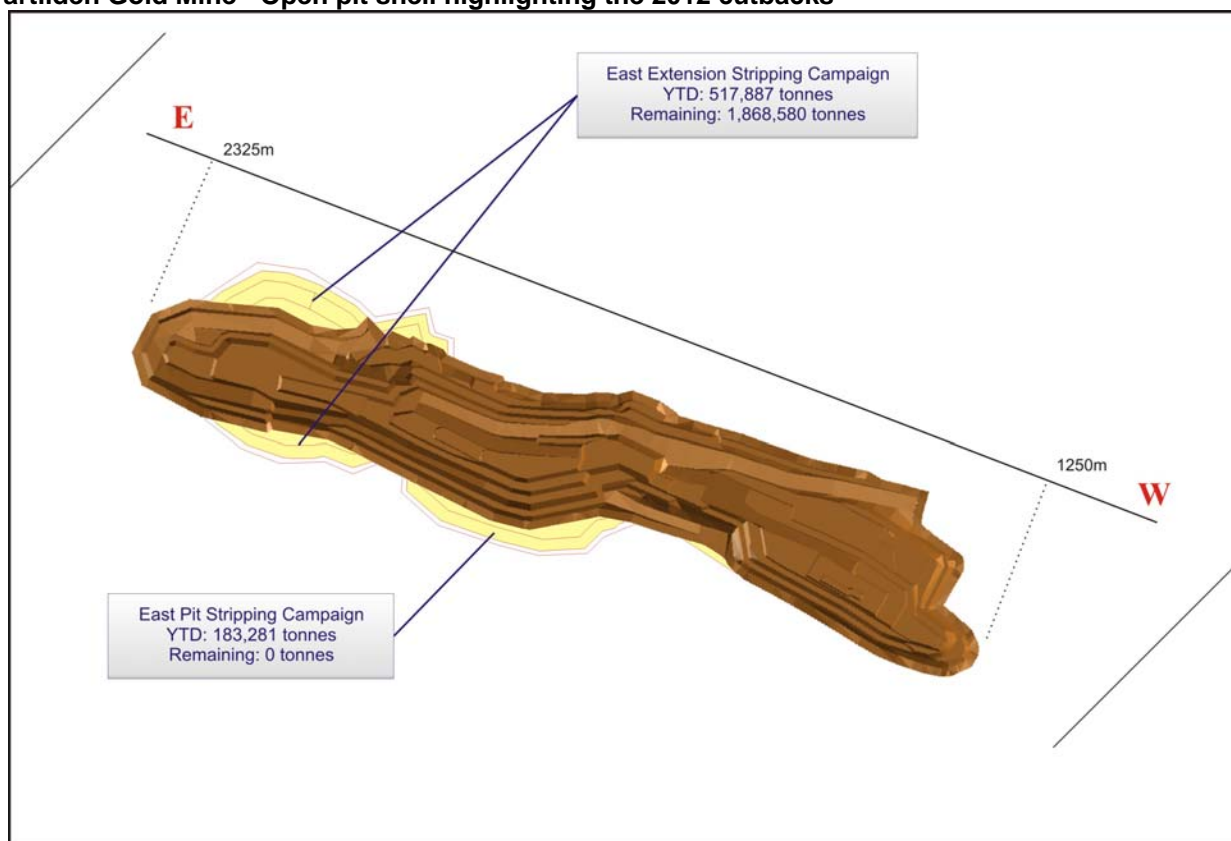
42,887 tonnes of ore milled was from the open pit at 5.4 g/t gold and 17,619 tonnes at 3.1 g/t gold of development ore from the underground. To maintain full production, 12,968 tonnes at 2.6 g/t gold were processed from the low grade stockpiles.

Gold recovery was at an acceptable level of 92.6% and the process plant utilisation was 96.3%.

#### *Svartliden Open Pit*

42,834 tonnes at an average grade of 5.0 g/t gold was mined from the open pit. 701,169 tonnes of waste was mined at a waste to ore ratio of 16.4:1.

#### **Svartliden Gold Mine - Open pit shell highlighting the 2012 cutbacks**





The commissioning of the water treatment plant to treat process water which has accumulated in the tailings dam to remove heavy metals and reduce nitrogen levels to enable discharge into the Clear Water Dam in accordance with the Environmental Permit was continuing. The commissioning phase has been slower than anticipated due to the slow growth of bacteria critical for the process and will continue into May 2012. The water treatment plant represents a substantial and material commitment to the long term rehabilitation of the operation.

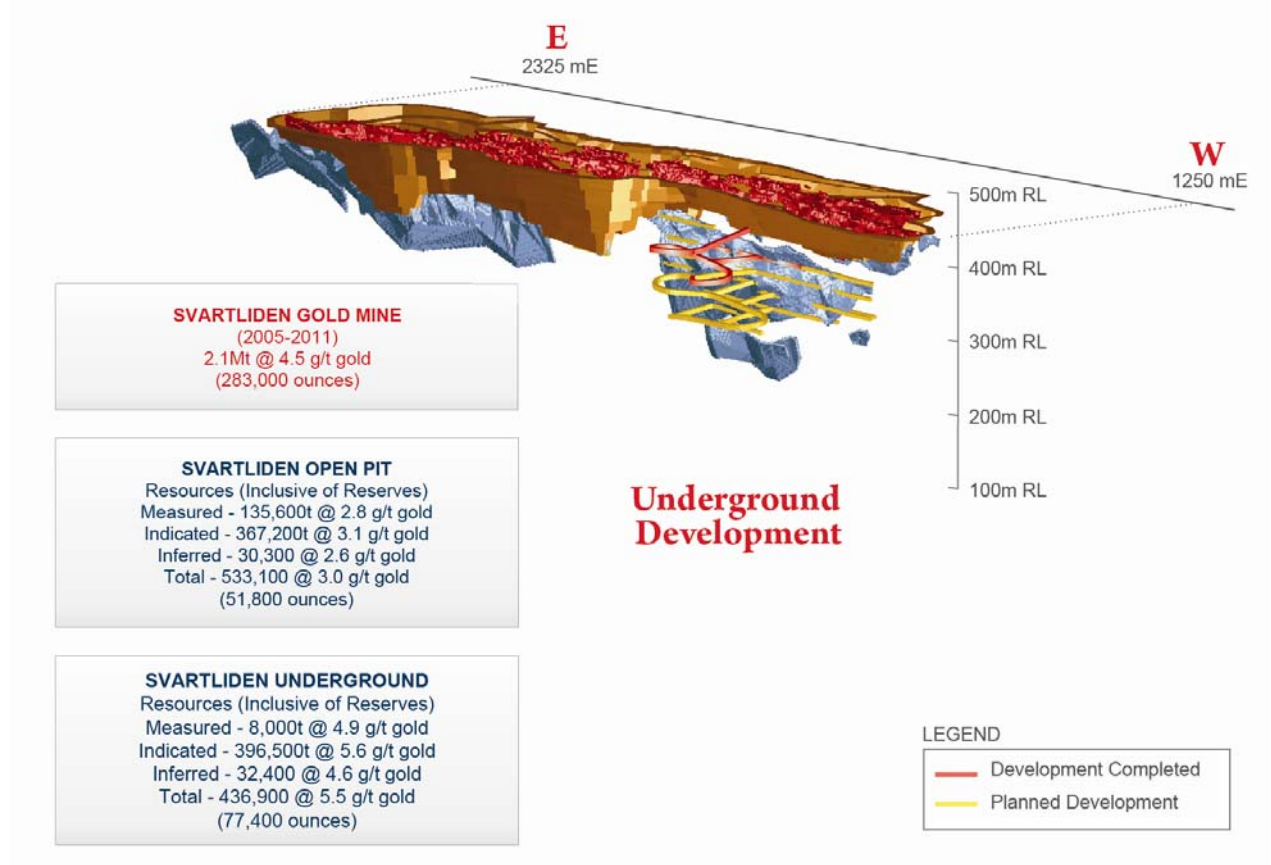
In February the Company submitted to the Land and Environmental Court of Sweden supplementary material for the new environmental permit application. The Company is waiting for a hearing date to be set by the Court.

*Underground Development*

The decline advanced 260m for the quarter and has advanced 758m in total. The decline is on schedule and within budget.

Mining of development ore from the 345m level commenced with 28,782 tonnes at an average grade of 3.4 g/t gold being mined.

**Svartliden Gold Mine - Underground Development**





**FINLAND**

**Vammala Production Centre**

**Table 2 – Production Summary**

	Ore Mined (t)	Ore Milled (t)	Head Grade (g/t)	Recovery (%)	Plant Utilisation (%)	Total Gold Production (Ounces)	Cash Cost US/oz
Mar 2012 Quarter	78,664	71,676	3.8	72.6	86.9	6,351	1,252
Dec 2011 Quarter	59,826	62,433	3.0	78.4	83.6	5,044	1,304

Two lost time injuries occurred during the quarter both caused by minor accidents.

Production at Vammala was 6,351 ounces of gold from 71,676 tonnes of ore milled at a head grade of 3.8 g/t gold and an average cash cost of US\$1,252 per ounce (including refining costs of US\$256 per ounce). 8 days of production was lost due to mechanical failures in the mill.

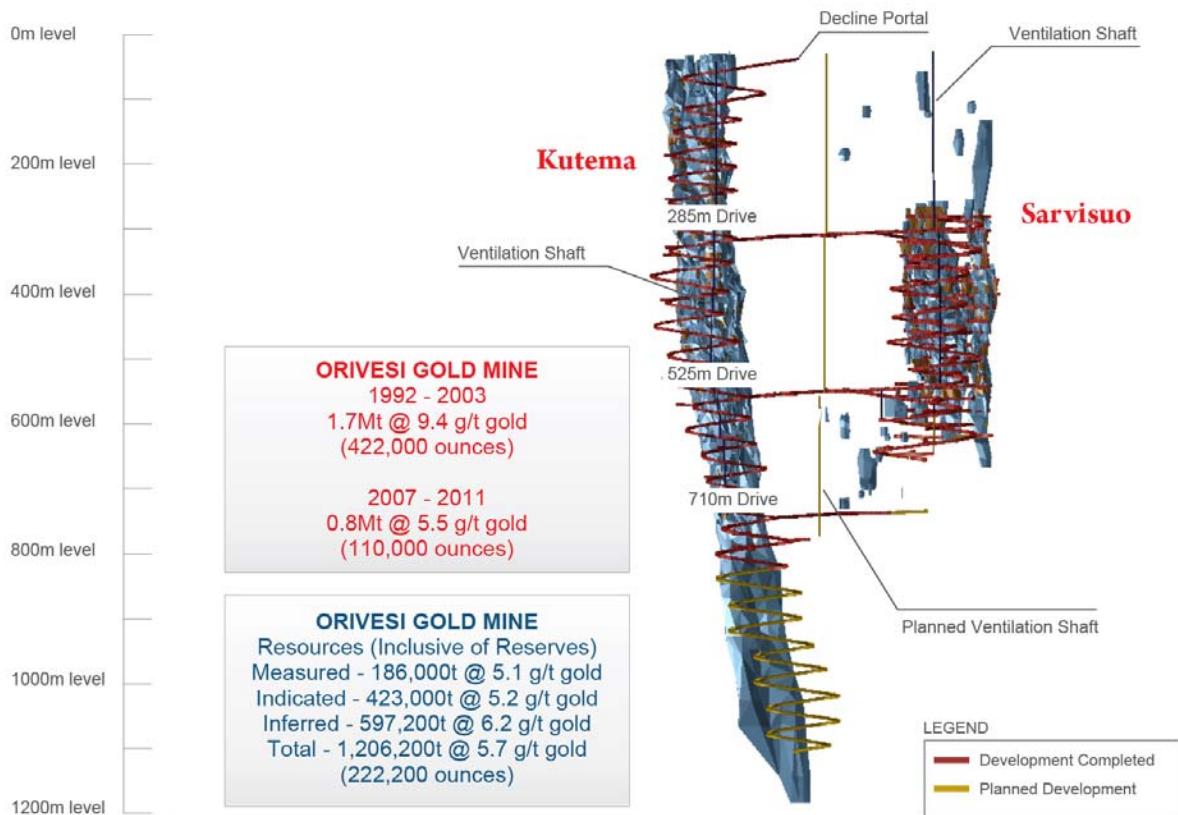
37,810 tonnes of ore was milled from Orivesi at 3.6 g/t and 33,866 tonnes at 4.1 g/t gold was milled from Jokisivu.

