



Dragon
Mining

Dragon Mining

A Growing Nordic Gold Producer

Full Year 2012 Results Presentation

March 2013



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Notations

The information in this presentation that relates to exploration targets are conceptual in nature, where there has been insufficient exploration to determine the full extent of the Mineral Resource and it is uncertain if further exploration will result in the expansion of the Mineral Resource.

The information on exploration targets in this presentation are based on a conceptual range of targets as follows:

Kuusamo Mine

Tonnage range:	4,750,000 tonnes to 6,100,000 tonnes
Grade range:	4.7 g/t gold to 5.5 g/t gold
Ounces:	720,000 ounces to 1,070,000 ounces

Comprising :

Juomasuo

Tonnage range:	4,000,000 tonnes to 4,500,000 tonnes
Grade range:	4.5 g/t gold to 5.5 g/t gold
Ounces:	600,000 ounces to 800,000 ounces

Hangaslampi

Tonnage range:	350,000 tonnes to 600,000 tonnes
Grade range:	6.0 g/t gold to 6.5 g/t gold
Ounces:	70,000 ounces to 120,000 ounces

Pohjasvaara & Others

Tonnage range:	400,000 tonnes to 1,000,000 tonnes
Grade range:	3.5 g/t gold to 4.5 g/t gold
Ounces:	50,000 ounces to 150,000 ounces

The information in this presentation that relates to Exploration Results 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

Dragon Mining Overview

Established Nordic Gold Producer

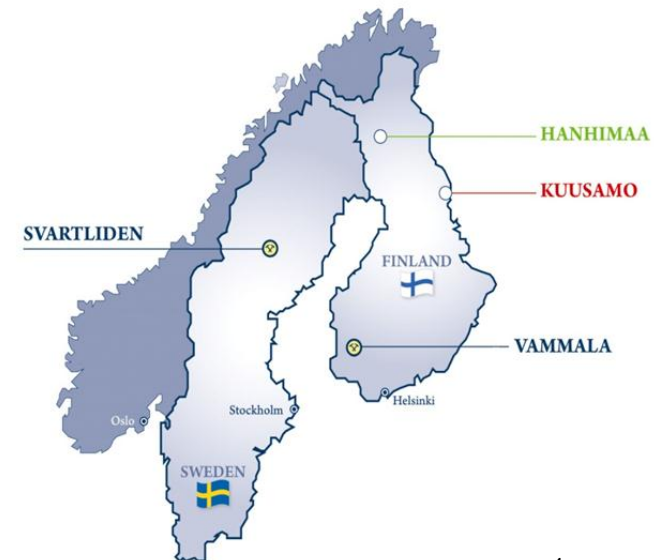
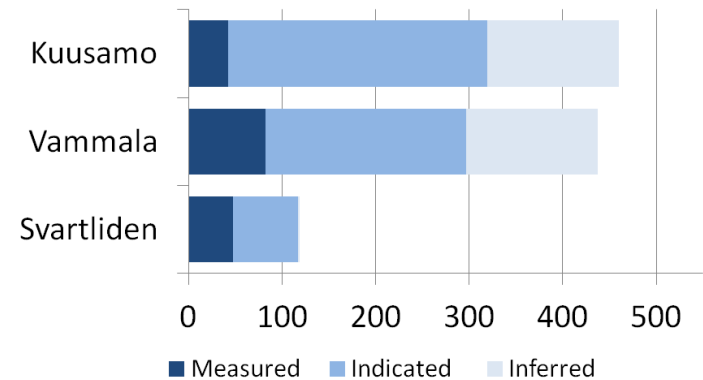
Production

- Svartliden, Sweden and Vammala, Finland production centres
- 2012 actual production 54,328 ounces
- 2012 C1 cash cost of US\$1,095/oz

Game Changers

- Kuusamo Mine Project, Finland
- Kuusamo Exploration Province, Finland
 - *Under explored gold province*
 - *1,173 km² of highly prospective ground*

Gold Mineral Resource ('000s ounces)
Inclusive of Ore Reserves



2012 Financial Results

Highlights

- Revenue up 5.3% on 2011 to \$79.0 million
- Gross profit up 4.0% to \$16.9 million
- Loss from ordinary activities after tax, down 38% to \$4.3 million
- Net assets of \$50.7 million
- Cash \$5.5 million and concentrate receivables of \$5.7 million
- Exploration expenditure up 39% to \$13.1 million, supported by rights issue

Gold Production Highlights

- Gold production stable at 54,328 ounces (2011: 54,791 ounces)
- C1 Cash Cost of production up 4.1% to US\$1,095/oz (2011: US\$1,052/oz)
- Ore milled up 16.6% to 623,000 tonnes (2011: 535,000 tonnes)
- Increased gold production at Svartliden, Sweden
- Reduced head grades and gold production at Vammala, Finland
- Revised Environmental Permit granted for Svartliden

Exploration and Development Highlights

- Significant investment in development and exploration activities
- Extensive development effort at three operating mines to consolidate production and ensure longer mine lives
- Increased confidence in the Kuusamo Mine Project with 82% of resource ounces now classified as Measured and Indicated
- Expansion of holdings in the Kuusamo Exploration Province to 1,173km²
- Significant progress on the Environmental Impact Assessment for the Kuusamo Mine Project
- Excellent drill results from Vammala and the Kuusamo Mine Project
- Executed an Agreement with Agnico-Eagle, in February 2013, whereby Agnico-Eagle can earn up to 70% interest in the Hanhima Project

