ASX ANNOUNCEMENT **18 MARCH 2014**

RESOURCE UPDATES LIFT KUUSAMO OUNCES

Dragon Mining Limited (ASX:DRA) is pleased to announce an update of the Mineral Resources for the five deposits in the Kuusamo region in northern Finland. The updated Measured, Indicated and Inferred total of **3,849,000 tonnes grading 4.1 g/t gold for 507,200 ounces** represents a 10% increase in total ounces from the previously reported total Mineral Resource at 31 December 2012 of 459,660 ounces grading 4.2 g/t gold.

The updates were completed by independent consultants RungePincockMinarco Limited and are reported in accordance with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

The rise in total ounces is attributable to an increase in the Mineral Resource for the Juomasuo deposit, where the drilling of fifty-five diamond core holes since the last Mineral Resource update in October 2012 has confirmed the strike and depth extensions of known sulphide zones and identified new zones particularly in the northwest portion of the deposit. Results from nine holes completed at Juomasuo are still pending and were not included in the update.

The Juomasuo Measured, Indicated and Inferred Mineral Resource of 2,371,000 tonnes grading 4.6 g/t gold for 347,000 ounces represents a 22% increase in total tonnes and 16% increase in total ounces from the previous Measured, Indicated and Inferred total Mineral Resource of 1,941,000 tonnes grading 4.8 g/t gold for 298,900 ounces.

Juomasuo is the largest of the five deposits at Kuusamo, comprising a geologically well-defined zone of steeply dipping medium to high-grade gold mineralisation that remains open with depth. The deposit which has been tested by a total of four hundred and forty-eight drill holes on a nominal grid spacing ranging from 12.5 by 12.5 metres to 40 by 40 metres, extends over a strike length of 320 metres and a vertical extent of 455 metres from 275 mRL (surface) to -180 mRL. The majority of the updated Mineral Resource falls in a 235 metre vertical panel between surface and 40 mRL, where 93% of the total tonnes and 95% of the total ounces occur, reflecting the sparsity of drilling of the Juomasuo deposit below the 40 mRL.

The ounces categorised as either Measured or Indicated in the Juomasuo update have fallen marginally from the previous Mineral Resource estimate and now extend over a vertical extent of 275 metres, from surface down to the 0 mRL. The ounces categorised as Inferred have doubled from the previous estimate and extend over 455 metres vertically from surface down to -180 mRL.

The Mineral Resource for the Pohjasvaara deposit was updated with the inclusion of results from seven holes completed since the previous update in January 2011. The Pohjasvaara Indicated and Inferred Mineral Resource of 133,000 tonnes grading 3.8 g/t gold for 16,100 ounces represents a 2% increase in total tonnes and 3% decrease in total ounces from the previous Mineral Resource estimate of 130,000 tonnes grading 4.0 g/t gold for 16,600 ounces.

No drilling has been completed at the Hangaslampi, Meurastuksenaho and Sivakkaharju deposits since the Mineral Resources for these deposits were last updated. Each of these deposits has been subject to a compliance update, the Mineral Resources for these deposits remain unchanged from the previous estimate.

Table 1 – Mineral Resource - Gold estimates for the Juomasuo, Hangaslampi, Pohjasvaara, Meurastuksenaho and Sivakkaharju deposits as at 31 December 2013. Reported at a 1 g/t gold cut-off.

	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 Gold Project – Kuusamo North												
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
Total	**160,000**	**7.4**	**38,000**	**1,812,000**	**4.7**	**272,000**	**935,000**	**4.0**	**119,300**	**2,907,000**	**4.6**	**429,200**
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
Total	-	-	-	**61,000**	**2.4**	**4,700**	**881,000**	**2.6**	**73,300**	**942,000**	**2.6**	**78,000**
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**

Note: Resources may not sum to equal totals due to rounding

In addition to the Mineral Resources for gold, the Mineral Resources for cobalt have also been updated. The cobalt mineralisation is associated with the identified gold mineralisation and also with zones that are in addition and separate to the gold mineralisation.

Overall the cobalt Mineral Resource has risen 25% in tonnes and 21% in cobalt tonnes compared to the previous Mineral Resource reported at 31 December 2012 of 7,271,000 tonnes grading 0.12% cobalt for 9,360 cobalt tonnes. As with the gold Mineral Resource the increases are the result of drilling completed at the Juomasuo deposit since the last Mineral Resource update.

Table 2 – Mineral Resource – Cobalt estimates for the Juomasuo, Hangaslampi, Pohjasvaara, Meurastuksenaho and Sivakkaharju deposits as at 31 December 2013. Reported at a 0.05% cobalt cut-off.

	Measured		Indicated		Inferred		Total		
	Tonnes	Cobalt (%)	Tonnes	Cobalt (%)	Tonnes	Cobalt (%)	Tonnes	Cobalt (%)	Cobalt Tonnes
Juomasuo – Gold	160,000	0.14	1,389,000	0.14	822,000	0.10	2,371,000	0.13	3,000
Juomasuo – Cobalt	287,000	0.12	2,845,000	0.11	1,908,000	0.12	5,040,000	0.12	5,900
Hangaslampi – Gold	-	-	341,000	0.06	62,000	0.06	403,000	0.06	260
Hangaslampi – Cobalt			161,000	0.09	18,000	0.14	180,000	0.10	180
Pohjasvaara	-	-	82,000	0.08	51,000	0.10	133,000	0.09	120
Meurastuksenaho	-	-	61,000	0.10	831,000	0.21	892,000	0.20	1,830
Sivakkaharju	-	-	-	-	50,000	0.03	50,000	0.03	10
Total	**447,000**	**0.13**	**4,879,000**	**0.11**	**3,742,000**	**0.13**	**9,069,000**	**0.12**	**11,300**

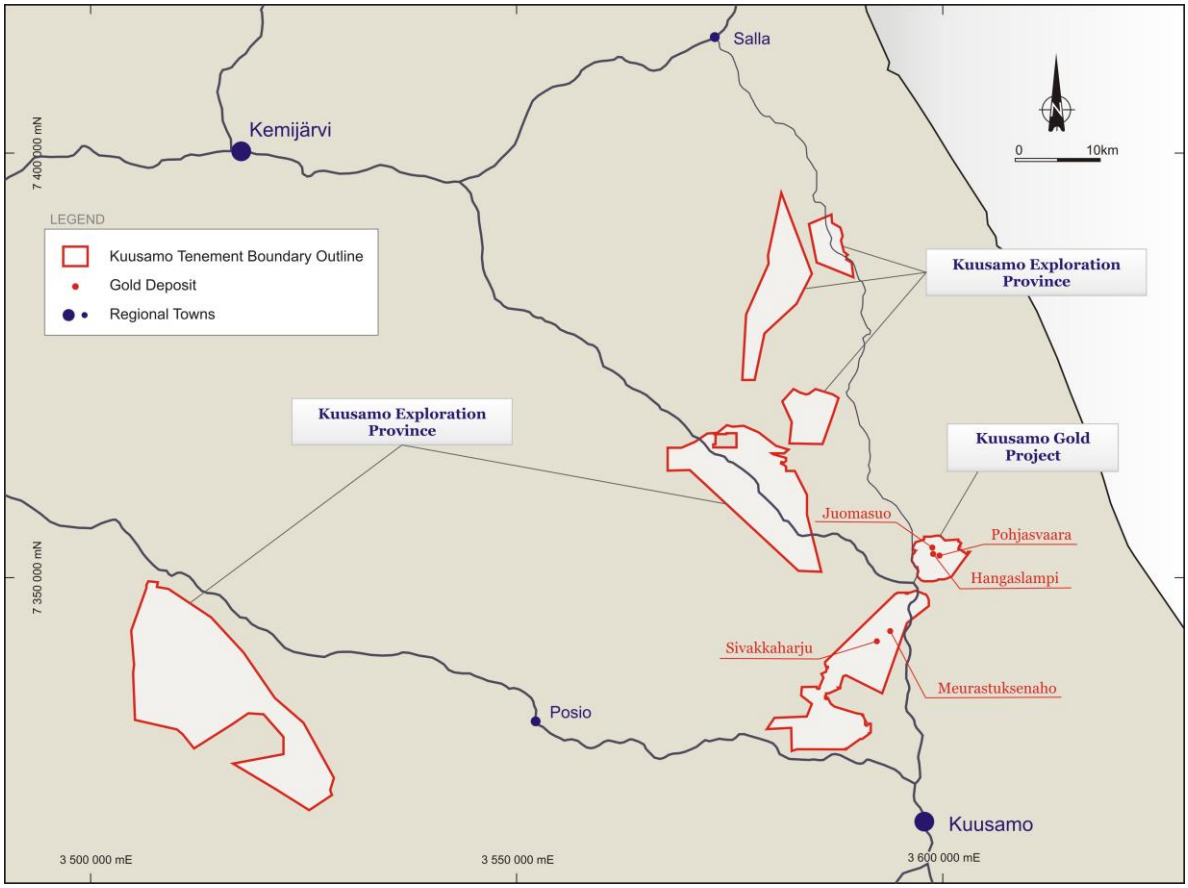
Note: Resources may not sum to equal totals due to rounding

Background

The Kuusamo Gold Project and Kuusamo Exploration Province are located 700 kilometres northeast of Helsinki in northern Finland and are an integral part of Dragon Mining's growth plans, with the Company seeking to capitalise on the projects excellent potential.