Overall recoveries were lower during the quarter as high sulphide ore from Orivesi was processed without using xanthate to assure a saleable product was produced.

**Orivesi Gold Mine**

23,955 tonnes of ore was mined from the Sarvisuo ore lodes at an average grade of 4.2 g/t gold, 5,816 tonnes was extracted from pillars in the Kutema area at the 550m and 645m levels at an average grade of 2.8 g/t gold and 11,883 tonnes mined from Kutema Deeps (development ore) at an average grade of 4.6 g/t gold.

**Orivesi Gold Mine**



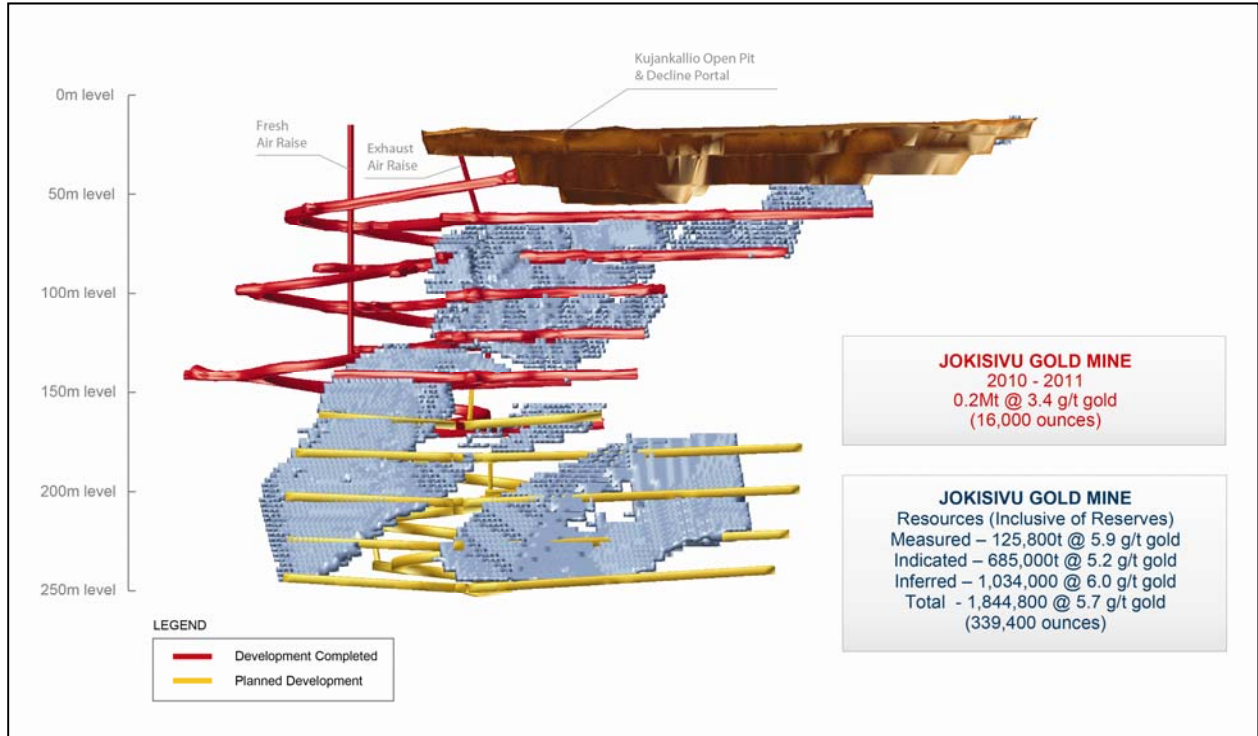




The extension of the Kutema decline from the 720m level which commenced in January 2011 advanced 234m in the quarter (920m in total) reaching the 850m level by the end of March. Lateral development of 374m for the quarter (1,164m in total) advanced on the 740, 760, 780, 800, 820 and 840m levels. Development drives have extended to ore on all levels between 720m and 800m resulting in 11,883 tonnes of development ore being mined at an average grade of 4.6 g/t gold.

### Jokisivu Gold Mine

#### Jokisivu Gold Mine



23,670 tonnes of development ore at an average grade of 3.4 g/t gold was mined from Kujankallio underground and 12,740 tonnes at an average grade of 3.0 g/t gold was mined from the Kujankallio open pit extension. Mining of the Kujankallio open pit extension was completed in February.

Mining of stopes at the 145m and 85m levels continued. The first stoping ore was processed in January with 3,849 tonnes at an average grade of 3.1 g/t gold processed. Lateral development continued on the other four levels.

9,566 tonnes of development ore at a grade of 3.9 g/t gold and 20,451 tonnes of Jokisivu open pit ore at a grade of 3.3 g/t gold were also processed during the quarter.

Development of the decline advanced 242m in the quarter. The portal is located in the Kujankallio open pit, 35m below surface and since commencement in September 2009, the decline has advanced 1,378m or 210m in vertical depth.



## EXPLORATION

### SOUTHERN FINLAND

#### Orivesi Gold Mine

Drilling continued at Sarvisuo West with the completion of the final 14 holes (2,531.1 metres) of a 25 hole program that targeted extensions and in-filled areas of known mineralisation between the 640m and 720m levels. Results have been received from 23 holes, yielding promising intercepts of **6.15m @ 5.86 g/t gold**, **3.70m @ 92.48 g/t gold** and the previously released **3.00m @ 9.72 g/t gold** (Appendix 1).

The first 2 holes (455.4 metres) of a follow-up 16 hole (3,280 metre) program that is testing the Sarvisuo West area below the 720m level is in progress. Results are pending.

Preparation is underway to commence a program of drilling that will target the Kutema lode system between the 880m and 960m levels. The 17 hole, 3,100 metre program has been designed to improve confidence in the Kutema resource in readiness for mine planning, development and production. The program will commence immediately after drill stations are available in the Kutema decline extension.

#### Jokisivu Gold Mine

Final results were received for the third program of underground drilling, a 6 hole, 1,246.70 metre program undertaken from the 85m level that was drilled partially along strike and was directed towards the horsetail structures and planned production areas on the footwall side of the Kujankallio deposit. Better intercepts received include **10.00m @ 15.88 g/t gold** in drill hole HU/JS-469 (Appendix 2).

The drilling of a fourth program of underground drilling, an 18 hole (1,820.60 metres) in-fill campaign from the 145m level that targeted the Main Zone and footwall zones at Kujankallio was completed. Results have been received from 7 holes, returning a best intercept of **6.95m @ 6.72 g/t gold** (Appendix 3). The results from the remaining 11 holes are pending.

A fifth phase of underground drilling is now underway from the 200m level at Kujankallio, with 2 holes, 515.70 metres completed. The 14 hole, 3,335 metre in-fill program is targeting the Main Zone and the nearby hanging wall zones between the 185m and 245m levels. Results are pending.

The drilling of a 38 hole, 4,455 metre in-fill surface diamond core drill program at Arpola has commenced. The program has been designed to improve the confidence of the resource model in readiness for mine planning, development and production. By the end of the quarter, 18 holes, 2,611 metres had been completed. Results are pending.

### NORTHERN FINLAND

#### Kuusamo Gold Project

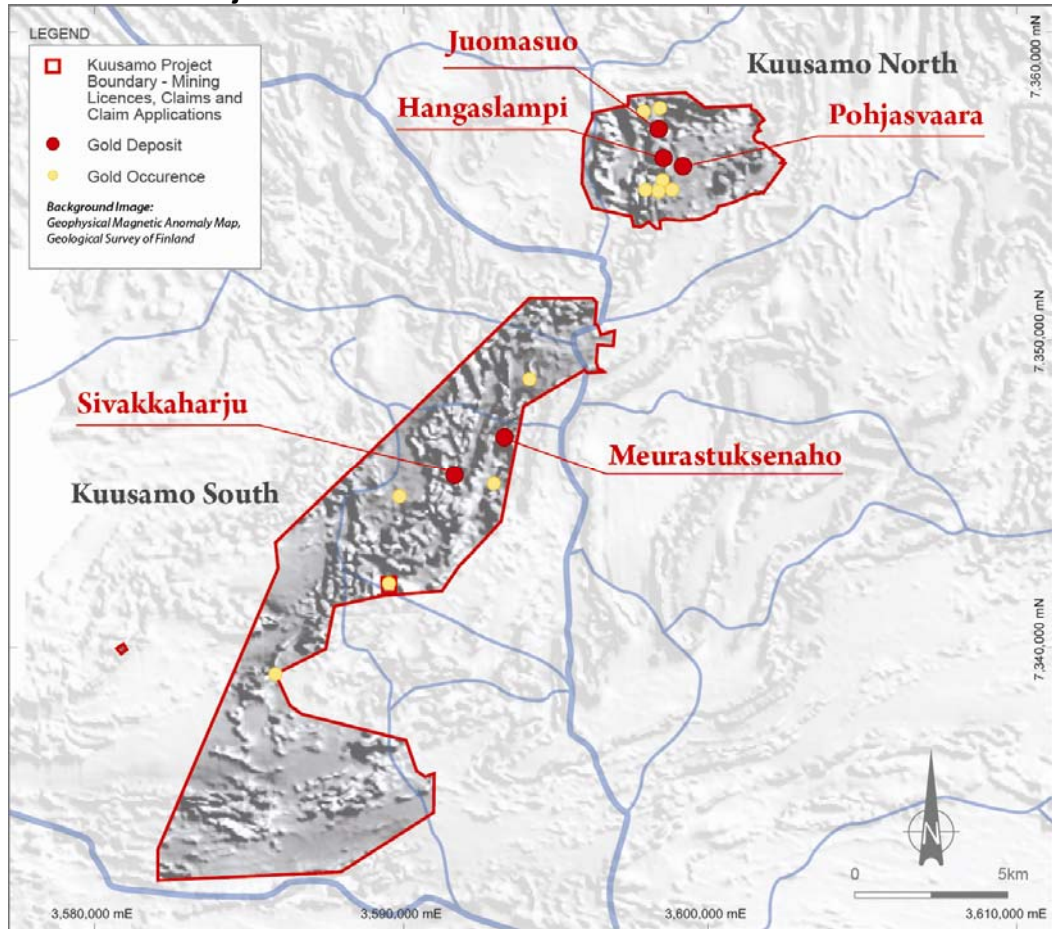
Drilling directed at the Juomasuo and Hangaslampi deposits continued with a further 22 holes completed for an advance of 5,752.40 metres.