Profit and Loss

Sales revenue up 5.3%

31 December (\$000's)	2012	2011	Movement
Revenue from Gold Sales	79,048	75,080	5.3%
Cost of Sales	(62,125)	(58,814)	5.6%
Gross Profit	16,923	16,266	4.0%
Exploration Expenditure	(13,083)	(9,427)	38.8%
Forex gains / (losses)	541	(2,881)	
Derivative losses	(1,234)	(5,631)	(78.1)%
Other income / (losses)	(4,441)	(3,993)	11.2%
(Loss) before Tax	(1,294)	(5,666)	
Income tax expense	(2,969)	(1,209)	145.6%
(Loss) after Tax	(4,263)	(6,875)	(38.0)%

Cash Flow

\$28.9m invested on Exploration & Development

31 December (\$000's)	2012	2011	Movement
Receipts from customers	85,549	77,193	10.8%
Payments to suppliers and employees	(67,306)	(54,272)	24.0%
Payments for mineral exploration	(14,543)	(9,427)	54.3%
Net interest received	425	394	7.9%
Tax paid	(2,579)	-	n.a.
Derivative payments	(5,403)	(30)	n.a.
Other operating cash flows	(522)	(556)	(6.1)%
Total operating cash flow	(4,379)	13,302	n.a.
Payments for mine development	(14,392)	(16,463)	(12.6)%
Other capex	(1,577)	(3,611)	(56.3)%
Share Issue	14,371	-	n.a.

Balance Sheet

Net Assets up \$10.4m

31 December (\$000's)	2012	2011*	Movement
Assets			
Cash	5,546	15,955	(65.2)%
Inventories	13,752	5,213	163.8%
PP&E	25,826	14,629	55.3%
Capitalised development and exploration	11,545	19,032	(39.3)%
Other Assets	17,488	16,267	7.5%
Total Assets	74,157	71,096	4.3%
Interest bearing debt	(1,865)	(5,900)	(68.4)%
Other liabilities	(21,568)	(24,911)	(13.4)%
Net Assets	50,724	40,285	25.9%

* Balance Sheet figures for 31 December 2011 have been restated. Refer to FY2012 Financial Accounts for further details of the restatement.

Svartliden Production Centre

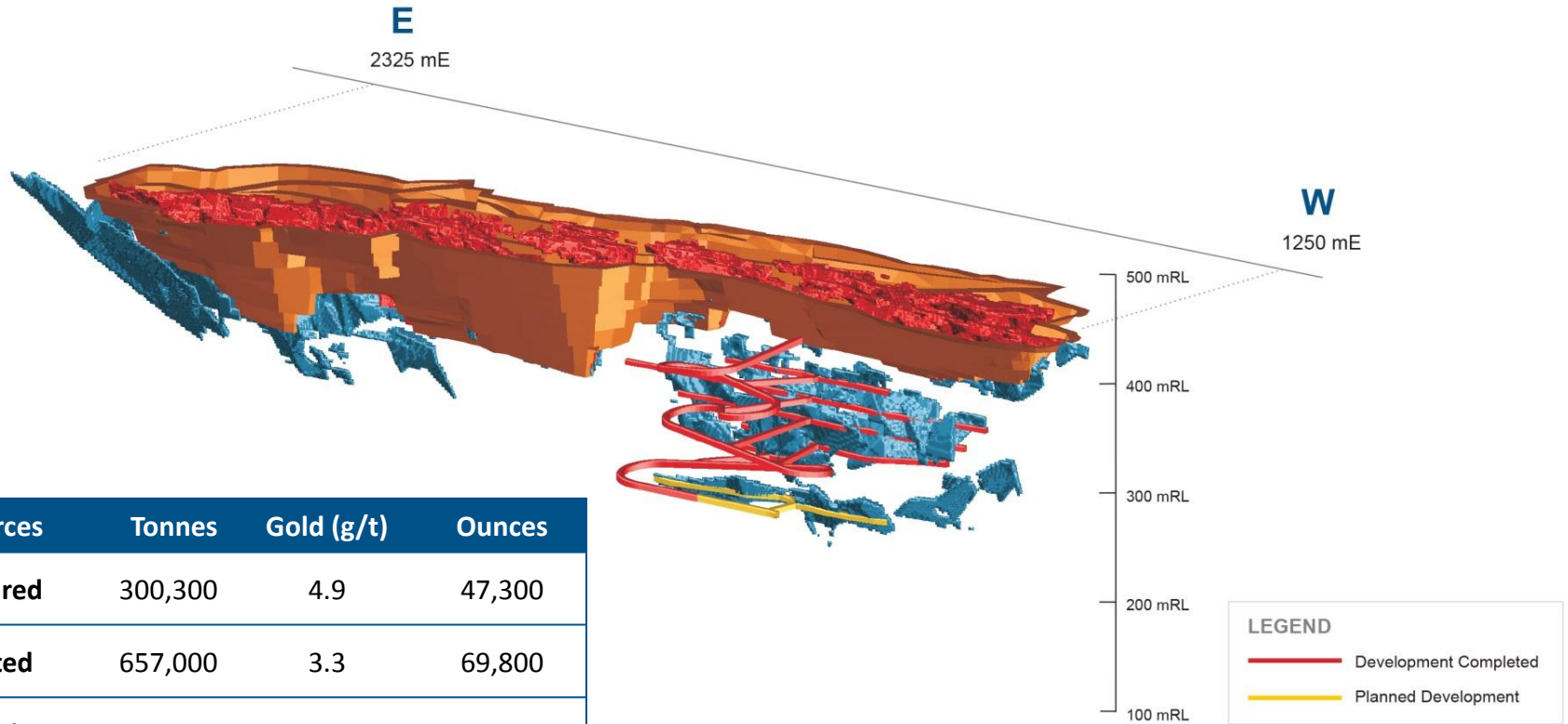
Sweden

Svartliden Production Centre, developed by Dragon Mining, has produced 315,171 ounces to 31 December 2012, since first production in 2005