The expansive 671.6km² tenement holding encompasses portion of the highly prospective Palaeoproterozoic Kuusamo Schist Belt, a metamorphosed volcanic and sedimentary sequence. Gold mineralisation is located within a larger zone of sulphidised and sheared rocks, which also hosts the cobalt, copper, uranium and rare earth elements mineralisation.

Numerous indications of gold mineralisation and the occurrence of a series of either untested or poorly tested geophysical, geochemical and geological targets, provides the company with a pipeline of prospects to advance and serve to highlight the overall potential of the Kuusamo region.



Kuusamo Gold Project and Kuusamo Exploration Province Outlines

Since recommencing exploratory activities in late 2010, Dragon Mining has completed over fifty kilometres of diamond core drilling focussed on the three key deposits Juomasuo, Hangaslampi and Pohjasvaara in the Kuusamo Gold Project area. Dragon Mining has also flown a detailed heli-borne VTEM and magnetic survey over the Kuusamo Gold Project and the tenement holding to the immediate southwest of this area. In addition to these exploration activities, high-level mining studies, metallurgical test work and environmental studies have been undertaken.

Summary of Information Material to Understanding the Reported Estimates

JUOMASUO DEPOSIT

- ***Geology and Mineralisation Interpretation***

The Juomasuo deposit is located in the Sericite Quartzite Formation of the Palaeoproterozoic Kuusamo Schist Belt, in the northern culmination of one of the major antiforms of the greenstone belt, the Käylä-Konttiaho Anticline. Mineralisation is mainly hosted by albitised, biotitised and sulphidised sericite quartzite and mafic volcanic rocks in a metamorphosed, supracrustal sequence. The deposit comprises a number of steeply dipping lodes controlled by a northwest trending fault crossing an axial culmination in the northeast trending Käylä-Konttiaho Anticline. Native gold is chiefly associated with bismuth and tellurium minerals as inclusions in pyrite, cobaltite and uraninite, between silicates, and in tiny gold-bismuth-tellurium rich veinlets oriented parallel with foliation and enveloped by silicates.

The current interpretations of the gold domain lodes are mainly based on gold assay results. The surrounding cobalt-sulphide lodes are interpreted using cobalt and sulphide grades.

- ***Drill Information and Sampling***

The Juomasuo deposit has been sampled using surface diamond core and percussion drill holes, and surface trench sampling. The majority of drill holes have been located on 12.5m oblique sections and at 8m to 20m spacing on each section. Hole depths ranged from 1 metre to 650 metres.

Historical diamond core drilling was conducted by previous owners Geological Survey of Finland (GSF) and Outokumpu Mining Oy (Outokumpu) using 31.7mm and 41.7mm core diameter. Dragon Mining has completed a number of drill programs at the deposit using 50.5mm (WL-66) core with some 50.7mm (NQ2).

Percussion drill samples were collected at one metre 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.

Diamond core is cut in half using a core saw with sampling at varying intervals based on geological boundaries.

- ***Sample Preparation and Analysis***

Historical samples were sent for preparation (crushing and pulverising) and assaying at GSF's or Outokumpu's laboratory where samples were analysed using a Fire-Assay method with AAS, ICP, or gravimetric finish. Typical base metal elements (Co, Cu, Ni, Zn, Pb, Fe) and other pathfinder elements (Ag, As, Mo, W) were assayed using the AAS method. Sulphur was analysed systematically using the LECO method.

Recent Dragon Mining core samples were sent to ALS preparation laboratory in Outokumpu where samples were crushed to <2mm and split to approximately 1kg samples. Samples were pulverised to -75micron and two pulp samples collected, 80g and 15-20g.

Gold analysis is completed at ALS Minerals in Rosia Montana, Romania using procedures Au-AA25 (Detection Limit – 0.01 g/t gold; Upper Limit – 100.00 g/t gold) – 30g fire assay with AAS finish. Gold values exceeding 3 g/t gold are re-assayed by Au-GRA22 (Detection Limit – 0.05 g/t gold; Upper Limit – 1,000.00 g/t gold) – 50g fire assay with gravimetric finish.

Multi-element analysis is completed at ALS Minerals in Vancouver, Canada using procedure ME-MS41. Uranium values exceeding 1000 ppm (from ME-MS41) are re-assayed by U-XRF-10 method. Over limits of arsenic, cobalt and copper, from ME-MS41 are re-assayed by (+)-OG46 method. Sulphur values exceeding 5% from ME-MS41, are re-assayed by the S-IR08 method.

- ***Estimation Methodology and Classification***

The Ordinary Kriging (OK) algorithm for grade interpolation was used for the update of the Juomasuo Mineral Resource, constrained by boundaries using a combination of gold, cobalt and sulphide grades, lithology and structure. The internal gold domain was interpreted using a nominal 0.5 g/t gold cut-off. The sulphide domain was interpreted using a combination of 150ppm cobalt and 1% sulphur cut-off grades. A minimum intercept length of 2 metres was used. Samples within the wireframes were composited to 1.0m intervals. High grade cuts of between 5 g/t gold and 130 g/t gold based on statistical analyses were applied to the composites. The estimate is based on a block size of 6m NS by 2m EW by 5m vertical, with sub-blocks of 1.5m by 0.5m by 1.25m. Bulk density values for the block model were derived from a sulphur-bulk density regression equation. An average value of 2.75t/m³ was assigned to all barren material.

Mineral Resources were classified in accordance with the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC, 2012). The resource was classified as Measured, Indicated and Inferred Mineral Resource on the basis of data quality, sample spacing, and lode continuity. Although the mineralised gold-bearing structures are geologically complex, the shallow lodes were mapped and extensively sampled through trenching and dense drilling to 2m spacing prior to trial mining taking place. The test pit confirmed the orientation of the lodes. These zones have been classified as Measured Mineral Resource based on the drill density and quality of data in conjunction with the robust continuity of mineralisation in both the gold and sulphide lodes, for the main elements. Zones where drill hole spacing is in the order of 20m by 30m or less, and good continuity is apparent, have been classified as Indicated Mineral Resource. The zones where drill hole spacing is greater than 30m by 30m, or where the continuity and/or geometry are uncertain, or lodes that are defined by limited drilling have been classified as Inferred Mineral Resource.

The mineralised lodes interpreted at Juomasuo are based on a high level of geological understanding of the deposit. The drilling and sampling processes used by Dragon Mining are 'best practice' and certified laboratories have been used for analyses of samples.

The updated Mineral Resource for gold was reported at a cut-off grade of 1 g/t gold. The updated Mineral Resource for cobalt was reported at 0.05% cobalt. These cut-offs are based on assumptions made by Dragon Mining in regard to economic cut-off grades for open pit mining. A 2g/t gold cut-off is considered to be reasonable under current economic conditions but there is also the potential for by products (Co, Cu, and REE), which justifies using a lower 1g/t gold cut-off.

- ***Mining, Metallurgy and Other Modifying Factors***

Trial open pit mining was conducted by Outokumpu in autumn 1992. A total of 17,645t of ore was processed with both gravity and flotation circuits in Rautuvaara Plant of Saattopora Gold Mine in December 1992. It is assumed that mining at Juomasuo would initially be conducted using open pit techniques. The deposit also has good potential to be mined using underground methods. The geological and mineralogical setting of the Kuusamo deposits and the

results of high-level pit optimisation studies indicate that the defined Juomasuo Mineral Resource estimate has a reasonable prospect for eventual economic extraction at the published cut-off figure of 1 g/t gold.