The 19 holes, 5,382.80 metres drilled at Juomasuo represents portion of two campaigns, Phases 8 and 9, which are targeting the strike and depth extensions of known mineralisation in the southwest portion and, the main and eastern portion of the deposit, respectively. Two rigs are active on these campaigns, 10 holes remaining to complete the programs.

The 3 holes, 369.6 metres completed at Hangaslampi are the final holes in the fourth phase of drilling undertaken at this deposit.



## Kuusamo Gold Project



The first results have been received from the Phase 8 program and include intercepts of **7.20m @ 8.76 g/t gold**, **4.80m @ 4.70 g/t gold** and **10.20m @ 9.53 g/t gold**. The results are from the initial 5 holes completed in the 15 hole Phase 8 program (Appendix 4).

These results are extremely encouraging occurring outside the current resource model, confirming that mineralisation extends below and along strike from the identified lodes at grades commensurate with the upper portions of the Juomasuo deposit.

Final results were received for the Phase 7 drilling campaign at Juomasuo, a 1,588 metre, 7 hole program, which tested an area to the east of the main zone of mineralisation at Juomasuo, following-up historical gold intersections and testing a prominent geophysical anomaly.

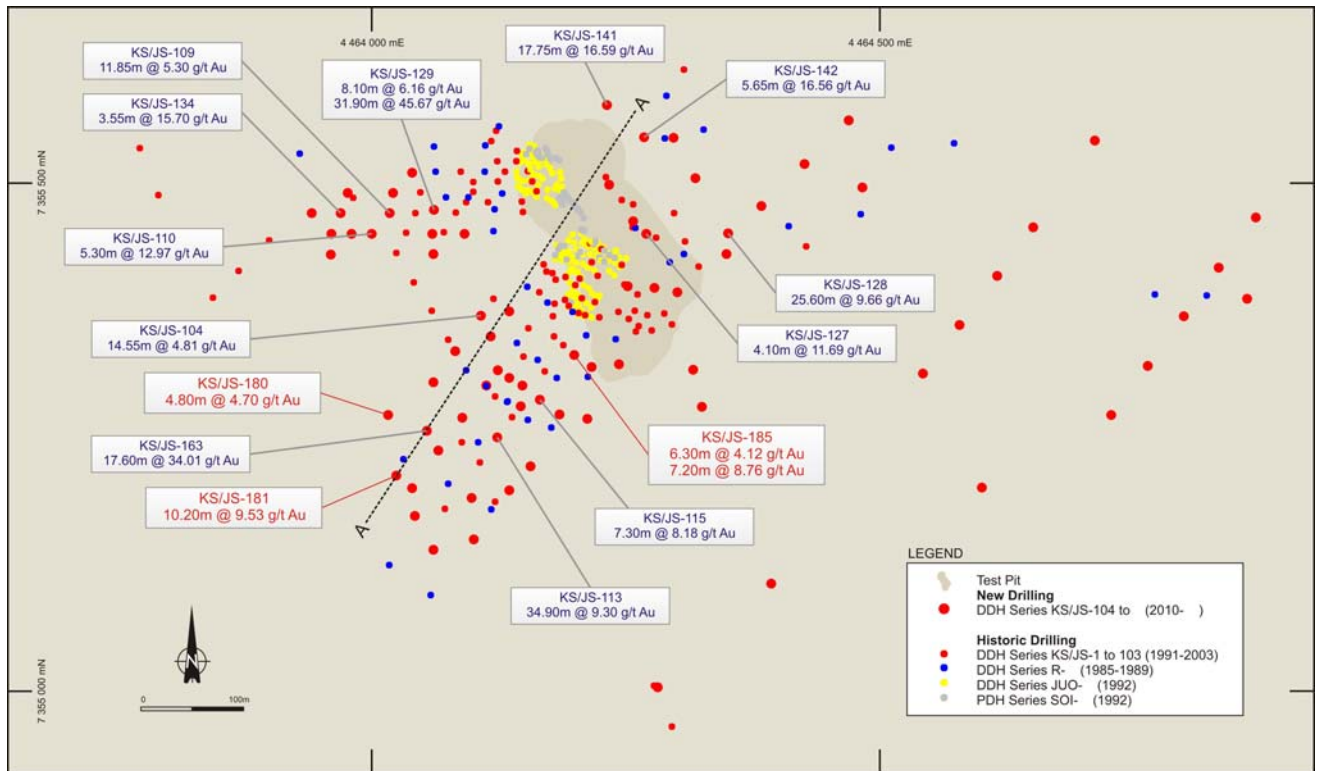
Analysis has returned an intercept of **4.10m @ 6.64 g/t gold** in drill hole KS/JS-169 (Appendix 5). This intercept occurs approximately 40 metres below the intercept of 3.40m @ 3.20 g/t gold in the historic drill hole R-340 and highlights the possibility of a further steeply dipping gold bearing zone occurring, 100 metres east of the main lode set at Juomasuo.

Multi-element analysis has also highlighted the presence of elevated levels of rare earth elements and copper in this area. Better intercepts obtained include 78.00m @ 768 ppm TREO in drill hole KS/JS-172, 5.55m @ 2,211 ppm TREO in KS/JS-169 and 3.35m @ 4,533 ppm copper in KS/JS-175. Sporadic elevated levels of cobalt and uranium also occur.

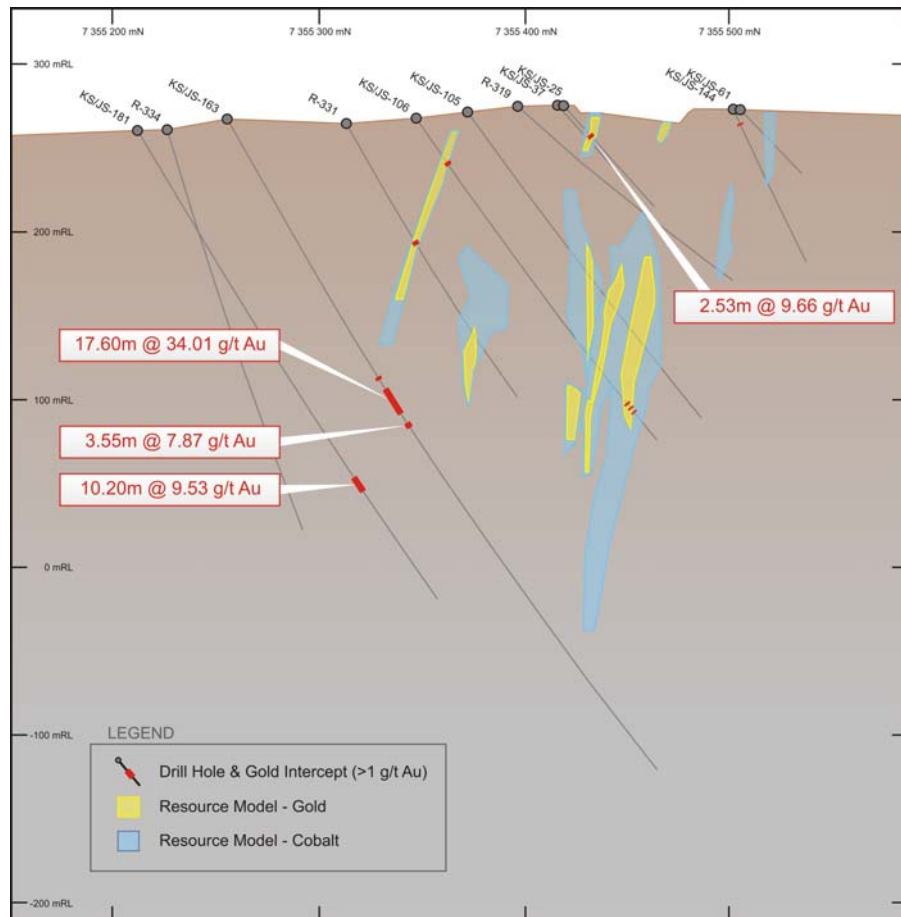




**Juomasuo drill hole location plan.**



**Juomasuo cross section A-A.**

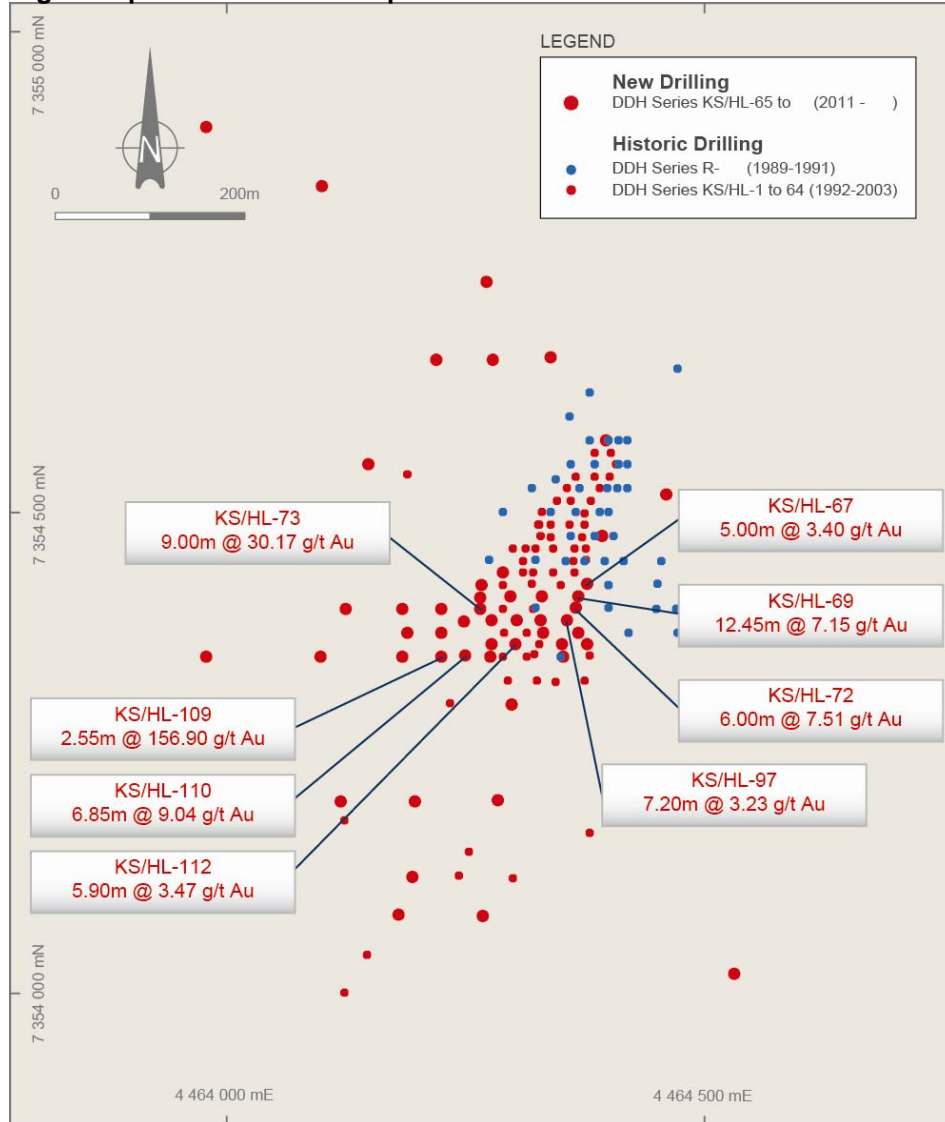




All results have now been received for the drilling completed at the Hangaslampi deposit. A total of 50 holes (6,231.3 metres) have been drilled at, and in the vicinity of the deposit since the recommencement of exploration, evaluating the strike and depth extensions and providing in-fill information to better define the extent and geometry of identified mineralisation, and to test identified geophysical and geochemical targets.