- Gold production up marginally on 2011 to 32,337 ounces
- Head grade down marginally to 3.33 g/t gold
- C1 Cash Cost of production down 26% to US\$859/oz
- Cash Costs increased due to processing of lower grade development ore, partially offset by increases in stockpiles
- Ore milled up 6.5% to 332,570 tonnes
- Gold recoveries 90.9% and plant utilisation 97.2%
- Operating Permit confirmed
- Open pit mining is scheduled to be completed in June quarter 2013 with underground mining providing mill feed. Depending on the results of underground drilling to extend the deposit, underground mining operations may also be completed during the year in which case Svartliden will then commence processing its large stockpiles

Svartliden Production Centre

Svartliden Gold Mine



Resources	Tonnes	Gold (g/t)	Ounces
Measured	300,300	4.9	47,300
Indicated	657,000	3.3	69,800
Inferred	14,200	3.8	1,600
Total	971,400	3.8	118,800

Mineral Resource is inclusive of Ore Reserves

Vammala Production Centre Finland

Vammala Production Centre, acquired from Outokumpu in 2003, has produced 147,578 ounces of gold in concentrate to 31 December 2012 since recommissioning in 2007

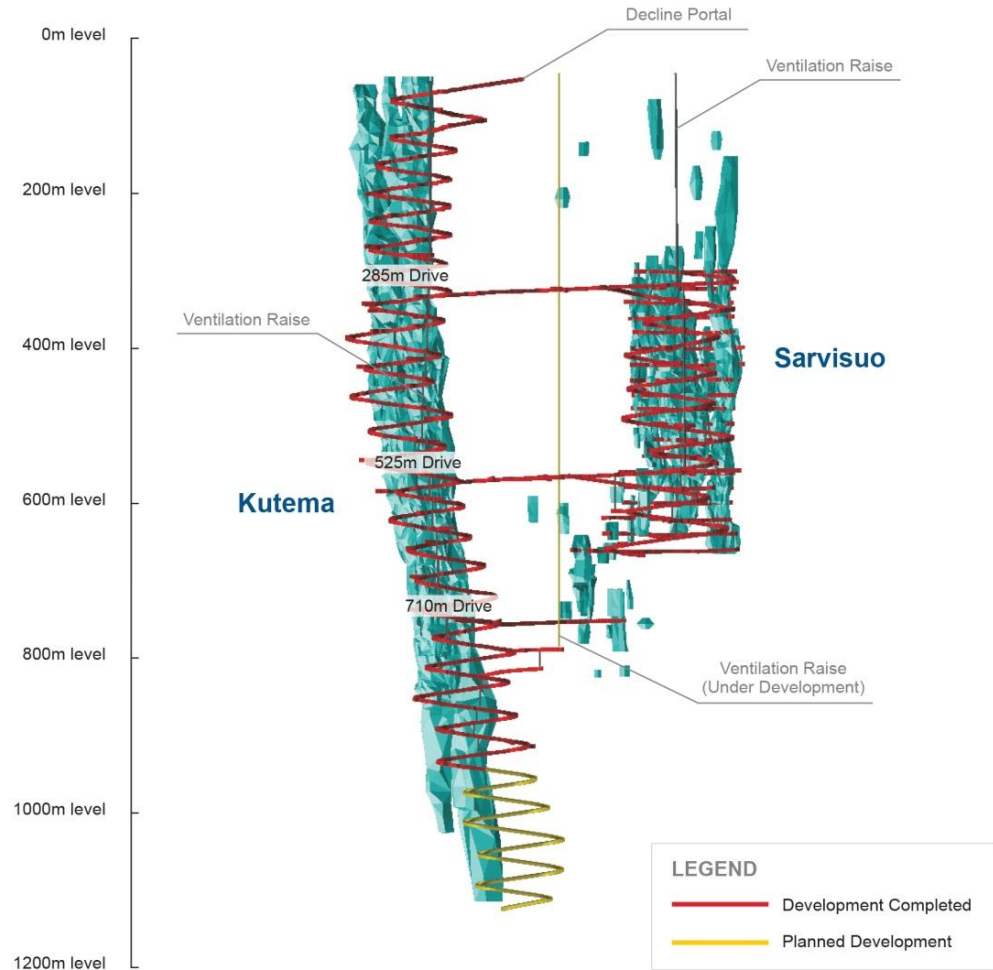
- Gold production down 5.5% on 2011 to 21,991 ounces
- Head grade down 20% to 3.10 g/t gold
- C1 Cash Cost of production up 33% to US\$1,439/oz
- Cash costs impacted by lower grade ore from underground development at Jokisivu Gold Mine
- Ore milled up 31% to 290,675 tonnes (49% development ore)
- Plant utilisation 94.2%
- Underground development of Orivesi and Jokisivu Gold Mines continued
- On target to process primarily production ore in 2013

Vammala Production Centre

Orivesi Gold Mine

Resources	Tonnes	Gold (g/t)	Ounces
Measured	199,200	5.9	37,700
Indicated	280,700	6.7	60,100
Inferred	54,000	8.0	58,100
Total	720,500	6.7	155,900