No assumptions were made regarding metallurgical amenability. Dragon Mining however has undertaken a program of metallurgical test work at the Geological Survey of Finland Mineral Processing Laboratory (GSF) in Outokumpu, Finland on composite drill core samples from the Juomasuo deposit and comprised laboratory scale flotation and leaching tests. It follows an initial test work undertaken on drill core samples from both the Juomasuo and Hangaslampi deposits at the ALS Metallurgy facility in Adelaide, South Australia in 2012. Gold recoveries of 89.5% were returned from the GSF flotation test work, which produced an intermediate gold concentrate.

Dragon Mining will consider the results from all metallurgical test work completed in developing a process flow sheet for the Kuusamo Gold Project but notes additional test work is still required to further optimise gold recoveries and the process flow sheet and to determine the commercial viability of recovering cobalt as a by-product.

An Environmental Impact Assessment Report ("EIA Report") for the Kuusamo Gold Project was released on the 11 December 2013 to start a three month public hearing period. The EIA Report sets out the possible environmental and social impacts resulting from proposed mining at the Kuusamo Gold Project and from the southern mining area, as well as considering impacts of gold processing activities at three alternative concentration plant locations. Completion of the Environmental Impact Assessment ("EIA") is a pre-requisite for advancing to the permitting phase.

HANGASLAMPI DEPOSIT

- ***Geology and Mineralisation Interpretation***

The Hangaslampi deposit is located in the Palaeoproterozoic Kuusamo Schist Belt. The Kuusamo Schist Belt consists of metasedimentary and metavolcanic units intruded by dolerites. The deposit is located in the contact zone between mafic metavolcanic rocks of the tholeiitic Greenstone Formation II and metasedimentary rocks of the Sericite Quartzite Formation, in the northern part of the Käylä-Konttiaho Anticline.

Hangaslampi comprises several lodes controlled by northwest trending faults crossing the northeast trending anticline. It is mineralised for gold and cobalt, and enriched in silver, copper, rare earth elements, molybdenum and uranium. The deposit is extensively albitised and includes quartz, biotite, sericite, chlorite, carbonates, pyrite and magnetite/hematite. Native gold occurs as inclusions in pyrite and also embedded on grain contacts associated with sulphides and silicates.

The current interpretations of the gold domain lodes are mainly based on gold assay results. The surrounding cobalt-sulphide lodes are interpreted using cobalt and sulphide grades.

- ***Drill Information and Sampling***

The Hangaslampi deposit has been sampled using surface diamond core drill holes and surface trench sampling. Drill spacing ranges from 12m along strike by 12m across strike in the central portion of the resource, to 25 metres along strike by 40 metres across strike on the periphery of the mineralized zones. Hole depths ranged from 7 metres to 348 metres.

Historical diamond core drilling was conducted by previous owners Geological Survey of Finland (GSF) and Outokumpu Mining Oy (Outokumpu) using 45mm core diameter (T56) and 31.7mm core diameter (T46). Dragon Mining has completed a number of drill programs at the deposit using 50.5mm (WL-66) core with some 50.7mm (NQ2).

Diamond core is cut in half using a core saw with sampling at varying intervals based on geological boundaries.

- ***Sample Preparation and Analysis***

Historical samples were sent for preparation (crushing and pulverising) and assaying at GSF's or Outokumpu's laboratory where samples were analysed using a Fire-Assay method with AAS, ICP, or gravimetric finish. Typical base metal elements (Co, Cu, Ni, Zn, Pb, Fe) and other pathfinder elements (Ag, As, Mo, W) were assayed using the AAS method. Sulphur was analysed systematically using the LECO method.

Recent Dragon Mining core samples were sent to ALS preparation laboratory in Outokumpu where samples were crushed to <2mm and split to approximately 1kg samples. Samples were pulverised to -75micron and two pulp samples collected, 80g and 15-20g.

Gold analysis is completed at ALS Minerals in Rosia Montana, Romania using procedures Au-AA25 (Detection Limit – 0.01 g/t gold; Upper Limit – 100.00 g/t gold) – 30g fire assay with AAS finish. Gold values exceeding 3 g/t gold are re-

assayed by Au-GRA22 (Detection Limit – 0.05 g/t gold; Upper Limit – 1,000.00 g/t gold) – 50g fire assay with gravimetric finish.

Multi-element analysis is completed at ALS Minerals in Vancouver, Canada using procedure ME-MS41. Uranium values exceeding 1000 ppm (from ME-MS41) are re-assayed by U-XRF-10 method. Over limits of arsenic, cobalt and copper, from ME-MS41 are re-assayed by (+)-OG46 method. Sulphur values exceeding 5% from ME-MS41, are re-assayed by the S-IR08 method.

- ***Estimation Methodology and Classification***

The Ordinary Kriging (OK) algorithm for grade interpolation was used in the update of the Hangaslampi Mineral Resource, constrained by boundaries using grade and structural interpretation, the internal gold mineralisation using a nominal 0.5 g/t gold cut-off and minimum down hole length of 2 metres. Samples within the wireframes were composited to 1.0m intervals. High grade cuts of 1.5 g/t and 70 g/t gold based on statistical analysis were applied to the composites within the encompassing sulphide and internal domains respectively. Top cuts for cobalt of 0.5% and 1% were based on statistics and applied to the composites within the encompassing sulphide and internal gold domains. The estimate is based on a block size of 6m NS by 2m EW by 5m vertical, with sub-blocks of 1.5m by 0.5m by 1.25m. Bulk density values for the block model were derived from a sulphur-bulk density regression equation. An average value of 2.75t/m³ was assigned to all barren material

Mineral Resources were classified in accordance with the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC, 2012). The resource was classified as Indicated and Inferred Mineral Resource on the basis of data quality, sample spacing, and lode continuity. The Indicated portion of the resource included the areas where the drill spacing was less than 20m by 20m and lode continuity was good. The remainder of the deposit defined by drilling at greater than 20m spacing and where lode continuity was less certain was classified as Inferred Mineral resource.

The mineralised lodes interpreted at Hangaslampi are based on a high level of geological understanding of the deposit style. The drilling and sampling processes used by Dragon Mining are 'best practice' and certified laboratories have been used for analyses of samples.

The updated Mineral Resource was reported at a cut-off grade of 1 g/t gold. The updated Mineral Resource for cobalt was reported at 0.05% cobalt. These cut-offs are based on assumptions made by Dragon Mining in regard to economic cut-off grades for open pit mining. A 2g/t gold cut-off is considered to be reasonable under current economic conditions but there is also the potential for by products (Co, Cu, and REE), which justifies using a lower 1g/t gold cut-off.

- ***Mining, Metallurgy and Other Modifying Factors***

It is assumed that the Hangaslampi deposit could potentially be mined using small scale open pit and underground techniques as part of a larger operation. The geological and mineralogical setting of the Kuusamo deposits and the results of high-level pit optimisation studies indicate that the defined Hangaslampi Mineral Resource estimate has a reasonable prospect for eventual economic extraction at the published cut-off figure of 1 g/t gold.

No assumptions were made regarding metallurgical amenability. Dragon Mining however has undertaken a program of metallurgical test work at the Geological Survey of Finland Mineral Processing Laboratory (GSF) in Outokumpu, Finland on composite drill core samples from the Juomasuo deposit and comprised laboratory scale flotation and leaching tests. It follows an initial test work undertaken on drill core samples from both the Juomasuo and Hangaslampi deposits at the ALS Metallurgy facility in Adelaide, South Australia in 2012.

Gold recoveries of 89.5% were returned from the GSF flotation test work, which produced an intermediate gold concentrate.

Dragon Mining will consider the results from all metallurgical test work completed in developing a process flow sheet for the Kuusamo Gold Project but notes additional test work is still required to further optimise gold recoveries and the process flow sheet and to determine the commercial viability of recovering cobalt as a by-product.

An Environmental Impact Assessment Report ("EIA Report") for the Kuusamo Gold Project was released on the 11 December 2013 to start a three month public hearing period. The EIA Report sets out the possible environmental and social impacts resulting from proposed mining at the Kuusamo Gold Project and from the southern mining area, as well as considering impacts of gold processing activities at three alternative concentration plant locations. Completion of the Environmental Impact Assessment ("EIA") is a pre-requisite for advancing to the permitting phase.

POHJASVAARA DEPOSIT

- ***Geology and Mineralisation Interpretation***

The Pohjasvaara deposit is located in the Palaeoproterozoic Kuusamo Schist Belt. The Kuusamo Schist Belt consists of metasedimentary and metavolcanic units intruded by dolerites. The deposit is located in the contact zone between mafic metavolcanic rocks of the tholeiitic Greenstone Formation II and metasedimentary rocks of the Sericite Quartzite Formation, in the northern part of the Käylä-Konttiaho Anticline.