A number of promising intercepts have been received, including **2.55m @ 156.90 g/t gold**, **6.85m @ 9.04 g/t gold**, **5.90m @ 3.47 g/t gold**, **7.20m @ 3.23 g/t gold**, **5.00m @ 3.40 g/t gold**, **12.45m @ 7.15 g/t gold**, **6.00m @ 7.51 g/t gold** and **9.00m @ 30.17 g/t gold** (Appendix 6).

**Hangaslampi drill hole location plan.**



Assays have also been received from a 7 diamond core drill hole (1,023.30 metres) campaign undertaken at the Pohjasvaara deposit, yielding a best intercept of **3.45m @ 20.60 g/t gold** (Appendix 7).

The Pohjasvaara gold deposit is located 1,400 metres southeast of Juomasuo and represents a steeply dipping, medium to high grade body of gold mineralisation that remains open along strike and with depth. Thirty-seven holes (3,409 metres) were drilled at Pohjasvaara by the Geological Survey of Finland and Outokumpu Mining Oy between 1985 and 2002. This drilling returned a number of very encouraging intercepts including 11.20m @ 5.09 g/t gold, 4.80m @ 13.03 g/t gold, 4.00m @ 15.16 g/t gold, 7.00m @ 7.89 g/t gold, 20.40m @ 5.54 g/t gold, 11.00m @ 7.12 g/t gold, 2.80m @ 319.42 g/t gold, 4.00m @ 72.81 g/t gold and 6.00m @ 8.81 g/t gold.



A program of re-logging and re-assaying of historic drill core has recommenced, a further 21 holes logged. Assay results have now been received from 5 holes, returning gold values comparable with historic gold values.

Preparation to undertake a detailed airborne geophysical survey encompassing the 11,715 hectare core holding in the Kuusamo area commenced. Quotations have been received from international airborne geophysical contractors, with the view of completing the survey during the coming northern summer.

In conjunction with exploration activities independent consulting group, Ramboll Finland Oy has continued with the Environmental Impact Assessment (EIA). The EIA is an interactive process with the local people, municipality and associations and is supervised by a steering group, which comprises individuals representing various organisations and interested parties.

A major component of the EIA, the environmental baseline study that included investigations on ground and surface water, the nature and bird life, has been completed. Noise modelling, reindeer surveys and other community related tasks are nearing completion.

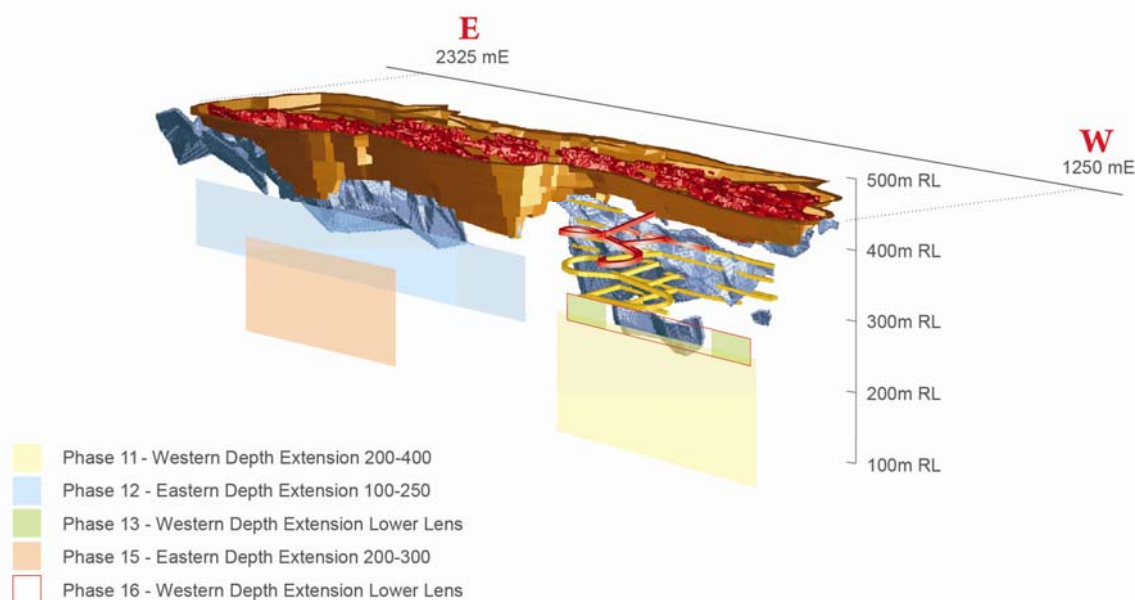
Finalisation of the EIA still requires information from metallurgical test work. Planning has advanced, with the test work due to commence with samples from the Juomasuo and Hangaslampi deposits dispatched to ALS-Ammtec laboratory in South Australia.

## SWEDEN

### Svartliden Gold Mine

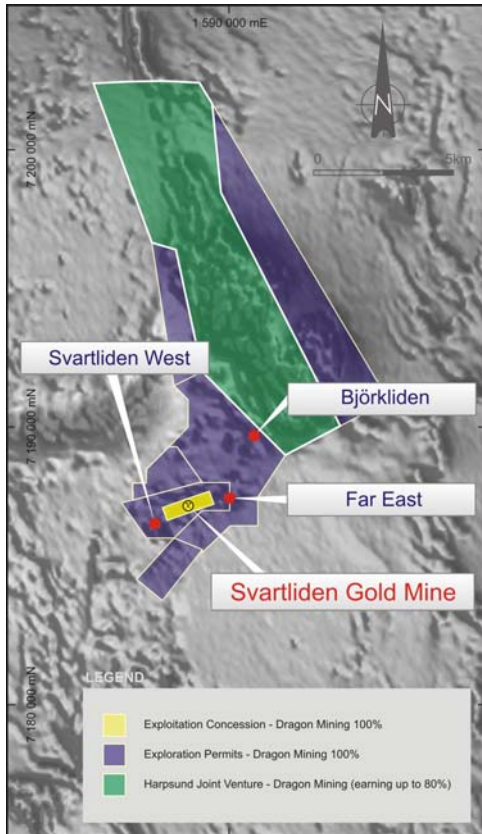
Testing of the depth extensions of the Svartliden deposit continued, with 2,263.75 metres drilled, completing the Phase 15 and Phase 16 programs.

#### Svartliden Gold Mine – Target panels



All results have been received from the 9 hole, Phase 15 program, which was designed to test the downward extensions from 175 metres to 350 metres below surface, between Profiles 2050 and 2250 in the eastern portion of the deposit. Results were modest, intercepts received being narrow and low grade (Appendix 8).

Final results have also been received for the Phase 16 program, which was designed to extend and better define the lower lens of mineralisation in the western portion of the deposit. The program has returned a number of encouraging intercepts from the lower lens of **6.00m @ 4.22 g/t gold** and **5.00m @ 4.86 g/t gold** and from the north Lode of **15.00m @ 4.70 g/t gold**, **5.00m @ 4.80 g/t gold** and **4.00m @ 14.24 g/t gold** (Appendix 9).



A third phase of drilling commenced at the Far East target, a 5 hole, 3,275 metre program evaluating the depth and strike extensions of mineralisation identified during the previous drill program that confirmed the discovery of a new zone of gold mineralisation approximately 800 metres east of the Svartliden gold mine. Two holes of the Phase 3 program have been completed for an advance of 1,102.60 metres, both holes intersecting a geological sequence that is analogous with the host sequence at the Svartliden Gold Mine. Results are pending.

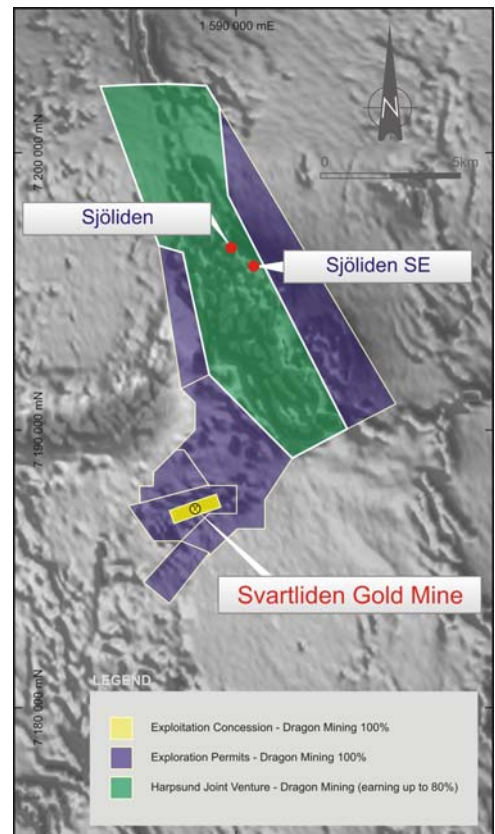
A program of reconnaissance drilling has also commenced in the Björkliden area approximately 3,500 metres northeast of the Svartliden gold mine, with the completion of the first hole in a 10 hole program. The Björkliden area is interpreted from geophysics to be the northerly extension of the Svartliden geological sequence. Results are pending.

**Location of the near mine targets, Far East, Svartliden West and Björkliden.**

**Harpsund Joint Venture (Earning 80% interest)**

An 18 hole, 1,128.65 metre program of drilling has been completed at the Sjölden and Sjölden SE target area, following-on from the successful campaign of drilling completed in 2011 that returned a number of promising intercepts including 2.0m @ 14.03 g/t gold. Logging of drill core is now underway, analytical results expected during the coming quarter.

The Harpsund Joint Venture area is located immediately adjacent to Dragon Mining’s Exploration Permit holding at Svartliden, and is situated 4 kilometres northeast of the Svartliden Gold Mine. The Company entered into a Joint Venture Agreement with listed Swedish exploration company Botnia Exploration AB (Botnia) to earn up to 80% in Botnia’s Exploration Permits in this area in late 2010.



**Location of the Sjölden and Sjölden SE targets on the Harpsund Joint Venture.**



## RESOURCE AND RESERVE STATEMENTS

The Proven and Probable Ore Reserves for the Nordic gold projects have been updated as at 31 December 2011 to **1.58 million tonnes grading 3.5 g/t gold for 177,900 ounces** (Appendix 10). This represents a decrease from the 31 December 2010 Ore Reserve of 1.89 million tonnes grading 3.8 g/t gold for 231,030 ounces.

The gold resource inventory for Dragon Mining's Nordic gold projects continues to exceed 1 million ounces, following the updating of Mineral Resources for the Kujankallio and Sarvisuo deposits (Appendix 11). The updated total group resource of **7.83 million tonnes grading 4.7 g/t gold for 1,189,400 ounces**, depleted for mining to 31 December 2011 and inclusive of Ore Reserves represents an increase of 6% in contained ounces over the 31 December 2010 combined gold resource total of 6.69 million tonnes grading 5.2 g/t gold for 1,124,900 ounces.