Mineral Resource is inclusive of Ore Reserves

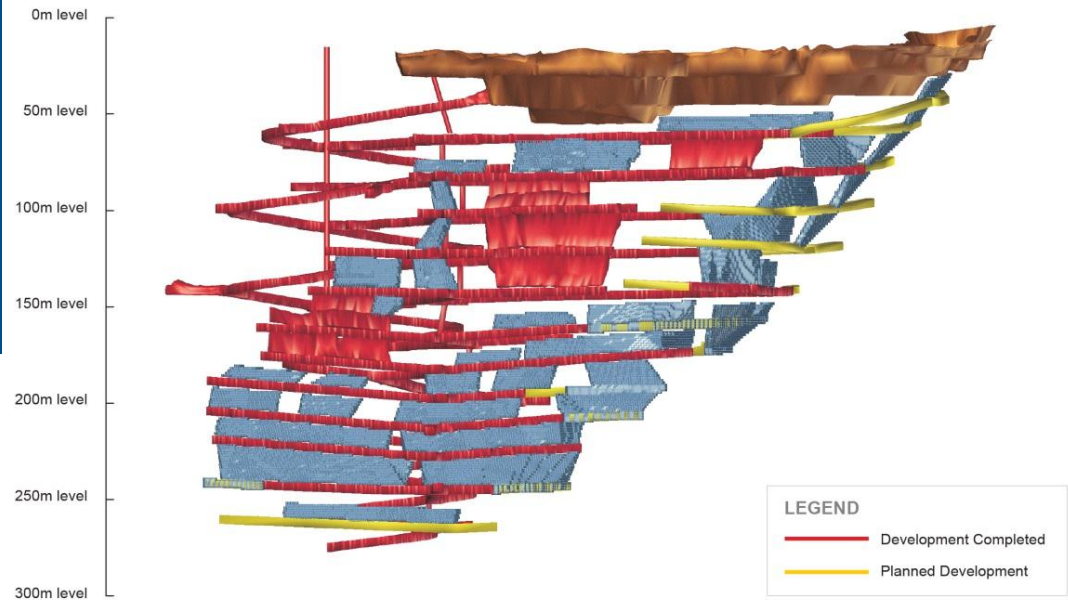


Vammala Production Centre

Jokisivu Gold Mine

Resources	Tonnes	Gold (g/t)	Ounces
Measured	244,900	5.6	43,500
Indicated	825,700	5.1	135,700
Inferred	531,900	4.3	75,100
Total	1,602,500	4.9	254,200

Mineral Resource is inclusive of Ore Reserves



Exploration Advanced Projects

- Kuusamo Mine Project in northern Finland encompasses three deposits including the largest known deposit in the area, Juomasuo
- Combined Mineral Resource for the Kuusamo Mine Project is 381,600 ounces grading 4.8 g/t gold
- Confidence level of Juomasuo gold deposit has improved with 21,795.9 metres of diamond core drilling completed in 2012
- Preliminary metallurgical testing demonstrated that material from the Juomasuo and Hangaslampi is amenable to conventional comminution, followed by flotation and gravity processes with good gold recovery
- Drilling activity around Vammala and Svartliden Production Centres further developed understanding of resources at the mines

Exploration

Exploration Projects

- Moved to extend control of Kuusamo Exploration Province, increasing holding to 1,173 km²
- Review of historic exploration datasets continues to identify areas of interest in the Kuusamo Exploration Province
- Earn-in agreement for Hanhima Gold Project
- Drilling in the Mine Corridor and Regional project areas at the Svartliden Gold Mine
- Drilling continued on the Harpsund Joint Venture near Svartliden

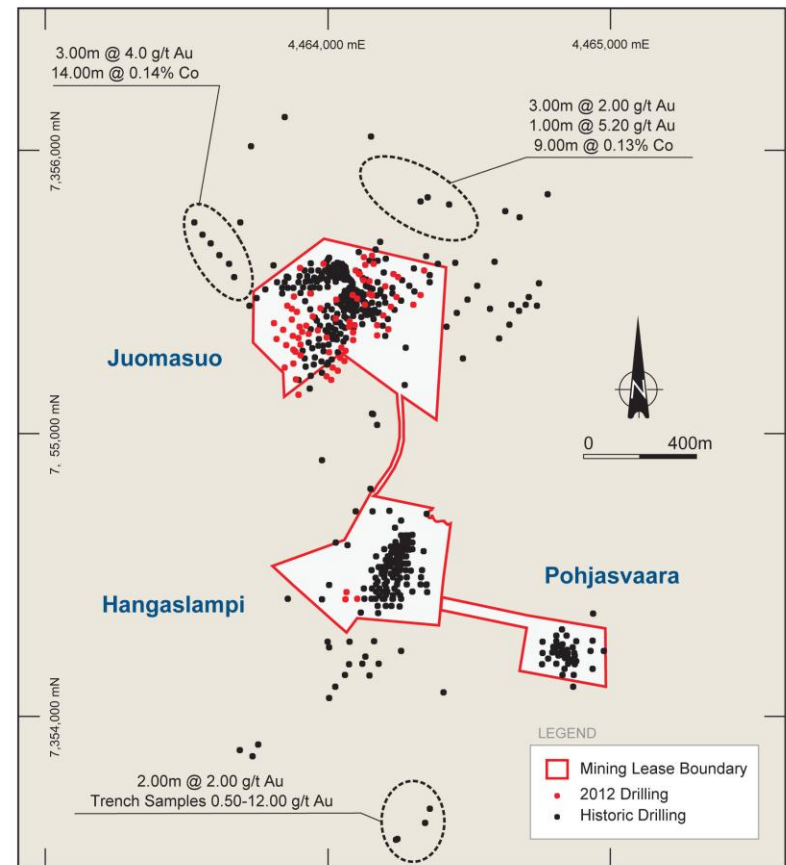
Kuusamo Mine Project

Key Deposits

- Area with potential to develop into significant gold camp
- Drilled over 22,000 metres in 2012
- Expected production in 2018
- Existing high quality, high grade Mineral Resource base of:
 - 381,600 ounces @ 4.8 g/t gold
 - 82% Measured & Indicated