Pohjasvaara comprises several lodes controlled by northwest trending faults crossing the northeast trending anticline. It is mineralised for gold and cobalt, and enriched in silver, copper, rare earth elements, molybdenum, nickel and uranium. The deposit is extensively albitised and included quartz, biotite, sericite, chlorite, carbonates, pyrite and magnetite/hematite. Native gold occurs as inclusions in pyrite and also embedded on grain contacts associated with sulphides and silicates.

The current interpretations of the gold domain lodes are mainly based on gold assay results. The surrounding cobalt-sulphide lodes are interpreted using cobalt and sulphide grades.

- ***Drill Information and Sampling***

The Pohjasvaara deposit has been sampled using surface diamond core drill holes. Drill spacing ranges from 10m along strike by 10m across strike for the majority of the resource.

Historical diamond core drilling was conducted by previous owners Geological Survey of Finland (GSF) and Outokumpu Mining Oy (Outokumpu) using 42mm core diameter (T56). Dragon Mining used 50.5mm (WL-66) core. Hole depths ranged from 35.9m to 207.5m.

Diamond core has been cut in half by either a hydraulic press (historic holes) or a core saw (recent holes) with sampling at varying intervals based on geological boundaries.

- ***Sample Preparation and Analysis***

Historical samples were sent for preparation (crushing and pulverising) and assaying at GSF's or Outokumpu's laboratory where samples were analysed using a Fire-Assay method with AAS, ICP, or gravimetric finish. Typical base metal elements (Co, Cu, Ni, Zn, Pb, Fe) and other pathfinder elements (Ag, As, Mo, W) were assayed using the AAS method. Sulphur was analysed systematically using the LECO method.

Recent Dragon Mining core samples were sent to ALS preparation laboratory in Outokumpu where samples were crushed to <2mm and split to approximately 1kg samples. Samples were pulverised to -75micron and two pulp samples collected, 80g and 15-20g.

Gold analysis is completed at ALS Minerals in Rosia Montana, Romania using procedures Au-AA25 (Detection Limit – 0.01 g/t gold; Upper Limit – 100.00 g/t gold) – 30g fire assay with AAS finish. Gold values exceeding 3 g/t gold are re-assayed by Au-GRA22 (Detection Limit – 0.05 g/t gold; Upper Limit – 1,000.00 g/t gold) – 50g fire assay with gravimetric finish.

Multi-element analysis is completed at ALS Minerals in Vancouver, Canada using procedure ME-MS41. Uranium values exceeding 1000 ppm (from ME-MS41) are re-assayed by U-XRF-10 method. Over limits of arsenic, cobalt and copper, from ME-MS41 are re-assayed by (+)-OG46 method. Sulphur values exceeding 5% from ME-MS41, are re-assayed by the S-IR08 method.

- ***Estimation Methodology and Classification***

The Ordinary Kriging (OK) algorithm for grade interpolation was used in the update of the Pohjasvaara Mineral Resource, constrained by boundaries designed to capture the mineralisation within shapes consistent with the geological understanding of the deposit. No minimum width was applied due to the pinch and swell nature of the deposit. Samples within the wireframes were composited to 1.0m intervals. A high grade cut of 30 g/t gold was applied to all lodes. No high cut was applied to the cobalt. The estimate is based on a block size of 6m NS by 2m EW by 5m vertical, with sub-blocks of 1.5m by 0.5m by 1.25m. A bulk density value of 2.95t/m^3 was assigned to all fresh rock below the till.

Mineral Resources were classified in accordance with the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC, 2012). The Pohjasvaara Mineral Resource was classified on the basis of sample spacing and continuity of the interpreted zones. In general, zones where drill hole spacing was less than 20m by 20m and reasonable 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 uncertain were classified as Inferred Mineral Resource. A single lode at depth is considered unlikely to be

economically extracted based on the current data and is therefore classified as Mineral Potential and not reported as part of the Mineral Resource.

The mineralised lodes interpreted at Pohjasvaara are based on a high level of geological understanding of similar deposits currently being mined by Dragon Mining. The drilling and sampling processes used by Dragon Mining are 'best practice' and certified laboratories have been used for analyses of samples.

The updated Mineral Resource has been reported at a 1g/t gold cut-off based on assumptions made by Dragon Mining in regard to economic cut-off grades for open pit and underground mining justified by the potential for Co, Cu and REE by-products.

- ***Mining, Metallurgy and Other Modifying Factors***

It is assumed that the Pohjasvaara deposit could potentially be mined using small scale open pit and underground techniques as part of a larger operation. The geological and mineralogical setting of the Kuusamo deposits and the results of high-level pit optimisation studies indicate that the defined Pohjasvaara Mineral Resource estimate has a reasonable prospect for eventual economic extraction at the published cut-off figure of 1 g/t gold.

No assumptions were made regarding metallurgical amenability. Dragon Mining however has undertaken a program of metallurgical test work at the Geological Survey of Finland Mineral Processing Laboratory (GSF) in Outokumpu, Finland on composite drill core samples from the Juomasuo deposit and comprised laboratory scale flotation and leaching tests. It follows an initial test work undertaken on drill core samples from both the Juomasuo and Hangaslampi deposits at the ALS Metallurgy facility in Adelaide, South Australia in 2012.

Gold recoveries of 89.5% were returned from the GSF flotation test work, which produced an intermediate gold concentrate.

Dragon Mining will consider the results from all metallurgical test work completed in developing a process flow sheet for the Kuusamo Gold Project but notes additional test work is still required to further optimise gold recoveries and the process flow sheet and to determine the commercial viability of recovering cobalt as a by-product.

An Environmental Impact Assessment Report ("EIA Report") for the Kuusamo Gold Project was released on the 11 December 2013 to start a three month public hearing period. The EIA Report sets out the possible environmental and social impacts resulting from proposed mining at the Kuusamo Gold Project and from the southern mining area, as well as considering impacts of gold processing activities at three alternative concentration plant locations. Completion of the Environmental Impact Assessment ("EIA") is a pre-requisite for advancing to the permitting phase.

MEURASTUKSENAHO DEPOSIT

- ***Geology and Mineralisation Interpretation***

The Meurastuksenaho deposit is located in the Palaeoproterozoic Kuusamo Schist Belt. The Kuusamo Schist Belt consists of metasedimentary and metavolcanic units intruded by dolerites. The deposit is located in the contact zone between mafic metavolcanic rocks of the tholeiitic Greenstone Formation II and metasedimentary rocks of the Sericite Quartzite Formation, in the northern part of the Käylä-Konttiaho Anticline.

The Meurastuksenaho deposit represents thin parallel and steeply dipping, medium grade gold mineralisation. Native gold is chiefly related to the most Co-rich parts of the mineralisation. Visible gold is present as inclusions in pyrrhotite, chalcopyrite and pyrite and along sulphide-calcite grain boundaries.

The current interpretations of the gold domain lodes are mainly based on gold assay results.

- ***Drill Information and Sampling***

The Meurastuksenaho deposit has been sampled using surface diamond core drill holes. Drilling was conducted primarily on 12.5m line spacing through the central part of the deposit extending to 50m at the extremities. Hole spacing ranged from 10 metres to 80 metres across strike.

Historical diamond core drilling was conducted by previous owners Geological Survey of Finland (GSF) and Outokumpu Mining Oy (Outokumpu) using 31.7mm core diameter (T46) and 42mm core diameter (T56). Hole depths range from 42 metres to 306 metres. Dragon Mining has completed no drilling at the deposit.

Diamond core has been cut in half by either a hydraulic press or a core saw with sampling at varying intervals based on geological boundaries.

- ***Sample Preparation and Analysis***

Historical samples were sent for preparation (crushing and pulverising) and assaying at GSF's or Outokumpu's laboratory where samples were analysed using a Fire-Assay method with AAS, ICP, or gravimetric finish. Typical base metal elements (Co, Cu, Ni, Zn, Pb, Fe) and other pathfinder elements (Ag, As, Mo, W) were assayed using the AAS method. Sulphur was analysed systematically using the LECO method.

- ***Estimation Methodology and Classification***

The Ordinary Kriging (OK) algorithm for grade interpolation was used in the update of the Meurastuksenaho Mineral Resource, constrained by boundaries designed to capture the mineralisation within shapes consistent with the geological understanding of the deposit. No minimum width was applied due to the pinch and swell nature of the deposit. Samples within the wireframes were composited to 1.0m intervals. A high grade cut of 30 g/t gold was applied to all lodes. No high cut was applied to the cobalt. The estimate is based on a block size of 6m NS by 2m EW by 5m vertical, with sub-blocks of 1.5m by 0.5m by 1.25m. A bulk density value of 2.95t/m³ was assigned to all fresh rock below the till.