## INVESTMENTS

### AUSTRALIA

#### Weld Range Metals Limited (Dragon 39.95%)

WRM continue to work constructively with the Wajarri Yamatji people to develop the valuable iron, chromium, nickel and PGM resources for all the people of the Geraldton region and WA.

### Eritrea

Further to the sale of the 20% interest in the Zara Gold Project, Eritrea, Dragon Mining is entitled to payment of \$4.0 million from Chalice Gold Mines Limited on the delineation of a 1 million ounce gold Reserve at the Zara Gold Project. On 4 June 2010, Chalice announced a maiden gold Reserve at the Zara Gold Project of 760,000 ounces from an Indicated gold Resource of 840,000 ounces.





## CORPORATE

### Cash Balances and Movements

As at 31 March 2012, Dragon Mining held \$25.6m in cash, \$4.9m in bullion and net gold concentrate receivables and a \$4.1m cash deposit lodged with a Swedish authority as a rehabilitation bond.

The principal movements in the cash balance during the quarter were attributable to:

	Q1
<b>Operating Cash flows</b>	\$(m)
Net cash inflows from operations	5.0
Cash outflows for rehabilitation bonds, overhead and operational support costs	(0.7)
Exploration	(3.0)
<b>Net operating cash flows</b>	<b>1.3</b>
<b>Investing Cash flows</b>	
Development expenditure	(4.1)
Capital purchases	(1.0)
Other	(0.3)
<b>Net investing cash flows</b>	<b>(5.4)</b>
<b>Financing Cash flows</b>	
Issue of equity	14.4
Repayment on loan facility	(0.8)
Drawdown of gold concentrate factoring facility	0.2
Foreign exchange gains on cash balances held in foreign currency	(0.1)
<b>Net financing cash flows</b>	<b>13.7</b>
<b>DECREASE IN CASH</b>	<b>9.6</b>

An underwritten renounceable pro rata rights issue to shareholders was completed at an issue price of \$1.10 per share raising \$15.0 million before underwriting fees and expenses. The proceeds will be primarily used to advance exploration and metallurgical testwork at the Kuusamo Gold Project to enable feasibility studies and development to progress at a more rapid rate and for exploration on Kussamo regional prospects.

### Gold Sales

8,080 ounces of gold production from Svartliden was sold at an average cash price of US\$1,606 per ounce. 2,350 ounces of gold were delivered into the gold hedge at an average forward price of US\$1,435 per ounce and 5,730 ounces of gold was delivered into spot at an average price of US\$1,675 per ounce.

6,202 ounces of gold concentrate from the Vammala Production Centre was sold at an average price of US\$1,516 (gross of refining costs). 5,400 ounces of gold were delivered into the gold hedge at an average forward price of US\$1,504 per ounce.

### Listed Investments

Dragon Mining holds 2,000,000 shares in Chalice Gold Mines Limited with a market value of approximately \$0.5m.

### Debt

A repayment of €0.6m was made on 3 January 2012 to the Nordea loan and the balance remaining at 31 March 2012 is €2.5m (A\$3.3m). A repayment of €0.6m was also made of 2 April 2012.

The variable interest rate is currently 4.5%, calculated quarterly in arrears.



## Hedging

The Nordea loan was subject to the completion of a minimum euro denominated gold hedging programme of 30,000 ounces (10,000 ounces in 2011 and 20,000 ounces in 2012).

This hedging program was executed in May 2011 and the remaining gold hedge program is outlined in table 3.

**Table 3 –EUR Denominated Gold Hedging Profile as at 31 March 2012**

Delivery Date	Ounces	Gold Price – EUR
31/03/2012*	1,800	1,055
30/04/2012	1,800	1,056
31/05/2012	1,800	1,057
30/06/2012	2,000	1,058
31/07/2012	1,800	1,060
31/08/2012	1,800	1,047
30/09/2012	1,800	1,062
31/10/2012	1,800	1,063
30/11/2012	1,800	1,063
31/12/2012	1,800	1,064
<b>Total</b>	<b>18,200</b>	<b>1,058</b>

\* Settlement date was 3 April 2012.

Using the 31 March 2012 spot gold price of €1,250 per ounce, the mark to market of the gold euro hedge was a negative amount of A\$4.4m.

The Company also has a residual gold hedge of 1,600 ounces at an average forward price of 9,013 SEK per ounce associated with the Svartliden Gold Mine which is due for delivery in April 2012.

Using the 31 March 2012 spot gold price of 11,031 SEK per ounce, the mark to market of the hedge was a negative amount of A\$0.5m.

## Factoring

As there is a minimum six week delay between shipment of gold concentrate produced at the Vammala Production Centre and payment by the refiner, the Company has a receivables facility (factoring) with Nordea Bank in Finland. Dragon Mining can receive loan funds from Nordea for up to 75% of the gold concentrate value delivered and invoiced. At the end of March, A\$2.0m had been financed.



**Appendix 1 – Results from the underground diamond core drilling program from the 710m level targeting the Sarvisuo West area at the Orivesi Gold Mine. March quarter results highlighted in red.**

Hole	North	East	Azimuth (°)	Dip (°)	Length (m)	From (m)	Interval (m)	Gold (g/t)
KU-1267	6838450.2	2508778.3	357.4	10.3	185.10	119.90	1.00	9.38
						136.00	1.00	5.95
						143.00	1.00	3.48
						153.00	2.50	2.34
KU-1268	6838449.9	2508776.2	28.7	6.7	170.40	162.00	1.00	1.02
KU-1269	6838449.9	2508776.1	15.9	11.3	163.10	136.30	1.20	16.90
KU-1270	6838449.9	2508776.6	34.2	16.1	188.10	178.15	0.80	2.29
KU-1271	6838449.9	2508776.9	350.6	5.3	186.00	115.60	0.95	2.12
KU-1272	6838449.8	2508772.5	319.3	30.1	184.20	122.55	0.80	5.55
						173.00	1.00	3.60
KU-1273	6838449.8	2508776.5	346.3	-4.5	175.50	127.00	1.00	2.60
KU-1274	6838449.8	2508774.1	329.0	31.7	190.10	118.50	4.30	2.71
						170.40	0.60	10.95
KU-1275	6838449.9	2508775.4	339.2	29.5	187.10	118.30	1.00	2.84
						120.60	1.40	1.97
KU-1276	6838450.3	2508778.8	5.1	11.2	157.10	124.40	3.25	1.49
KU-1277	6838449.8	2508777.5	355.2	-7.8	191.95	68.00	1.20	1.22
						138.70	1.85	1.72
						142.85	0.80	2.43
						184.45	0.65	1.40
KU-1278	6838449.9	2508776.0	343.0	28.3	191.60	121.00	3.00	9.72
						172.00	1.00	1.05
KU-1279	6838450.2	2508778.3	0.8	4.4	178.50	131.65	1.55	4.79
KU-1296	6838449.5	2508732.6	351.0	25.0	187.10	105.00	3.00	1.98
						132.00	1.50	1.70
						152.60	6.15	5.86
						<i>includes 0.55m @ 39.70 g/t gold from 154.00 metres</i>		
KU-1297	6838449.7	2508733.0	356.0	24.0	181.00	106.15	1.10	6.18
KU-1298	6838449.8	2508733.0	359.0	7.0	170.85	0.80	0.70	2.56
						103.00	2.00	3.37
						150.30	3.70	92.48
						<i>includes 1.05m @ 258.00 g/t gold from 150.30 metres</i>		
KU-1299	6838449.6	2508732.7	359.0	-17.0	193.50	145.30	1.30	4.23
						163.00	1.50	1.24
KU-1300	6838450.6	2508756.5	351.0	0.0	175.30	108.35	1.50	1.37
						151.65	1.35	1.23
KU-1301	6838450.6	2508742.6	358.0	-23.1	191.90	115.00	0.70	1.09
						118.20	1.20	1.42
						122.45	1.05	1.85
						143.10	1.90	1.46
						165.00	0.50	1.22
KU-1302	6838450.6	2508742.6	359.0	11.0	176.65	106.65	0.95	6.51
						109.15	1.30	2.86
						154.00	1.00	9.01
KU-1303	6838450.7	2508742.6	359.0	7.0	170.80	104.40	0.85	2.44
						107.80	1.20	5.38
						153.75	1.10	2.03
KU-1306	6838449.8	2508773.3	2.0	16.0	202.15	135.70	1.00	2.61
						146.00	1.00	1.23
						154.80	1.60	4.85
KU-1307	6838449.8	2508773.8	7.0	18.0	160.65	132.00	1.00	1.79
						135.50	1.00	6.97

Analysis of half core was completed at ALS in Rosia Montana, Romania, using procedure Au-AA25/Au-AA26 (30g/50g FA with AAS finish) and Au-GRA22 (FA+gravimetric finish), following sample preparation at the ALS facility in Outokumpu, Finland. Intercepts reported at a 1 g/t gold cut-off.



**Appendix 2 - Results for the third underground diamond core drilling program undertaken from the 85m level at Kujanakallio, Jokisivu Gold Mine. March quarter results highlighted in red.**

Hole	North	East	Azimuth (°)	Dip (°)	Length (m)	From (m)	Interval (m)	Gold (g/t)
HU/JS-469	6779540.4	2425969.8	265.0	-1.0	225.10	0.00	2.15	7.69
						4.15	1.00	1.19
						31.00	10.00	15.88
						<i>includes 3.05m @ 46.56 g/t gold from 36.00 metres</i>		
						62.50	1.25	6.14
						78.00	1.10	6.69
						145.65	3.35	1.94
HU/JS-470	6779535.8	2425969.9	217.1	10.0	232.70	0.00	1.50	1.25
						35.50	1.00	3.06
						173.50	1.00	2.00
						183.50	1.50	1.47
						197.50	1.50	2.64
						215.65	1.00	1.22
						223.00	1.50	1.72
HU/JS-471	6779536.0	2425969.0	223.0	-10.0	165.25	6.60	1.25	3.53
						24.00	1.20	1.18
						108.50	1.30	2.09
						121.55	0.50	39.00
						124.55	3.15	2.67
HU/JS-472	6779535.6	2425970.7	204.1	-3.0	210.10	25.70	1.00	1.81
						40.00	1.40	4.25
						98.50	1.00	1.42
						139.00	1.50	4.56
						167.80	1.20	1.73
HU/JS-473	6779534.7	2425973.7	184.0	3.0	241.40	10.10	0.90	1.08
						20.75	1.00	1.70
						80.85	2.10	5.79
						87.50	1.50	2.30
						131.00	1.00	1.22
						134.00	1.00	2.68
						195.00	1.55	7.60
HU/JS-474	6779536.0	2425969.0	242.0	-5.0	172.15	51.90	0.85	2.12
						68.00	1.00	2.08
						70.00	4.00	1.89
						74.90	1.50	2.76

*Analysis of half core was completed at ALS in Rosia Montana, Romania, using procedure Au-AA25/Au-AA26 (30g/50g FA with AAS finish) and Au-GRA22 (FA+gravimetric finish), following sample preparation at the ALS facility in Outokumpu, Finland. Intercepts reported at a 1 g/t gold cut-off.*

**Appendix 3 - Results for the fourth underground diamond core drilling program undertaken from the 65m level at Kujanakallio, Jokisivu Gold Mine.**

Hole	North	East	Azimuth (°)	Dip (°)	Length (m)	From (m)	Interval (m)	Gold (g/t)
HU/JS-475	6779504.3	2425982.9	37.0	-17.0	106.55	71.35	1.45	4.34
						87.10	1.45	2.02
HU/JS-477	6779507.0	2425978.7	44.0	20.0	77.20	56.90	1.50	1.60
						66.35	5.70	2.45
HU/JS-481	6779512.8	2425970.0	16.0	-1.0	75.05	27.95	0.25	1.59
						47.65	6.95	6.72
						67.25	0.70	1.46
HU/JS-482	6779512.3	2425970.0	13.0	39.0	65.10	57.50	1.85	5.00
HU/JS-483	6779512.8	2425969.7	356.0	-1.0	80.15	10.40	1.60	1.83
						28.00	2.05	6.59
						33.70	1.25	7.55
						57.90	0.65	2.13



						71.55	0.90	9.05
HU/JS-484	6779518.3	2425956.0	342.0	13.0	80.05	0.00	2.50	2.07
						5.00	2.15	3.12
						8.90	4.20	3.56
						37.75	4.30	2.31
						60.00	1.80	2.57
HU/JS-485	6779518.1	2425956.0	349.0	-10.0	90.15	0.00	0.95	6.35
						5.35	3.40	6.22
						31.95	1.20	1.00
						47.80	1.65	11.80
						53.40	1.50	2.87

Analysis of half core was completed at ALS in Rosia Montana, Romania, using procedure Au-AA25/Au-AA26 (30g/50g FA with AAS finish) and Au-GRA22 (FA+gravimetric finish), following sample preparation at the ALS facility in Outokumpu, Finland. Intercepts reported at a 1 g/t gold cut-off.