Potential for 1 million ounces*

Notable intercepts



* Refer to Slide – Notations:

In Summary: 4,750,000 tonnes to 6,100,000 tonnes; Grade range: 4.7 g/t gold to 5.5 g/t gold; Ounces: 720,000 ounces to 1,070,000 ounces

Hanhimaa Gold Project

Earn-In Agreement with Agnico-Eagle

- Agreement with Agnico-Eagle for the Hanhimaa Gold Project, executed February 2013
- Agnico-Eagle can spend €5 million over 3 years to earn a 51% interest and an additional €4 million over the following 3 years to earn a further 19%
- Agnico-Eagle to be manager during the earn-in phase and can withdraw at any time following expenditure of €1.5 million
- Diamond core drilling commenced at the Kiimalaki Prospect



Why Nordic Mining is Attractive

- Low sovereign risk
 - Long history of mining
 - No mining royalties
 - Low corporate tax rate (Sweden - 22% Finland - 24.5%)
 - Major mining, smelting and mining equipment industry
 - Finland ranked #1 and Sweden #2 for global mining investment
- *Fraser Institute Annual Survey of Mining Companies 2012/2013*



Dragon Mining

Summary

- Revenue up 5.3% on 2011 to \$79.0 million
- Gross profit up 4.0% to 16.9 million
- Exploration expenditure up 39% to \$13.1 million, supported by rights issue
- Gold production stable at 54,328 ounces
- C1 Cash Cost of production up 4.1% to US\$1,095/oz
- Increased confidence in the Kuusamo Mine Project with 82% of resource ounces now classified as Measured and Indicated
- Expansion of the Company's holdings in the Kuusamo Exploration Province to 1,173km²
- Executed an Agreement with Agnico-Eagle, in February 2013, whereby Agnico-Eagle can earn up to 70% interest in the Hanhima Project

APPENDICES

Corporate Overview

Issued Capital

Ordinary Shares	88.8m
Options (\$1.00 – \$2.10)	2.75m
Market Cap (22 March 2013)	A\$44m

Major Shareholders

Eurogold	24.3%
Nicolas Mathys	18.1%
Future Rise Investments	7.0%
Phoenix Fund	5.5%
Outokumpu Oy	3.8%

Board of Directors

Peter Cordin
Chairman
Kjell Larsson
Managing Director
Peter Gunzburg
Non Executive Director
Christian Russenberger
Non Executive Director
Tapani Järvinen
Non Executive Director
Markku Mäkelä
Non Executive Director

APPENDIX

ORE RESERVES AND MINERAL RESOURCES

Competent Persons Statements

Ore Reserves & Mineral Resources

Svartliden Gold Mine, Orivesi Gold Mine and Jokisivu Gold Mine: The information in this presentation that relates to the 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 they are 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.

Svartliden: The information in this presentation that relates to the Mineral Resources 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 they are 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.

Vammala (Orivesi Gold Mine - Kutema above 720m level): The information in this presentation 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.

Vammala (Orivesi Gold Mine – Kutema below 720m level and Sarvisuo; Jokisivu Gold Mine – Kujankallio and Arpola; Kaapelinkulma – Southern and Northern): The information in this presentation 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 RungePincocKMinarco 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.

Kuusamo (Juomasuo, Pohjasvaara, Meurastuksenaho, Sivakkaharju): The information in this presentation 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 RungePincocKMinarco 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.

Kuusamo (Hangaslampi): The information in this presentation that relates to Mineral Resources is based on information compiled by Mr Trevor Stevenson, a Fellow of the Australasian Institute of Mining and Metallurgy and a Chartered Professional (Geology), who is a full time employee of RungePincocKMinarco 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 Trevor Stevenson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Group Ore Reserves

Gold

As at 31 Dec 2012	Proved			Probable			Total		
	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces
Svartliden Production Centre									
Svartliden Gold Mine	323,400	3.3	34,500	325,900	2.3	23,700	649,300	2.8	58,200
Vammala Production Centre									
Orivesi Gold Mine	139,300	3.9	17,200	225,700	5.6	40,700	365,000	4.9	57,900
Jokisivu Gold Mine				369,000	2.6	31,100	369,000	2.6	31,100
Group Total	462,700	3.5	51,700	920,600	3.2	95,500	1,383,300	3.3	147,200

Group Mineral Resources

Gold (inclusive of ore reserves)

As at 31 Dec 2012	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	300,300	4.9	47,300	657,000	3.3	69,800	14,200	3.8	1,600	971,400	3.8	118,800
Vammala	450,600	5.7	82,000	1,236,500	5.4	214,700	836,500	5.2	140,400	2,523,600	5.4	437,000
Kuusamo	158,000	8.4	42,500	1,851,000	4.7	276,700	1,407,000	3.1	140,400	3,416,000	4.2	459,600
Group Total	908,900	5.9	171,800	3,744,500	4.7	561,200	2,257,700	3.9	282,400	6,911,000	4.6	1,015,400