Mineral Resources were classified in accordance with the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC, 2012). The Meurastuksenaho Mineral Resource was classified on the basis of sample spacing and continuity of the interpreted zones. Zones where drill hole spacing was less than 20m by 20m and reasonable 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 uncertain were classified as Inferred Mineral Resource.

The mineralised lodes interpreted at Meurastuksenaho are based on a high level of geological understanding of similar deposits currently being mined by Dragon Mining. The drilling and sampling processes used by Dragon Mining are 'best practice' and certified laboratories have been used for gold and cobalt analyses of samples.
The updated Mineral Resource has been reported at a 1g/t gold cut-off based on assumptions made by Dragon Mining in regard to economic cut-off grades for open pit and underground mining justified by the potential for Co, Cu and REE by-products.

- ***Mining, Metallurgy and Other Modifying Factors***

It is assumed that the Meurastuksenaho deposit could potentially be mined using small scale open pit and underground techniques as part of a larger operation. The geological and mineralogical setting of the Kuusamo deposits and the results of high-level pit optimisation studies indicate that the defined Meurastuksenaho Mineral Resource estimate has a reasonable prospect for eventual economic extraction at the published cut-off figure of 1 g/t gold.

No assumptions were made regarding metallurgical amenability.

SIVAKKAHARJU DEPOSIT

- ***Geology and Mineralisation Interpretation***

The Sivakkaharju deposit is located in the Palaeoproterozoic Kuusamo Schist Belt. The Kuusamo Schist Belt consists of metasedimentary and metavolcanic units intruded by dolerites. The deposit is located in a sericite and albite rich schist of sedimentary origin in a metamorphosed, intracratonic, extensively albitised, supracrustal sequence in a failed rift system.

The Sivakkaharju deposit comprises two lodes at intersection of two faults within the north trending Hyväniemi-Maaninkavaara Anticline. The deposit contains native gold, chiefly free and associated silicates, but also occurring with uraninite, and, locally, as inclusions in molybdenite and pyrite, and as intergrowths with tellurides.

The current interpretations of the gold domain lodes are mainly based on gold assay results. However, the mineralisation intervals generally coincide with lithology logged as schists, with alteration noted as quartz, albite, biotite, or sericite.

- ***Drill Information and Sampling***

The Sivakkaharju deposit has been sampled using surface diamond core drill holes. Drilling was conducted primarily on 12.5m line spacings with holes spaced at 20m on each section. Further from the mineralised lodes the drilling has been conducted on uneven spacings with no observable pattern.

Historical diamond core drilling was conducted by previous owners Geological Survey of Finland (GSF) and Outokumpu Mining Oy (Outokumpu) using 31.7mm core diameter (T46) and 42mm core diameter (T56). Hole depths range from 19 metres to 312 metres. Dragon Mining has completed no drilling at the deposit.

Diamond core has been cut in half by either a hydraulic press or a core saw with sampling at varying intervals based on geological boundaries.

- ***Sample Preparation and Analysis***

Historical samples were sent for preparation (crushing and pulverising) and assaying at GSF's or Outokumpu's laboratory where samples were analysed using a Fire-Assay method with AAS, ICP, or gravimetric finish. Typical base metal elements (Co, Cu, Ni, Zn, Pb, Fe) and other pathfinder elements (Ag, As, Mo, W) were assayed using the AAS method. Sulphur was analysed systematically using the LECO method.

- ***Estimation Methodology and Classification***

The Inverse Distance Squared (ID^2) algorithm for grade interpolation was used for the update of the Sivakkaharju Mineral Resource, constrained by boundaries from cross sectional interpretations based on a nominal 0.5 g/t gold cut-off grade with a minimum down hole length of 2m. Samples within the wireframes were composited to 1.0m intervals. No high grade cuts were applied to the composites. The estimate is based on a block size of 6m NS by 2m EW by 5m vertical, with sub-blocks of 1.5m by 0.5m by 1.25m. A bulk density value of 2.95t/m^3 was assigned to all fresh rock below the till.

Mineral Resources were classified in accordance with the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC, 2012). The Sivakkaharju resource was classified as Inferred Mineral Resource on the basis of data quality. The Sivakkaharju deposit has been defined entirely by historical drilling. No QAQC data has been supplied. Drilling and sampling methods adopted by GTK and Outokumpu have historically been well recorded at many of the Dragon Mining deposits, and have been carried out to best industry practice. It has been assumed that the drilling and sampling at Sivakkaharju was to the same high standard.

The mineralised lodes interpreted at Sivakkaharju are based on a high level of geological understanding of similar deposits currently being explored or mined by Dragon Mining. Certified laboratories were used for gold analyses of samples. The level of confidence in the estimate has been appropriately addressed through the classification of the resource as Inferred Mineral Resource.
The updated Mineral Resource has been reported at a 1g/t gold cut-off based on assumptions made by Dragon Mining in regard to economic cut-off grades for open pit and underground mining justified by the potential for Co, Cu and REE by-products.

- ***Mining, Metallurgy and Other Modifying Factors***

It is assumed that the Sivakkaharju deposit could potentially be mined using small scale open pit and underground techniques as part of a larger operation. The geological and mineralogical setting of the Kuusamo deposits and the results of high-level pit optimisation studies indicate that the defined Sivakkaharju Mineral Resource estimate has a reasonable prospect for eventual economic extraction at the published cut-off figure of 1 g/t gold.

No assumptions were made regarding metallurgical amenability.

A full listing of Dragon Mining's Gold Mineral Resources as at 31 December 2013 are provided in Appendix 1. The required JORC Tables for each of the deposits are found in Appendix 2 – Juomasuo, Appendix 3 – Hangaslampi, Appendix 4 – Pohjasvaara, Appendix 5 – Meurastuksenaho and Appendix 6 – Sivakkaharju.

For and on behalf of
Dragon Mining Limited

Competent Persons Statement

The information in this announcement 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 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 Trevor Stevenson consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to 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 mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves. 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.

Appendix 1 – Dragon Mining Gold Mineral Resources (31 December 2013)

	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**	**11,800**	**246,000**	**4.2**	**33,400**	**39,000**	**4.9**	**6,200**	**383,000**	**4.1**	**51,300**
Vammala Production Centre												
Orivesi Gold Mine												
Kutema (below 720)	76,000	5.4	13,200	321,000	6.6	68,600	41,000	4.7	6,100	438,000	6.2	87,900
Sarvisuo	43,000	5.7	7,800	60,000	7.6	14,500	46,000	8.0	11,900	149,000	7.2	34,200
Total	**119,000**	**5.5**	**21,000**	**381,000**	**6.8**	**83,100**	**87,000**	**6.4**	**18,000**	**587,000**	**6.5**	**122,100**
Jokisivu Gold Mine												
Kujankallio	163,000	5.3	27,900	270,000	5.5	47,800	230,000	4.7	34,800	663,000	5.2	110,600
Kujankallio – Stockpile	22,000	2.8	1,980	-	-	-	-	-	-	22,000	2.8	1,980
Arpola	3,000	4.3	400	305,000	6.7	65,700	159,000	7.5	38,300	467,000	6.9	103,900
Total	**188,000**	**4.7**	**30,280**	**575,000**	**6.1**	**113,500**	**389,000**	**5.8**	**73,100**	**1,152,000**	**5.8**	**216,480**
Kaapelinkulma Gold Project												
South	**-**	**-**	**-**	84,900	5.6	15,200	29,800	5.2	5,000	114,700	5.5	20,200
North	**-**	**-**	**-**	-	-	-	7,500	3.6	900	7,500	3.6	900
Total				**84,900**	**5.6**	**15,200**	**37,300**	**4.2**	**5,900**	**122,200**	**5.2**	**21,000**
Vammala Total	**307,000**	**5.0**	**51,280**	**1,040,900**	**6.3**	**211,800**	**513,300**	**5.8**	**97,000**	**1,861,200**	**6.0**	**359,580**
Kuusamo Region												
Kuusamo Gold Project – Kuusamo North												
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
Total	**160,000**	**7.4**	**38,000**	**1,812,000**	**4.7**	**272,000**	**935,000**	**4.0**	**119,300**	**2,907,000**	**4.6**	**429,200**
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
Total				**61,000**	**2.4**	**4,700**	**881,000**	**2.6**	**73,300**	**942,000**	**2.6**	**78,000**
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	**564,000**	**5.5**	**101,800**	**3,159,900**	**5.1**	**521,900**	**2,368,300**	**3.9**	**295,800**	**6,092,200**	**4.7**	**918,180**