#### Appendix 4 - Results for the Phase 8 diamond core drilling program at the Juomasuo gold deposit, Kuusamo Gold Project.

Hole ID	Northing	Easting	RL	Dip (°)	Azimuth (°)	Length (m)	From (m)	Interval (m)	Au (g/t)	Co (ppm)	Cu (ppm)	U (ppm)	TREO (ppm)
KS/JS-180	7355272.9	4464016.8	261.5	36.0	-60	449.1	101.20	3.00	2.60	282	0	27	113
							196.90	3.80	1.23	1,289	344	72	193
							205.40	4.80	4.70	1,783	149	74	295
KS/JS-181	7355211.9	4464024.0	260.8	35.0	-60	331.8	243.90	10.20	9.53	973	30	619	401
							includes 0.30 metres @ 226.00 g/t gold from 244.65 metres						
KS/JS-185	7355330.9	4464199.0	271.2	33.4	-50	270.9	59.60	6.30	4.12	553	0	60	140
							71.90	1.25	5.80	1,865	287	658	350
							113.80	1.60	13.20	687	221	876	326
							186.70	3.00	1.17	293	1,123	13	121
							192.70	7.20	8.76	4,247	1,708	7	427
KS/JS-186	7355318.0	4464215.4	271.0	38.1	-50	271.5	188.60	2.00	1.53	1,015	1,043	14	580
KS/JS-187	7355265.6	4464210.5	268.3	31.9	-60	301.9	No significant gold intercepts						

Preparation of half core samples was completed at the ALS Minerals facility in Outokumpu, Finland, and analysis completed at ALS Minerals in Rosia Montana, Romania, and Vancouver, Canada, using procedures Au-AA25, ME-4ACD81, ME-MS81. Gold values exceeding 3 g/t and uranium values exceeding 1,000 ppm were re-assayed by AU-GRA22 and U-XRF-10 methods, respectively. The Total REO values have been calculated as the sum of all REE as REE<sub>2</sub>O<sub>3</sub>, with the exception of Ce (CeO<sub>2</sub>), Pr (Pr<sub>6</sub>O<sub>11</sub>) and Tb (Tb<sub>4</sub>O<sub>7</sub>). Intercepts reported at a 1 g/t gold cut-off.

#### Appendix 5 - Results for the Phase 7 diamond core drilling program at the Juomasuo gold deposit, Kuusamo Gold Project.

Hole ID	Northing	Easting	RL	Dip (°)	Azimuth (°)	Length (m)	From (m)	Interval (m)	Au (g/t)	Co (ppm)	Cu (ppm)	U (ppm)	TREO (ppm)
KS/JS-167	7355495.7	4464482.4	270.1	34.7	-45	199.5	No significant intercepts						
KS/JS-168	7355466.0	4464869.5	270.6	36.7	-45	91.6	No significant intercepts						
KS/JS-169	7355544.8	4464267.7	269.4	38.9	-45	199.4	74.60	4.10	6.64	86	1443	2	162
KS/JS-171	7355105.8	4464392.7	275.5	36.6	-45	100.5	No significant intercepts						
KS/JS-172	7355312.7	4464542.1	275.2	35.9	-45	100.4	No significant intercepts						
KS/JS-173	7355360.5	4464578.4	274.4	38.1	-45	100.5	No significant intercepts						
KS/JS-174	7355408.7	4464615.3	272.4	38.0	-45	100.4	No significant intercepts						
KS/JS-175	7355456.6	4464650.4	269.7	34.4	-45	170.0	No significant intercepts						
KS/JS-176	7355541.7	4464711.5	269.0	40.5	-45	110.7	No significant intercepts						
KS/JS-177	7355271.7	4464727.4	284.3	36.8	-45	99.9	No significant intercepts						
KS/JS-178	7355320.1	4464763.2	276.9	37.2	-45	100.2	No significant intercepts						
KS/JS-179	7355369.2	4464798.8	273.6	36.7	-45	115.0	No significant intercepts						

Preparation of half core samples was completed at the ALS Minerals facility in Outokumpu, Finland, and analysis completed at ALS Minerals in Rosia Montana, Romania, and Vancouver, Canada, using procedures Au-AA25, ME-4ACD81, ME-MS81. Gold values





exceeding 3 g/t and uranium values exceeding 1,000 ppm were re-assayed by AU-GRA22 and U-XRF-10 methods, respectively. The Total REO values have been calculated as the sum of all REE as REE<sub>2</sub>O<sub>3</sub>, with the exception of Ce (CeO<sub>2</sub>), Pr (Pr<sub>6</sub>O<sub>11</sub>) and Tb (Tb<sub>4</sub>O<sub>7</sub>). Intercepts reported at a 1 g/t gold cut-off.

### Appendix 6 – Results from diamond core drilling at the Hangaslampi gold deposit, Kuusamo Gold Project. March quarter results highlighted in red.

Hole ID	Northing	Easting	RL	Dip (°)	Azimuth (°)	Length (m)	From (m)	Interval (m)	Au (g/t)	Co (ppm)	Cu (ppm)	U (ppm)	TREO (ppm)
KS/HL-65	7354575.0	4464396.4	275.2	-45	91.6	67.5	31.20	1.90	1.67	571	2	694	399
							35.70	0.25	2.86	3,180	4	14	255
							46.60	6.55	2.49	1,275	4	225	358
KS/HL-66	7354475.5	4464392.8	282.0	-45	90.9	55.6	15.20	2.50	9.33	79	4	2	195
KS/HL-67	7354425.3	4464377.1	285.3	-64	88.9	74.3	10.15	0.75	2.74	3,590	2	167	6,323
							15.10	5.00	3.40	716	4	9	888
							26.20	1.15	1.22	521	22	57	1,305
							29.95	1.45	1.52	315	9	12	157
KS/HL-68	7354424.9	4464266.7	282.5	-60	86.1	125.0	No significant intercepts						
KS/HL-69	7354413.4	4464368.1	285.4	-65	88.0	73.2	11.00	4.15	1.80	406	2	100	1,312
							43.00	12.45	7.15	499	4	78	372
KS/HL-70	7354412.8	4464329.8	282.6	-65	90.1	100.7	66.60	1.40	1.09	8	0	3	131
KS/HL-71	7354412.2	4464296.9	281.6	-65	90.8	121.9	60.55	1.30	1.01	989	2	13	420
							66.10	1.65	1.24	38	2	2	91
							70.85	4.80	1.80	33	2	4	104
							82.55	1.60	2.48	669	5	16	288
KS/HL-72	7354400.9	4464365.3	286.2	-58	88.8	65.1	7.00	2.10	2.33	26	1	1	66
							45.30	6.00	7.51	418	5	24	614
KS/HL-73	7354399.6	4464266.5	282.7	-59	86.6	143.1	95.35	9.00	30.17	214	2	3,158	593
KS/HL-74	7354375.0	4464368.3	287.8	-57	89.1	73.0	48.75	1.10	8.22	16	2	2	508
KS/HL-75	7354375.2	4464331.9	285.8	-55	89.5	95.1	No significant intercepts						
KS/HL-76	7354350.1	4464352.0	288.9	-68	90.0	90.4	63.00	2.25	1.21	322	336	13	385
KS/HL-77	7354350.4	4464276.0	285.3	-60	88.9	109.2	79.90	0.95	1.52	213	1	9	199
KS/HL-78	7354299.9	4464298.9	292.7	-45	90.0	120.2	No significant intercepts						
KS/HL-79	7354201.0	4464284.4	291.5	-45	89.6	127.6	No significant intercepts						
KS/HL-80	7354199.9	4464198.1	284.5	-45	89.2	160.1	No significant intercepts						
KS/HL-81	7354080.5	4464268.9	284.8	-45	87.0	127.6	No significant intercepts						
KS/HL-82	7354081.3	4464181.5	280.8	-45	92.6	133.3	No significant intercepts						
KS/HL-83	7354399.8	4464184.7	278.0	-54	93.9	181.6	No significant intercepts						
KS/HL-84	7354120.2	4464195.7	282.3	-54	87.9	100.6	No significant intercepts						
KS/HL-85	7354901.8	4463980.8	267.7	-45	92.6	73.3	No significant intercepts						
KS/HL-86	7354839.9	4464100.6	268.8	-45	96.6	73.1	No significant intercepts						
KS/HL-87	7354739.6	4464272.6	273.8	-45	90.3	88.6	Not sampled						
KS/HL-88	7354550.0	4464149.8	273.4	-45	89.4	100.8	No significant intercepts						
KS/HL-89	7354199.9	4464120.1	279.7	-45	89.6	79.6	No significant intercepts						
KS/HL-90	7354020.1	4464530.3	285.4	-45	89.3	85.4	No significant intercepts						
KS/HL-91	7354349.9	4464099.8	279.0	-45	89.6	286.2	No significant intercepts						
KS/HL-92	7354350.1	4463980.2	275.7	-45	88.4	348.2	No significant intercepts						
KS/HL-93	7354660.9	4464339.9	273.2	-45	88.6	100.6	No significant intercepts						
KS/HL-94	7354659.2	4464279.5	273.9	-45	88.0	93.4	No significant intercepts						
KS/HL-95	7354659.4	4464219.7	272.4	-45	88.5	79.4	No significant intercepts						
KS/HL-96	7354519.3	4464459.4	281.7	-45	88.5	79.7	No significant intercepts						