Kuusamo Mineral Resource Gold

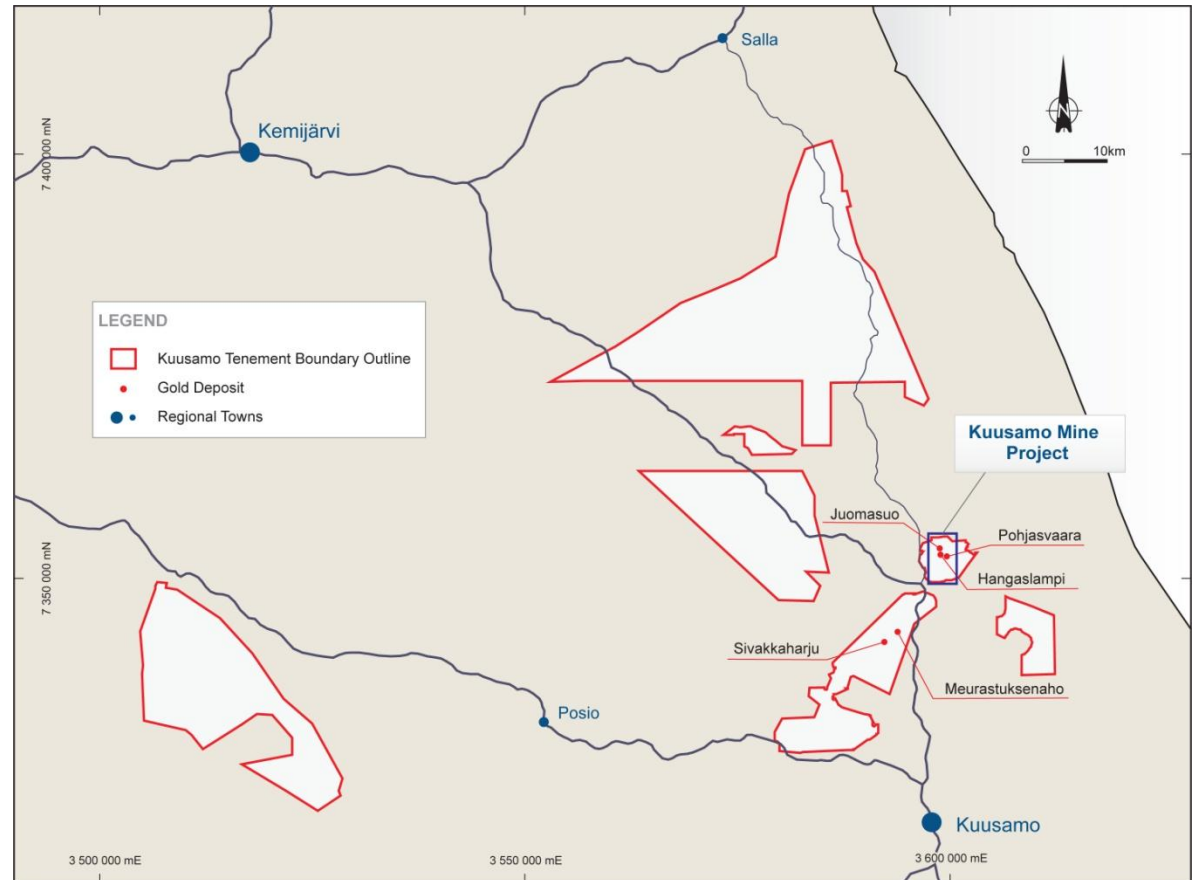
As at 31 Dec 2012	Measured			Indicated			Inferred			Total		
	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces
Kuusamo Mine – Kuusamo North												
Juomasuo	158,000	8.4	42,500	1,368,000	4.7	205,900	415,000	3.8	50,500	1,941,000	4.8	298,900
Hangaslampi	-	-	-	341,000	5.3	57,500	62,000	4.3	8,600	403,000	5.1	66,100
Pohjasvaara	-	-	-	81,000	3.3	8,600	49,000	5.0	8,000	130,000	4.0	16,600
Kuusamo Exploration Province – Kuusamo South												
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	158,000	8.4	42,500	1,851,000	4.7	276,700	1,407,000	3.1	140,400	3,416,000	4.2	459,600

APPENDIX

KUUSAMO MINE PROJECT

Kuusamo Mine Project Location

- 700km north east of Helsinki
- Serviced with daily flights from Helsinki
- Linked to major Finnish cities through extensive all-weather road network
- Excellent infrastructure
- Potential local workforce