Appendix 2 – Juomasuo Deposit JORC Table 1

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 Juomasuo deposit were sampled using surface diamond and percussion drill holes, and surface trench sampling. • Drill hole collars and starting azimuths (for historically located collars) were accurately surveyed by Dragon surveyors in 2003 and again in 2011. For the recent drill holes completed by Dragon, collar co-ordinates and starting azimuths were measured by Dragon geotechnicians using RTK-GPS Leica GNSS equipment. Down hole dip and azimuth deviations were recorded by the drilling contractor using either Maxibor, Devico Deviflex or Reflex Gyro survey instruments. Drill samples were taken at geological intervals with average sample lengths of 1m. • Historical drilling was conducted by previous owners Geological Survey of Finland (GSF) and Outokumpu Mining Oy (Outokumpu). Dragon has completed a number of drill programs at the deposit. Diamond drilling by GSF and Outokumpu used 31.7mm and 41.7mm core diameter with sampling at varying intervals based on geological boundaries. Recent Dragon drilling utilised 50.5mm core with some 50.7mm. • Historical sampling used half-split core which was sampled and sent for preparation (crushing and pulverising) and assaying at GSF's or Outokumpu's laboratory where samples were analysed using a Fire-Assay method with AAS, ICP, or gravimetric finish. Typical base metal elements (Co, Cu, Ni, Zn, Pb, Fe) and other pathfinder elements (Ag, As, Mo, W) were assayed using the AAS method. Sulphur was analysed systematically using the LECO method. • Recent Dragon core samples were sent to ALS preparation laboratory in Outokumpu where samples were crushed to <2mm and split to approximately 1kg samples. Samples were pulverised to -75micron and two pulp samples collected, 80g and 15-20g. The larger pulp samples were sent to ALS (Romania) and the smaller sample to ALS (Vancouver) for analysis by Fire Assay (AA25). Other elements, including the rare earth elements were analysed using various techniques; fusion acid dilution, four acid dissolution, and XRF.
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 percussion drilling were the primary drilling techniques used at Juomasuo. Dragon drilling used 50.5mm (WL-66) or 50.7mm (NQ2) core diameter. Hole depths ranged from 1m to 650m. Recoveries from diamond core were recorded as RQD figures in the supplied database. A total of 10,891 records were supplied with an average value of 77.4. 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

Criteria	JORC Code explanation	Commentary
		routinely recorded and the supplied database included a table of 196 records stating the length of lost core.
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.*	• Since 2003 diamond core has been 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 structural 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 separate tables. • 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 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. • 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 percussion samples uses industry standard techniques. After drying the sample was subject to a primary crush to <2mm, then pulverised so that 85% passes a -75um sieve. • 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

Criteria	JORC Code explanation	Commentary
		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, ICP, or gravimetric finish (30g or 50g pulps). Samples reporting greater than 3g/t were checked using a 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 routinely analysed. • 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. • Three certified reference materials (sourced from RockLabs, New Zealand) representing a variety of grades from 1.34g/t to 8.69g/t were inserted systematically between March 2011 and August 2012. Three different RockLabs standards were submitted from August 2012 to the present representing grades from 1.35g/t to 8.6g/t. A total of 499 standards were submitted by Dragon. Results highlighted that the sample assays are accurate, showing no obvious bias. • A total of 359 blank samples were submitted during the drill programs. Results show that no contamination has occurred. • Pulp duplicate analyses (470) honour the original assay but do not test the accuracy of the core sampling. Dragon has advised that for future drill programs, ¼ core will be submitted as 'field' duplicates.
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.*	• Mr Trevor Stevenson (RPM) verified significant intersections of mineralisation on the most recent site visit by viewing diamond core and comparing assay values for those intersections within the Dragon database. • There has been no specific drill program at Juomasuo designed to twin existing drill holes. • Primary data was documented on paper logs prior to being digitised using Drill Logger software. From 2008 data has been documented on Excel spreadsheets and printed on paper copies. • RPM adjusted Au results to half the analytical detection value where zero values were encountered in the supplied data. This affected some 200 records.
Location of	• *Accuracy and quality of surveys used to locate drill*	• Drill hole collars and starting azimuths have been

Criteria	JORC Code explanation	Commentary
data points	*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.*	accurately surveyed by Dragon geotechnicians using RTK-GPS Leica GNSS equipment. Down hole dip and azimuth deviations were recorded by the drilling contractor using either Maxibor, Devico Deviflex or Reflex Gyro survey instruments. • Drill hole locations were positioned using the Finnish National Grid System (FIN KKJ4, 2003). • The topographic surface over the Juomasuo 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.*	• The majority of drill holes have been located on 12.5m oblique sections and at 8m to 20m spacing on each section. • 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 north-east (33°) or south-west and drilled at an angle which is approximately perpendicular to the orientation of the mineralised trends. Historical drill holes were drilled on east-west sections. • 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 GTK and Outokumpu. Company personnel transported diamond core to the core shed where geologists logged the core. Core cutting, sample preparation and assaying were done by GTK or Outokumpu's GAL laboratory personnel. • At present, chain of custody of samples is managed by Dragon and the process was closely viewed by Trevor Stevenson (RPM) during the October 2013 site visit. Diamond core boxes are transported to Outokumpu by a logistic company (Transpoint) where core is logged prior to being transferred to the ALS preparation 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 during the site visit conducted by Trevor Stevenson (RPM) in October 2013. 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 Juomasuo deposit is located in the area of Mining concessions JUOMASUO and POHJASVAARA (number 3965/1-2, 47.86ha + 6.336ha = 54.196ha). • Nearby claim applications HANGASLAMPI 7-10 (9266/1-4, 98.95ha, 99.47ha, 94.74ha, 99.66ha) are in the preparation process of the Finnish mining permit authority (TUKES).
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The Juomasuo deposit was discovered by GTK in 1985 when checking a low-altitude airborne electric and magnetic anomaly with ground geophysical methods and diamond drilling. • During 1983 to 1989, GTK performed detailed geological, geophysical, and chemical studies along with diamond drilling. This work was followed by diamond and percussion drilling, test mining and pilot plant testing by Outokumpu during 1990-2003.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Juomasuo deposit is in the Sericite Quartzite Formation of the Palaeoproterozoic Kuusamo Schist Belt, in the N culmination of one of the major antiforms of the greenstone belt, the Käylä-Konttiaho Anticline. Mineralisation occurs in locations where a NW trending ductile shear zone cuts across the Käylä-Konttiaho Anticline in areas close to the contact between Sericite Quartzite and Greenstone II Formations. Native gold is chiefly associated with Bi and Te minerals as inclusions in pyrite, cobaltite, and uraninite, between silicates, and in tiny Au-Bi-Te veinlets orientated parallel with foliation and enveloped by silicates.

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.*
		• Drilling at the Juomasuo deposit is primarily diamond core with some historical percussion drill holes.
		• 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. No 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*	• Exploration results are not being reported. • No aggregation has been applied to the data. • Metal equivalent values are not being reported.

Criteria	JORC Code explanation	Commentary
	examples of such aggregations should be shown in detail. • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
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 were orientated predominantly to an azimuth of 30° to 40° and angled to an average dip of approximately -50° which is approximately perpendicular to the orientation of the mineralised trends. Approximately 90 drill holes were orientated to the south-west (220°). Historical drilling was conducted on east-west sections. • The Juomasuo lodes strike at approximately 310° and dips at 70° to the south-west.
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.*	• Exploration results are not being reported. All relevant plans and sections are included in the original Mineral Resource report. • No diagrams included in the announcement.
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.*	• 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.*	• GTK historically conducted detailed geological, geophysical, and chemical studies. Dragon has recently conducted surface channel sampling through gold lodes in addition to the diamond drilling programs. • Dragon completed a detailed 3,715 line kilometre heli-borne VTEM and magnetic survey over the Kuusamo Gold Project area and the tenement holding immediately to the southwest of this area during 2012, providing a platform from which future exploration could advance. Imaging and interpretation of the new dataset is advancing, the work completed to date highlights a number of areas of interest that display an analogous geophysical signature to four of the five known deposits at the Kuusamo Project.
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.*	• At the Juomasuo deposit, extensional and infill drilling will continue in the near future. • Additional metallurgical tests will be planned. • Open pit optimisations will be carried out. • An Environmental Impact Assessment (EIA) commenced in the spring of 2011 in order to collate the information and knowledge required to facilitate the subsequent permit processes in respect of the Project. The EIA process focuses on comparing the impacts caused by the various alternatives on the environment, people and local industries. The EIA report was published on the 11th of December 2013. Applications for the permits required to undertake mining activities can be submitted, after the EIA process is completed.