KS/HL-97	7354387.7	4464356.5	286.0	-54	89.2	79.8	45.85	0.75	3.98	448	3	9	119
							48.35	1.00	2.02	573	2	9	214
							51.25	7.20	3.23	529	6	63	343
KS/HL-98	7354387.6	4464328.9	284.2	-54	90.5	106.8	No significant intercepts						
KS/HL-99	7354387.5	4464303.5	282.9	-54	88.6	130.4	No significant intercepts						
KS/HL-100	7354387.5	4464278.3	282.1	-54	88.6	139.3	No significant intercepts						
KS/HL-101	7354387.0	4464248.8	280.9	-54	91.1	178.9	107.70	5.55	1.82	197	0	48	506
							115.20	2.95	1.94	302	1	8	268
KS/HL-102	7354399.8	4464126.4	278.6	-50	91.2	238.7	No significant intercepts						
KS/HL-103	7354437.1	4464290.1	280.8	-55	90.6	163.8	74.45	2.80	1.56	328	185	4	153
KS/HL-104	7354411.9	4464266.4	281.2	-65	89.7	161.0	No significant intercepts						
KS/HL-105	7354399.8	4464225.0	280.9	-56	92.7	165.9	120.25	4.10	1.19	159	0	13	247
							128.90	1.40	1.00	60	0	5	66
							132.45	0.90	4.59	13	0	3	115
KS/HL-106	7354374.9	4464187.2	280.3	-45	91.3	100.6	No significant intercepts						
KS/HL-107	7354375.0	4464224.8	281.6	-45	90.4	180.2	No significant intercepts						
KS/HL-108	7354349.6	4464184.0	282.6	-45	90.1	100.1	No significant intercepts						
KS/HL-109	7354350.1	4464224.3	283.1	-60	90.1	168.9	143.15	2.55	156.90	760	723	1,563	423
KS/HL-110	7354350.8	4464250.2	283.9	-60	90.7	150.4	114.45	6.85	9.04	1,452	460	1,350	799
KS/HL-111	7354363.2	4464277.4	284.5	-45	91.9	181.2	No significant intercepts						
KS/HL-112	7354362.4	4464302.9	285.7	-45	90.7	151.2	62.80	5.90	3.47	367	3	15	236
KS/HL-113	7354363.1	4464351.7	288.0	-45	90.3	100.5	No significant intercepts						
KS/HL-114	7354363.1	4464376.9	289.6	-45	91.4	100.2	No significant intercepts						

Preparation of half core samples was completed at the ALS Minerals facility in Outokumpu, Finland, and analysis completed at ALS Minerals in Rosia Montana, Romania, and Vancouver, Canada, using procedures Au-AA25, ME-4ACD81, ME-MS81. Gold values exceeding 3 g/t and uranium values exceeding 1,000 ppm were re-assayed by AU-GRA22 and U-XRF-10 methods, respectively. The Total REO values have been calculated as the sum of all REE as REE<sub>2</sub>O<sub>3</sub>, with the exception of Ce (CeO<sub>2</sub>), Pr (Pr<sub>6</sub>O<sub>11</sub>) and Tb (Tb<sub>4</sub>O<sub>7</sub>). Intercepts reported at a 1 g/t gold cut-off.

## Appendix 7 – Drill results from diamond core drilling at the Pohjasvaara gold deposit, Kuusamo Gold Project.

Hole ID	Northing	Easting	RL	Azimuth (°)	Dip (°)	Length (m)	From (m)	Interval (m)	Au (g/t)	Co (ppm)	Cu (ppm)	U (ppm)	TREO (ppm)
KS/POV-22	7354219.9	4464966.8	290.0	95.5	-45	90.1	No significant gold intercept						
KS/POV-23	7354219.8	4464930.3	290.0	88.5	-45	130.5	No significant gold intercept						
KS/POV-24	7354138.9	4464900.4	287.4	89.4	-50	142.6	No significant gold intercept						
KS/POV-25	7354199.8	4464880.4	291.6	87.6	-55	199.9	93.80	1.10	1.18	929	2,140	2	820
KS/POV-26	7354160.1	4464880.5	289.2	88.1	-55	199.9	140.20	3.45	20.60	537	2,306	2	2,070
KS/POV-27	7354119.9	4464880.3	287.5	89.1	-55	199.6	131.50	1.00	5.19	1,315	3,850	4	360
KS/POV-28	7354298.9	4465059.5	284.3	84.8	-45	60.7	No significant gold intercept						

Preparation of half core samples was completed at the ALS Minerals facility in Outokumpu, Finland, and analysis completed at ALS Minerals in Rosia Montana, Romania, and Vancouver, Canada, using procedures Au-AA25, ME-4ACD81, ME-MS81. Gold values exceeding 3 g/t and uranium values exceeding 1,000 ppm were re-assayed by AU-GRA22 and U-XRF-10 methods, respectively. The TREO values have been calculated as the sum of all REE as REE<sub>2</sub>O<sub>3</sub>, with the exception of Ce (CeO<sub>2</sub>), Pr (Pr<sub>6</sub>O<sub>11</sub>) and Tb (Tb<sub>4</sub>O<sub>7</sub>). Intercepts reported at a 1 g/t gold cut-off.



**Appendix 8 – Gold Results from the Phase 15 program at the Svartliden Gold Mine, Sweden. March quarter results highlighted in red.**

Hole	North	East	RL	Azimuth (°)	Dip (°)	Length (m)	From (m)	Interval (m)	Gold (g/t)
<b>Profile 2050</b>									
SV11569	7187223.7	1588840.0	465.8	341	-64	225.25	195.0	1.00	2.90
<b>Profile 2075</b>									
SV11566	7187228.3	1588864.8	464.7	341	-66.5	244.90	No significant intercept		
SV11567	7187228.2	1588864.9	464.7	341	-54.0	235.00	No significant intercept		
<b>Profile 2125</b>									
SV11568	7187149.2	1588943.9	467.3	341	-67	342.00	No significant intercept		
<b>Profile 2175</b>									
SV11565	7187246.0	1588964.4	465.2	341	-61	240.00	204.0	1.00	2.08
<b>Profile 2200</b>									
SV11563	7187265.0	1588984.3	465.1	341	-57	226.20	175.0	4.00	1.38
							191.0	1.00	2.91
							213.0	1.00	2.33
SV11564	7187221.1	1588999.4	466.1	341	-55	269.10	220.0	1.00	2.05
<b>Profile 2250</b>									
SV11561	7187310.1	1589021.8	464.0	341	-58	211.80	164.0	1.00	3.32
SV11562	7187260.6	1589038.6	465.9	341	-57	242.90	198.0	1.00	1.13

Analysis of half core was completed at ALS Minerals in Rosia Montana, Romania, using method Au-AA25, following sample preparation at the ALS Minerals facility in Piteå, Sweden. Reported at a cut-off grade of 1.0 g/t gold.

**Appendix 9 – Gold Results from the Phase 16 program at the Svartliden Gold Mine, Sweden.**

Hole	North	East	RL	Azimuth (°)	Dip (°)	Length (m)	From (m)	Interval (m)	Gold (g/t)
<b>Profile 1450</b>									
SV11577	7186937.5	1588303.7	457.2	341	-51.0	315.50	177.0	1.00	1.08
							180.0	1.00	1.54
<b>Profile 1475</b>									
SV11576b	7186966.8	1588320.5	457.0	341	-49.0	291.00	238.0	4.00	3.35
							247.0	6.00	4.22
<b>Profile 1525</b>									
SV11574	7186983.6	1588367.3	459.7	341	-53.0	317.60	237.0	1.00	1.42
							250.0	1.00	10.35
							257.0	3.00	5.16
SV11575	7186980.0	1588368.6	459.7	341	-59	316.35	201.0	3.00	1.58
							248.0	2.00	5.01
<b>Profile 1600</b>									
SV11573	7187024.2	1588432.6	460.8	341	-58	300.30	185.0	1.00	4.04
							190.0	15.00	4.70
							235.0	1.00	1.57
							246.0	1.00	2.20
<b>Profile 1625</b>									
SV10256	7187015.0	1588462.0	463.5	341	-60.0	re-49.9 m	275.0	3.00	2.36
<b>Profile 1650</b>									
SV11572	7187048.3	1588477.3	462.3	341	-56.0	304.90	173.0	1.00	1.59
							181.0	1.00	1.16
							231.0	1.00	3.38
<b>Profile 1675</b>									
SV11571	7187048.5	1588505.9	462.9	341	-58.0	307.30	190.0	1.00	1.35
							248.0	5.00	4.86
<b>Profile 1700</b>									
SV11570	7187051.7	1588528.6	462.8	341	-57.0	305.10	179.0	1.00	1.40
							189.0	5.00	4.80
							197.0	4.00	14.24
							Includes 1.0 metres @ 52.4 g/t gold from 200 metres		
							256.0	1.00	6.60



Profile 1725							
SV11578	7187062.1	1588552.3	462.2	341	-53.0	312.60	No significant intercept

Analysis of half core was completed at ALS Minerals in Rosia Montana, Romania, using method Au-AA25, following sample preparation at the ALS Minerals facility in Piteå, Sweden. Reported at a cut-off grade of 1.0 g/t gold.

### Appendix 10 – Group Ore Reserves - Gold.

		Proved			Probable			Total		
		Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces
Svartliden	Svartliden Gold Mine									
	Open Pit (1)	71,700	2.7	6,200	149,600	3.0	14,600	221,300	2.9	20,800
	Underground (2)	9,100	3.1	900	389,400	3.7	46,200	398,500	3.7	47,100
	Stockpiles (3)	3,800	3.3	400	232,700	1.8	13,500	236,500	1.8	13,900
	<b>Total</b>	<b>84,600</b>	<b>2.8</b>	<b>7,500</b>	<b>771,700</b>	<b>3.0</b>	<b>74,300</b>	<b>856,300</b>	<b>3.0</b>	<b>81,800</b>
Vammala	Orivesi Gold Mine									
	Kutema (4)	21,000	3.6	2,400	298,200	4.6	44,100	319,200	4.5	46,500
	Sarvisuo (5)	45,800	4.0	5,900	21,800	4.0	2,800	67,600	4.0	8,700
	<b>Total</b>	<b>66,800</b>	<b>3.9</b>	<b>8,300</b>	<b>320,000</b>	<b>4.6</b>	<b>46,900</b>	<b>386,800</b>	<b>4.4</b>	<b>55,200</b>
	Jokisivu Gold Mine									
	Kujankallio Open Pit (6)	13,700	2.9	1,300	100	2.3		13,800	2.9	1,300
	Kujankallio Underground (7)	89,800	4.1	11,800	233,900	3.7	27,800	323,700	3.8	39,600
<b>Total</b>	<b>103,500</b>	<b>3.9</b>	<b>13,100</b>	<b>234,000</b>	<b>3.7</b>	<b>27,800</b>	<b>337,500</b>	<b>3.8</b>	<b>40,900</b>	
<b>Group Total</b>		<b>254,900</b>	<b>3.5</b>	<b>28,900</b>	<b>1,325,700</b>	<b>3.5</b>	<b>149,000</b>	<b>1,580,600</b>	<b>3.5</b>	<b>177,900</b>

- (1) Open pit Ore Reserves at Svartliden are based on a gold price of US\$1,650/ounce and reported at a 1.8 g/t gold cut-off. Ore loss was set at 17.2% and average dilution at 20% in accordance with historic mine reconciliation.
- (2) Underground Ore Reserves at Svartliden are based on a gold price of US\$1,650/ounce and reported at a 3.0 g/t gold cut-off. Average dilution was set at 84% for development and 66% for production.
- (3) Represents stockpiled material at the Svartliden mine site.
- (4) Ore Reserves at Kutema are based on a gold price of US\$1,600/ounce and reported at a 2.0 g/t gold cut-off. Dilution levels range from 0% to 30%. Ore loss was set at 20% for the mining of pillar material.
- (5) Ore Reserves at Sarvisuo are based on a gold price of US\$1,600/ounce and reported at a 2.0 g/t gold cut-off. Dilution levels range from 10% to 15%.
- (6) Open pit Ore Reserves at Kujankallio are based on a gold price of US\$1,600/ounce and reported at a 2.0 g/t gold cut-off. Average dilution was set at 45% and ore loss at 10% in accordance with historic mine reconciliation from open pit operations at Jokisivu.
- (7) Underground Ore Reserves at Kujankallio are based on a gold price of US\$1,600/ounce and reported at a 2.0 g/t gold cut-off. Average dilution was set at 50% for development and 30% for production and ore loss was set at 5% for development and 8% for production.