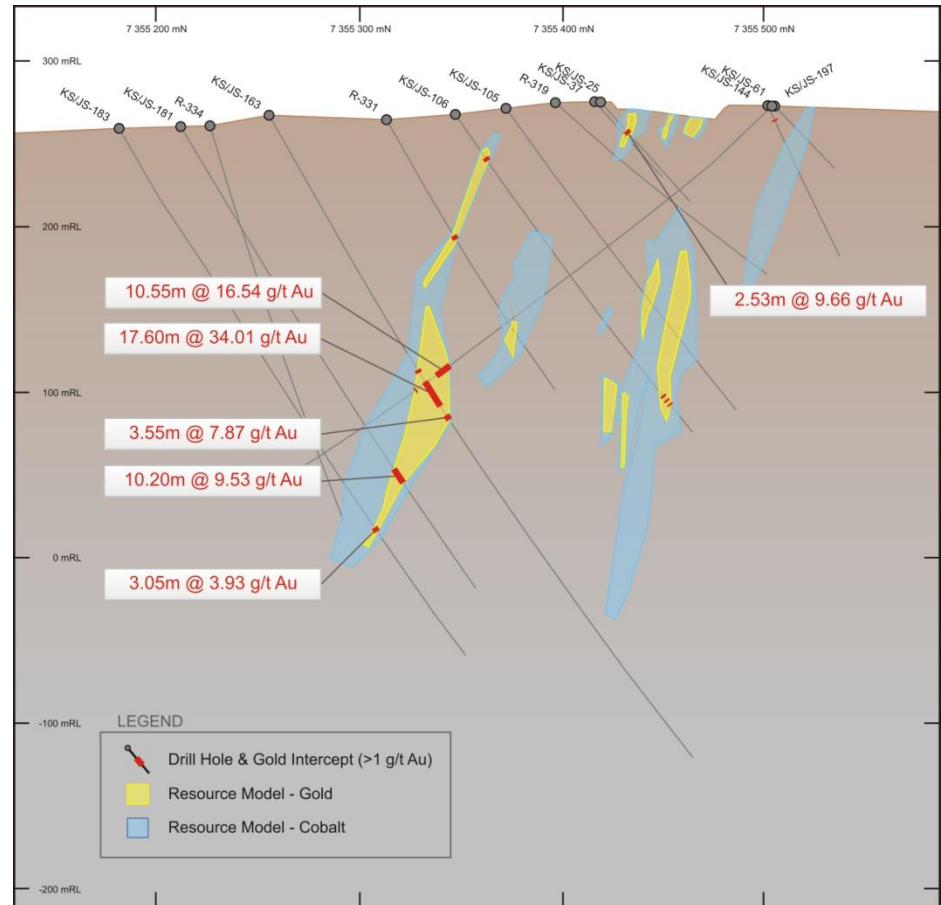


Kuusamo Mine Project

Juomasuo Deposit

- 1,941,000 tonnes @ 4.8 g/t gold (298,900 ounces)
- 1,560 OVM (ounces per vertical metre) to approximately 140 metres depth
- 423 diamond drill holes for 60,443.4 metres
- Identified lodes open along strike and depth

Notable intercepts

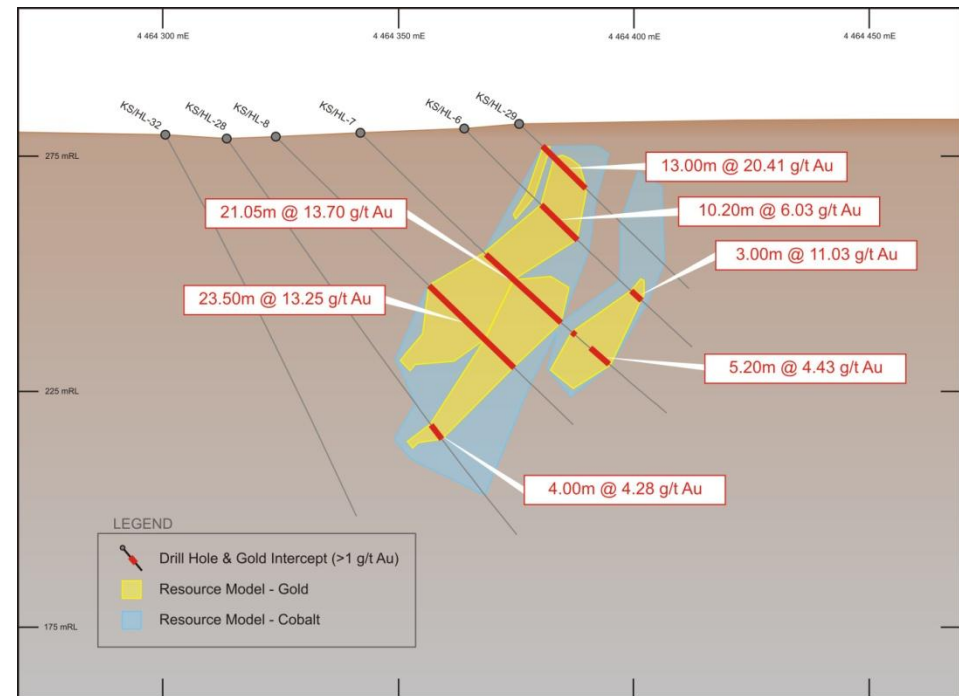


Kuusamo Mine Project

Hangaslampi Deposit

- 403,000 tonnes @ 5.1 g/t gold (66,100 ounces)
- Majority of resource within 80 metres of surface
- 155 diamond core drill holes for 14,591.70 metres
- Further potential along strike and with depth