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 Excel spreadsheets 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. • 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. Minor changes were noted between the 2012 and 2013 data and adjustments were made to mineralised interpretations based on the updated drilling information.
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 most recent site visit was conducted by Trevor Stevenson (RPM) in October 2013. 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.*	• Juomasuo is the largest known gold deposit in the Palaeoproterozoic Kuusamo Schist Belt. The deposit is also enriched in Ag, Co, Cu, Mo, Ni, REE and U. It is mainly hosted by albitised, biotitised and sulphidised sericite quartzite and mafic volcanic rocks in a metamorphosed, supracrustal sequence in a failed rift system. Juomasuo comprises a number of steeply dipping lodes controlled by a NW-trending fault crossing an axial culmination in the NE-trending Käylä-Konttiaho Anticline. Native gold is chiefly associated with Bi and Te minerals as inclusions in pyrite, cobaltite and uraninite, between silicates, and in tiny Au-Bi-Te rich veinlets oriented parallel with foliation and enveloped by silicates. • Drill hole logging by Dragon geologists, through direct observation of drill core, sawed channel trench and percussion samples have been used to interpret the geological setting. The bedrock is exposed at surface within the test pit area and is directly observed within the surface trenches. • The continuity of the main mineralised lodes is clearly observed by Au grades within the drill holes. The close spaced drilling (2m to 5m) at shallow depths, and surface channel sampling, suggest the current interpretation is good. The majority of the mineralisation has been captured within the current interpretations of multiple parallel lodes. Alternate interpretations would have little impact on the overall Mineral Resource estimation. • The current interpretations of the gold domain lodes are mainly based on Au assay results. The surrounding cobalt-sulphide lodes are interpreted using cobalt and sulphide grades.

Criteria	JORC Code explanation	Commentary
		• Juomasuo comprises a number of steeply dipping lodes controlled by a NW-trending fault crossing an axial culmination in the NE-trending Käylä-Konttiaho Anticline.
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 Juomasuo deposit extends over an area of 460m (from 7,355,180mN to 7,355,640mN) and includes the 510m vertical interval from surface at 275m to -235m. The mineralised lodes strike at 310° and extend over a strike distance of 385m. The main lodes at Juomasuo cover a width of 390m from 4,463,970mE to 4,464,360mE.
Estimation and modeling 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.*	• Ordinary Kriging (OK) interpolation with an oriented 'ellipsoid' search was used for the estimate. Surpac software was used for the estimations. Some blocks can receive a negative grade through the kriging interpolation when extreme grades (or grades differing markedly from the surrounding composites) receive a negative weighting. As negative grades are not possible, Surpac software assigns a zero grade to the affected blocks. RPM used an Inverse Distance Squared (ID^2) interpolation in order to produce a realistic grade estimate at these locations. • Three dimensional mineralised wireframes (interpreted by Dragon and checked by RPM) were used to domain the Au and Co 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 40m. • RPM has not made assumptions regarding recovery of by-products from the mining and processing of ore at the Juomasuo deposit. • In addition to Au, a number of elements were estimated into the Juomasuo block model; Co, S, U, and rare earth elements (REE). • 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. The first pass used a range of either 20m or 30m with a minimum of 6 or 10 samples. For the second pass, the range was extended to 40m or 60m, with a minimum of 4 or 6 samples. A third pass radius of 80m or 120m 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 98% of the blocks were filled in the first two passes. • Mineral Resource estimates for the Juomasuo deposit have previously been reported by RPM, with the earliest reported in December 2010.

Criteria	JORC Code explanation	Commentary
		The current estimate is based upon data and interpretations from the previous estimates, and has included information from recent diamond drilling programs. • No assumptions were made regarding the recovery of by-products. • No non-grade deleterious elements were estimated. • The parent block dimensions used were 6m NS by 2m EW by 5m vertical with sub-cells of 1.5m by 0.5m 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. The block size used in the resource model was based on drill sample spacing and lode orientation. • No correlation was observed between Au and the other elements. • The deposit mineralisation was constrained by wireframes constructed using a combination of Au, Co, and Sulphide grade, lithology, and structure. The gold domain lodes were interpreted using a 0.5g/t Au cut-off grade whilst the sulphide domain lodes were interpreted using a combination of 150ppm Co and 1% S cut-off grades. A minimum intercept length of 2m was used. The wireframes were 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. Top-cuts were mainly applied to the Au and U data. • 1m composite data was analysed using Supervisor software. Grade cuts were derived when high coefficients of variation were noted and grade outliers were identified in histograms. Visual inspection of high grade outliers was carried out in Surpac. Log histograms and probability plots were generated and the top-cuts were determined by distinct breaks in the log probability curve. For the various Au domain lodes, top-cuts of between 5g/t Au and 130g/t Au were applied to 20 lodes. A top-cut of 10,000ppm Co was applied to 1 lode and top-cuts of between 300ppm U and 7,500ppm U were applied to 24 lodes. • 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 grades of the composite file input against the 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

Criteria	JORC Code explanation	Commentary
		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 Mineral Resource has been reported at both a 1g/t and 2g/t Au cut-off based on assumptions made by Dragon in regard to economic cut-off grades for open pit mining. The 2g/t Au cut-off is considered by Dragon to be reasonable under current economic conditions but there is also potential for by products (Co, Cu, and REE), which justifies using a lower 1g/t Au cut-off.
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.*	• Trial open pit mining was conducted by Outokumpu in autumn 1992. A total of 17,645t of ore was processed with both gravity and flotation circuits in Rautuvaara Plant of Saattopora Gold Mine in December 1992. It is assumed that mining at Juomasuo would initially be conducted using open pit techniques. The deposit also has good potential to be mined using underground methods. The geological and mineralogical setting of the Kuusamo deposits and the results of high-level pit optimisation studies indicate that the defined Juomasuo Mineral Resource estimate has a reasonable prospect for eventual economic extraction at the published cut-off figure of 1g/t Au.
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.
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*	• The bulk density values assigned to the block model were assumed. A value of 2.75t/m^3 was used for waste zone material outside the mineralised lodes. A value of 1.9t/m^3 was assigned to the overlying till material. The bulk density within the sulphide and gold domains was assigned using a sulphur/bulk density equation based on a correlation determined between sulphur and bulk density in 2011 by Dragon and reviewed by RUL. Any block with a

Criteria	JORC Code explanation	Commentary
	within the deposit • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	zero block estimate for sulphur was assigned a density value of 2.95t/m^3. These values are consistent with similar styles of mineralisation and lithologies at neighbouring Dragon prospects.
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 resource was classified as Measured, Indicated and Inferred Mineral Resource on the basis of data quality, sample spacing, and lode continuity. Although the mineralised gold-bearing structures are geologically complex, the shallow lodes were mapped and extensively sampled through trenching and dense drilling to 2m spacing prior to trial mining taking place. The test pit confirmed the orientation of the lodes. These zones have been classified as Measured Mineral Resource based on the drill density and quality of data in conjunction with the robust continuity of mineralisation in both the gold and sulphide lodes, for the main elements. Zones where drill hole spacing is in the order of 20m by 30m or less, and good continuity is apparent, have been classified as Indicated Mineral Resource. The zones where drill hole spacing is greater than 30m by 30m, or where the continuity and/or geometry are uncertain, or lodes that are defined by limited drilling have been classified as Inferred Mineral Resource. • The mineralised lodes interpreted at Juomasuo are based on a high level of geological understanding of the deposit. The drilling and sampling processes used by Dragon are 'best practice' and certified laboratories have been used for analyses of samples. The input data is considered reliable and suitable for use in the Mineral 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 Juomasuo Mineral Resource estimate has been reported with a high degree of confidence. The lode geometry and continuity has been verified through historical trial open pit mining, and recent surface trench sampling. Quality drilling methods to spacings as close as 5m have confirmed the lode orientation and continuity. • The Mineral Resource statement relates to global estimates of tonnes and grade. • No recent mining has occurred at the Juomasuo deposit.