### Appendix 11 – Group Mineral Resources – Gold (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	Svartliden Gold Mine												
	Open Pit (8)	135,600	2.8	12,200	367,200	3.1	37,100	30,300	2.6	2,500	533,100	3.0	51,800
	Underground (9)	8,000	4.9	1,200	396,500	5.6	71,400	32,400	4.6	4,800	436,900	5.5	77,400
	Stockpiles (10)	3,800	3.3	400	232,700	1.8	13,500				236,500	1.8	13,900
	<b>Svartliden Total</b>	<b>147,400</b>	<b>2.9</b>	<b>13,800</b>	<b>996,400</b>	<b>3.8</b>	<b>122,000</b>	<b>62,700</b>	<b>3.7</b>	<b>7,300</b>	<b>1,206,500</b>	<b>3.7</b>	<b>143,100</b>
Vammala	Orivesi Gold Mine												
	Kutema (11)	19,000	3.9	2,400	335,500	5.0	53,400	515,000	6.0	100,100	869,500	5.6	155,900
	Sarvisuo (12)	167,000	5.2	27,900	87,500	6.3	17,800	82,200	7.8	20,600	336,700	6.1	66,300
	<b>Total</b>	<b>186,000</b>	<b>5.1</b>	<b>30,300</b>	<b>423,000</b>	<b>5.2</b>	<b>71,200</b>	<b>597,200</b>	<b>6.2</b>	<b>120,700</b>	<b>1,206,200</b>	<b>5.7</b>	<b>222,200</b>
	Jokisivu Gold Mine												
	Kujankallio (13)	119,600	5.9	22,600	542,000	5.3	92,000	763,700	5.6	137,400	1,425,400	5.5	252,100
	Arpola (14)	6,200	4.9	1,000	143,000	5.0	22,900	270,300	7.3	63,400	419,500	6.5	87,300
	<b>Total</b>	<b>125,800</b>	<b>5.9</b>	<b>23,600</b>	<b>685,000</b>	<b>5.2</b>	<b>114,900</b>	<b>1,034,000</b>	<b>6.0</b>	<b>200,800</b>	<b>1,844,800</b>	<b>5.7</b>	<b>339,400</b>
	Kaapelinkulma Gold Project												
	Southern (15)				119,000	4.4	16,800	42,000	4.1	5,600	161,000	4.3	22,400
Northern (16)							22,000	2.2	1,600	22,000	2.2	1,600	
<b>Total</b>				<b>119,000</b>	<b>4.4</b>	<b>16,800</b>	<b>64,000</b>	<b>3.5</b>	<b>7,200</b>	<b>183,000</b>	<b>4.1</b>	<b>24,000</b>	



	Vammala Total	311,800	5.4	53,900	1,227,000	5.2	202,900	1,695,200	6.0	328,700	3,234,000	5.6	585,600
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Kuusamo Gold Project													
Kuusamo	Juomasuo (17)			1,424,000	5.4	245,600	531,000	3.5	60,000	1,955,000	4.9	305,600	
	Hangaslampi (18)			254,000	6.1	49,600	115,000	2.9	10,900	369,000	5.1	60,500	
	Pohjasvaara (19)			81,000	3.3	8,600	49,000	5.0	8,000	130,000	4.0	16,600	
	Meurastuksenaho (20)			61,000	2.4	4,700	831,000	2.3	61,800	892,000	2.3	66,500	
	Sivakkaharju (21)						50,000	7.2	11,500	50,000	7.2	11,500	
	<b>Kuusamo Total</b>			<b>1,820,000</b>	<b>5.3</b>	<b>308,500</b>	<b>1,576,000</b>	<b>3.0</b>	<b>152,200</b>	<b>3,396,000</b>	<b>4.2</b>	<b>460,700</b>	

<b>Group Total</b>	<b>459,200</b>	<b>4.6</b>	<b>67,700</b>	<b>4,043,400</b>	<b>4.9</b>	<b>633,400</b>	<b>3,333,900</b>	<b>4.5</b>	<b>488,200</b>	<b>7,836,500</b>	<b>4.7</b>	<b>1,189,400</b>
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(8-10) The Svartliden Mineral Resource was completed internally and audited by independent consultants Runge Limited in July 2011 for the open pit and underground portions of the Mineral Resource. Ordinary Kriging grade interpolation was constrained by resource outlines using a nominal 1 g/t gold cut-off and a minimum down hole length of 2 metres. A high grade cut of 60 g/t gold was applied to the underground resource and 30 g/t gold for the open pit resource. Resource incorporates available drill data at 31 March 2011 and has been depleted for mining as at 31 December 2011. Open pit resource reported at a cut-off grade of 1.3 g/t gold and the underground resource at 3 g/t gold.

(11) The Kutema Mineral Resource was completed by independent consultants Resource Evaluations Pty Ltd in 2007 using Inverse Distance to Power 2 grade interpolation constrained by resource outlines using a nominal 1 g/t gold cut-off and minimum 2 metre down hole length. High grade cuts of 80 g/t and 110 g/t gold were applied to mineralised objects. Reported at a cut-off grade of 3 g/t gold.

(12) The Sarvisuo Mineral Resource was undertaken internally and audited by independent consultants Runge Limited in January 2012. Inverse Distance to Power 2 grade interpolation constrained by resource outlines using a nominal 0.6 to 1.0 g/t gold cut-off and using a minimum 2 metre down hole length. A high grade cut of 70 g/t gold was applied to mineralised objects. Reported at a cut-off grade of 2 g/t gold.

(13) The Kujankallio Mineral Resource was completed by Runge Limited in January 2012 using Inverse Distance to Power 2 grade interpolation constrained by outlines based on a nominal 0.1 to 0.5 g/t gold cut-off and no minimum down hole length due to the pinch and swell nature of the deposit. High grade cuts of 75 to 105 g/t gold were applied where appropriate. Reported at a 2 g/t gold cut-off.

(14) The Arpolo Mineral Resource was completed by Runge Limited in January 2011 using Inverse Distance to Power 2 grade interpolation constrained by outlines based on a nominal 0.1 to 0.5 g/t gold cut-off and no minimum down hole length due to the pinch and swell nature of the deposit. A high grade cut of 70 g/t gold was utilised for all mineralised objects. Resource has been depleted for mining as at 31 December 2011. Reported at a 2 g/t gold cut-off.

(15-16) The Kaapelinkulma Mineral Resources were completed by independent consultants Runge Limited in October 2010 using Inverse Distance to Power 2 grade interpolation constrained by resource outlines using a nominal 0.5 g/t gold cut-off and minimum 2 metre down hole length. High grade cuts of 50 g/t and 20 g/t gold were applied to the Southern and Northern areas, respectively. Reported at a cut-off grade of 1 g/t gold.

(17) The Juomasuo Mineral Resource was completed by independent consultants Runge Limited in November 2011 using Ordinary Kriging grade interpolation constrained by resource outlines using a nominal 0.5 g/t gold cut-off and minimum 2 metre down hole length. High grade cuts of 120 g/t and 130 g/t gold were applied to the main zones of mineralisation. The remaining zones were assigned a high grade cut of 50 g/t gold. Reported at a cut-off grade of 1 g/t gold.

(18) The Hangaslampi Mineral Resource (Gold) was completed by independent consultants Runge Limited in January 2011 using Ordinary Kriging grade interpolation constrained by resource outlines using a nominal 0.5 g/t gold cut-off and minimum 2 metre down hole length. A high grade cut of 70 g/t gold was applied to all objects. Reported at a cut-off grade of 1 g/t gold.

(19) The Pohjasvaara Mineral Resource (Gold) was completed by independent consultants Runge Limited in January 2011 using Ordinary Kriging grade interpolation constrained by resource outlines using a nominal 0.5 g/t gold cut-off and minimum 2 metre down hole length. A high grade cut of 30 g/t gold was applied to all objects. Reported at a cut-off grade of 1 g/t gold.

(20) The Meurastuksenaho Mineral Resource (Gold) was completed by independent consultants Runge Limited in January 2011 using Ordinary Kriging grade interpolation constrained by resource outlines using a nominal 0.5 g/t gold cut-off combined with a nominal 500ppm cobalt cut-off and minimum 2 metre down hole length. A high grade cut of 37 g/t gold was applied to all objects. Reported at a cut-off grade of 1 g/t gold.

(21) The Sivakkaharju Mineral Resource (Gold) was completed by independent consultants Runge Limited in January 2011 using Inverse Distance to Power 2 grade interpolation constrained by resource outlines using a nominal 0.5 g/t gold cut-off and minimum 2 metre down hole length. No high grade cuts were applied. Reported at a cut-off grade of 1 g/t gold.





## Notations:

(1-7, 10)	<i>The information in this report that relates to Mineral Resources and Ore Reserves is based on information compiled by Mr Neale Edwards BSc (Hons), a Fellow of the Australian Institute of Geoscientists, who is a full time employee of the company and has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2004 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves. Mr Neale Edwards consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.</i>
(8-9, 13, 17)	<i>The information in this report that relates to Mineral Resources is based on information compiled by Mr Craig Allison, a Member of the Australasian Institute of Mining and Metallurgy, who is a full time employee of Runge Limited and has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2004 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves. Mr Craig Allison consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.</i>
(11-12, 14, 18-21)	<i>The information in this report that relates to Mineral Resources is based on information compiled by Mr Aaron Green BSc (Hons), a Member of the Australian Institute of Geoscientists, who is a full time employee of Runge Limited and has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2004 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves. Mr. Aaron Green consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.</i>
(15-16)	<i>The information in this report that relates to Mineral Resources is based on information compiled by Mr Aaron Green BSc (Hons), a Member of the Australian Institute of Geoscientists, who was a full time employee of Resource Evaluations Pty Ltd and has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2004 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves. Mr. Aaron Green consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.</i>
(11, 14, 18-21)	<i>The information in this report that relates to Mineral Resources is based on information compiled by Mr Neale Edwards BSc (Hons), a Fellow of the Australian Institute of Geoscientists and Mr Matti Talikka MSc (Geology), a Member of the Australasian Institute of Mining and Metallurgy, who are full time employees of the company and have sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves. Mr Neale Edwards and Mr Matti Talikka consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.</i>
General	<i>The information in this announcement that relates to Exploration Results, Mineral Resources and Ore Reserves is based on information compiled by Mr Neale Edwards BSc (Hons), a Fellow of the Australian Institute of Geoscientists and Mr Matti Talikka MSc (Geology), a Member of the Australasian Institute of Mining and Metallurgy, who are full time employees of the company and have sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves. Mr Neale Edwards and Mr Matti Talikka consent to the inclusion in the announcement of the matters based on their information in the form and context in which it appears.</i>