Notable intercepts

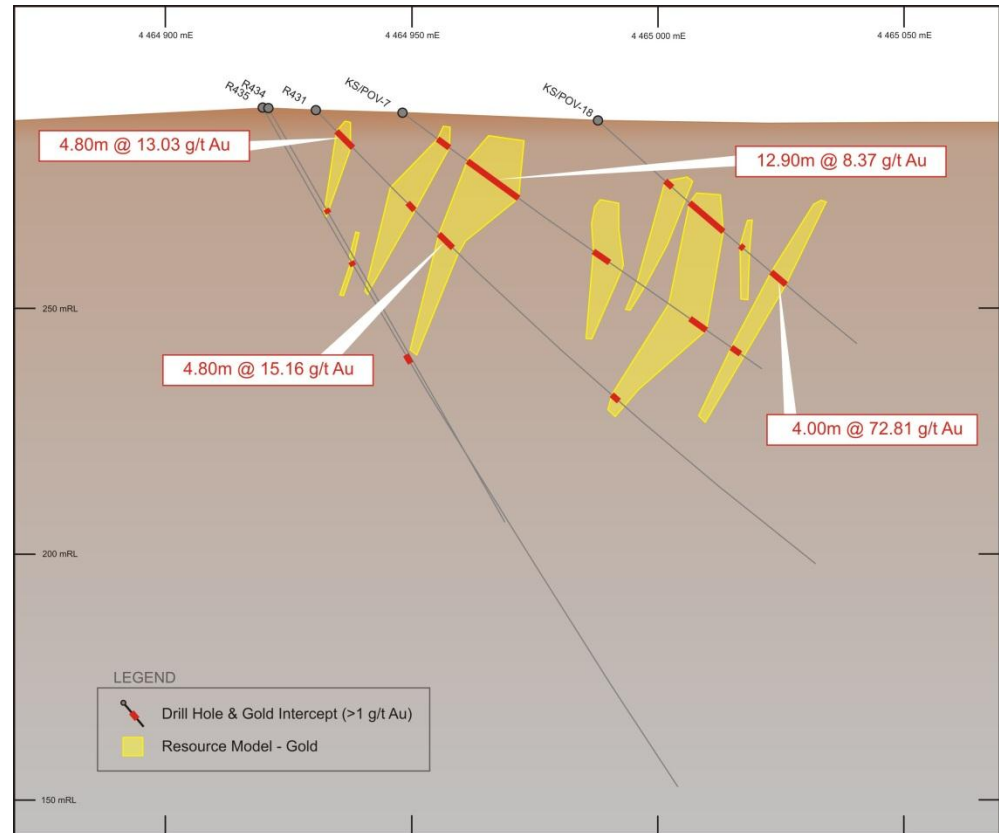


Kuusamo Mine Project

Pohjasvaara Deposit

- 130,000 tonnes @ 4.0 g/t gold (16,600 ounces)
- 44 diamond core drill holes for 4,432.55 metres.
- Further potential along strike and with depth

Notable intercepts



Kuusamo Mine Project

Status – Development

Metallurgy

- Preliminary metallurgical test work has demonstrated material is amenable to conventional comminution followed by flotation and gravity processes with good gold recoveries
- A preliminary flow sheet has been developed that will support capital and operating cost estimates for the processing of the material

Mining

- Preliminary optimisation studies indicate that each of the deposits is amenable to open pit mining

Environmental Impact Assessment

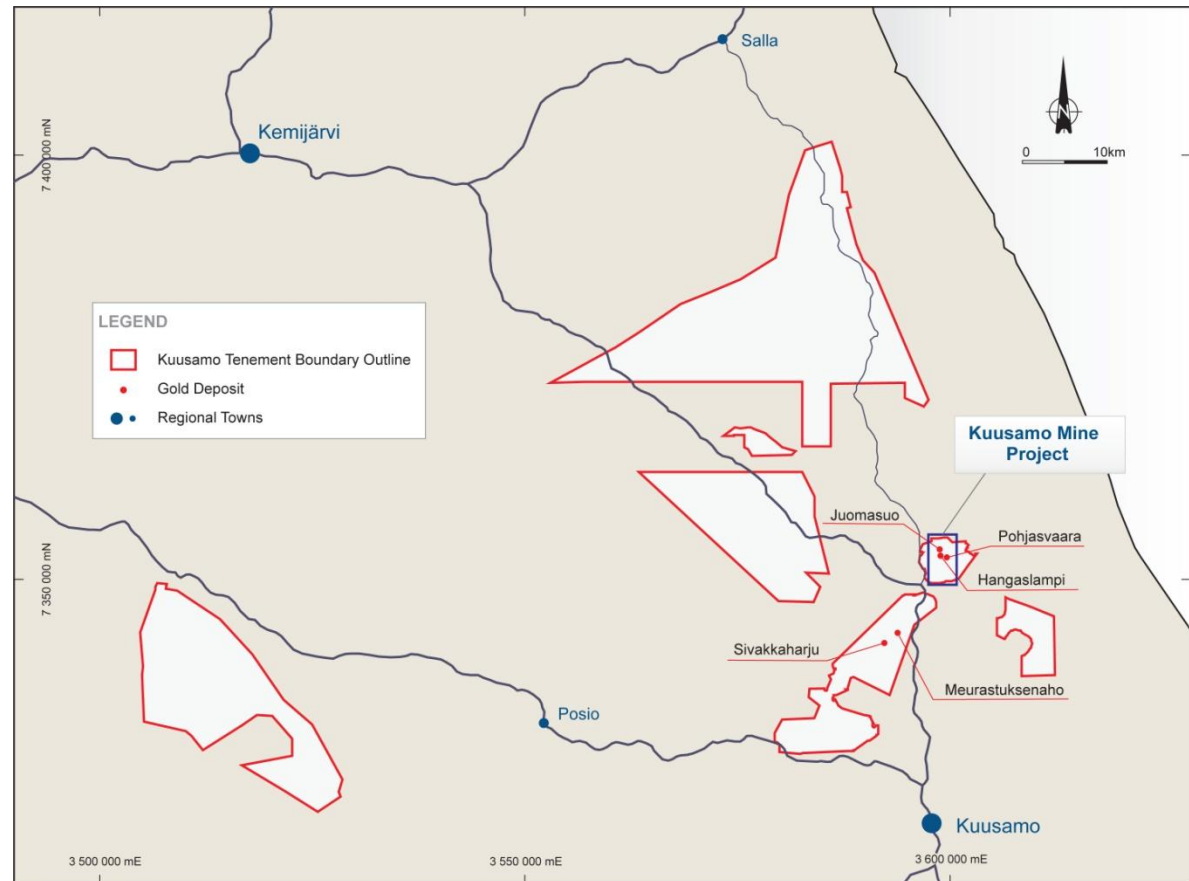
- Baseline studies completed
- Community related tasks nearing completion
- Metallurgical test work results being assessed and pertinent results compiled for inclusion into the Environment Impact Assessment

APPENDIX

KUUSAMO EXPLORATION PROVINCE

Kuusamo Exploration Province

- Large land package
- Under-explored, prospective geological sequences
- Review of historic exploration data is generating new areas of interest
- Highly prospective for new discoveries



Kuusamo Exploration Province

Kuusamo South

- Mineral Resource base of 78,000 ounces @ 2.6 g/t gold from two deposits in the Kuusamo South area
- Series of early stage targets that have yielded strong intercepts from limited historic drilling
- Detailed VTEM and magnetic heli-borne geophysical survey completed, highlighting a number of areas of interest
- Excellent potential for new discoveries