Appendix 3 – Hangaslampi Deposit JORC Table 1

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 Hangaslampi deposit were sampled using surface diamond drill holes. Drill spacing ranges from 12m along strike by 12m across strike in the central portion of the resource, to 25m along strike by 40m across strike on the periphery of the mineralized zones and drilled on the Finnish National Grid system (FIN KKJ4, 2003). • Drill holes used in the resource estimate included 99 surface diamond for a total of 2,020m within the resource wireframes. The supplied database contained a total of 155 records for a total of 14,592m of drilling. Holes were generally angled at -40° to -60° towards the east or west (the majority a 90° azimuth) to optimally intersect the mineralised zones. • Historical drill hole collars have been accurately re-surveyed by qualified surveyors in 2011 and 2012 using a precision GPS instrument (Leica SmartRover GNSS). All subsequent drill collars have been surveyed with Precision-GPS. Dip values were measured at 10m intervals down hole by drillers using conventional equipment. • Drilling was conducted by GTK, Outokumpu and by Dragon. Diamond drilling by GTK used 45mm core diameter (T56) and 31.7mm core diameter (T46) 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 41.7mm, 50.5mm and 57.5mm diameter core (T56, WL-66 or WL76) with sampling and preparation as described above. Sample analysis was undertaken at Outokumpu's own laboratory using Fire-Assay with AAS or ICP finish. Diamond drilling by Dragon used 50.5mm and 50.7mm core diameter (WL-66 or NQ2) with sampling and analysis undertaken at ALS laboratories via the fire assay method with ICP finish (30g charge) Samples with grade assays above 3 g/t Au are re-analysed using a 50g charge and gravimetric finish. Outokumpu and Dragon both re-logged selected drill cores in 2003/2004 and 2008 respectively. A number of previously un-analysed sections were assayed. Dragon also completed an extensive program of re-logging and re-sampling of historical holes. All re-sampling and new sampling was undertaken at ALS 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 drilling is the sole technique used at Hangaslampi. Diamond holes were drilled with core diameters varying from 31.7mm to 57.5mm. Hole depths ranged from 7m to 348m. • The latest core is oriented, structural measurements have been taken from the drill holes KS/HL-54 … KS/HL-114.
Drill sample	• *Method of recording and assessing core and chip*	• Recoveries from diamond core were not supplied. Lost core was routinely recorded.

Criteria	JORC Code explanation	Commentary
recovery	*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.*	• From core photography it appears that historical recovery of diamond core was generally good. • Since 2003, 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. • 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 structural 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.*	• Historical core sample preparation techniques included quarter, half or whole core. The drill core sample size was not historically recorded. • Dragon 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. • No QAQC data is available for historic drilling. • 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. • 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*	• Samples were assayed using a number of methods including Fire Assay with AAS or ICP finish (30g pulp), Aqua Regia digest with GFAAS finish and Aqua Regia with ICP-MS finish. Values exceeding 3ppm Au (Dragon drilling) were checked using Fire-Assay with gravimetric finish (50g pulp). The main elements assayed were Au and Co, but major and trace elements were analysed on selected drill holes using “near total”

Criteria	JORC Code explanation	Commentary
	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.*	four acid digestion with IPC-MS analysis. Historical analysis was undertaken at GTK's and Outokumpu's own laboratories, re-analysis and Dragon drilling was assayed at ALS laboratories. Furthermore, samples from Outokumpu's drilling and relogging program in 2002-2004 were assayed in GTK and ACME laboratories. • 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 90% passing 75µm was being attained. Laboratory QAQC includes the use of internal standards using certified reference material, and pulp replicates. No historical QAQC data is available however programs of QAQC carried out by Dragon have produced results which support the sampling and assaying procedures used at the various deposits. • A total of 420 QAQC samples from the drill program were sent to an umpire laboratory and show good precision. • A total of 3 different certified reference materials representing a variety of grades from 1.34g/t to 8.69g/t were inserted randomly during the Dragon drilling for a total of 311 samples. Results highlighted that the sample assays are accurate, however in general the assayed gold values for the higher grade standards were slightly lower than the gold standard reference values. • A total of 216 blank samples were submitted during the drill program and results show that sample contamination has been contained. • Field duplicate analyses (109) honour the original assay and demonstrate best practice sampling procedures have been adopted 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.*	• Significant mineralisation intersections were observed by Mr Paul Payne (formerly of RPM) during a site visit in September 2010. Mineralisation at the nearby Juomasuo deposit was observed by Mr Trevor Stevenson during the most recent site visit. • There has been no specific drill program at Hangaslampi designed to twin existing drill holes. • Primary data is documented on paper logs prior to being manually entered into a digital database. • RPM made no adjustments to the supplied 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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drill hole collars and starting azimuths were accurately re-surveyed by qualified surveyors in 2011 and 2012 with a high precision GPS instrument (Leica SmartRover GNSS). All subsequent drill collars have been surveyed with Precision-GPS. Down hole dip values were recorded at 10m intervals by the drillers using conventional equipment. • Drill hole locations were positioned using the

Criteria	JORC Code explanation	Commentary
		Finnish National Grid System (FIN KKJ4, 2003). • The topographic surface over the Hangaslampi deposit was provided to RPM by Dragon and was prepared by Dragon using topographic contours from digi-form maps. The surface was re-snapped to reflect accurate collar re-surveys undertaken by Dragon.
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 spacing ranges from 12m along strike by 12m across strike in the central portion of the resource, to 25m along strike by 40m across strike on the periphery of the mineralized zones. 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 90° or 270° and drilled at an angle of between 40° and 60° to the 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 the historical samples was managed by GTK and Outokumpu. Their personnel transport diamond core to the core shed where geologists log the core. Core cut, sample preparation and assays were done by GTK or Outokumpu's GAL laboratory personnel. • Presently chain of custody of samples is managed by Dragon and the process was closely viewed by Trevor Stevenson (RPM) during the October 2013 site visit. Dragon personnel or courier contractors transport diamond core to the core shed where Dragon geologists log the core. Core samples are cut 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 during a site visit conducted by Paul Payne (formerly with RUL) in September 2010. The site was most recently visited by Trevor Stevenson (RPM) in October 2013. The conclusions made from both visits were 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*	• Hangaslampi deposit is located in the area of Mining concessions JUOMASUO and POHJASVAARA (number 3965/1-2, 47.86ha + 6.336ha = 54.196 ha).

Criteria	JORC Code explanation	Commentary
	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.*	• Nearby claim applications HANGASLAMPI 9-12 (9266/3-6, 94.74ha, 99.66ha, 99.08ha and 99.08ha) are in the preparation process of the Finnish mining permit authority (TUKES).
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The Hangaslampi deposit was discovered by GTK in 1988 as a follow-up to exploration at the nearby Juomasuo prospect. It was detected as a weak electric and magnetic anomaly by ground geophysical survey. • GTK conducted detailed bedrock mapping, geological, geophysical and geochemical studies and drilled 42 diamond drill holes between 1989 and 1991 for a total of 3,025.05m. Outokumpu bought the property in 1992 and drilled a further 63 diamond holes totalling 5,335.40m between 1992 and 2003. • DRA assumed control of the property in 2003 and completed further diamond drilling (50 diamond drill holes totalling 6,231.25m) from surface to test extensions of the existing lodes.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Hangaslampi has a deposit style associated with Palaeoproterozoic orogenic gold with atypical metal association, however a syngenetic style has been suggested for the gold-cobalt-copper ± uranium occurrences at Kuusamo. Based on the most recent interpretation, Hangaslampi and other polymetallic prospects in Kuusamo have some syngenetic features but the orogeny and deformation related stages are considered more important in the genesis of the mineralised deposits. • The Kuusamo Schist Belt consists of metasedimentary and metavolcanic units intruded by dolerites. The deposit is located in the contact zone between mafic metavolcanic rocks of the tholeiitic Greenstone Formation II and metasedimentary rocks of the Sericite Quartzite Formation, in the northern part of the Käylä-Konttiaho Anticline. • The Hangaslampi deposit is mineralised for Au and Co, and enriched in Ag, Cu, REE, Mo and U. The deposit is extensively albitised and includes quartz, biotite, sericite, chlorite, carbonates, pyrite and magnetite/hematite. • Hangaslampi comprises several lodes controlled by NW-trending faults crossing the NE-trending anticline. Native gold occurs as inclusions in pyrite and also embedded on grain contacts associated with sulphides and silicates.

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*
		• Drilling at the Hangaslampi deposit is primarily diamond core drill holes.
		• 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.

Criteria	JORC Code explanation	Commentary
	• *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.*	
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. • Aggregation of intercepts has not occurred. • Metal equivalent values are not being reported.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g.'down hole length, true width not known').*	• Drill holes were orientated predominantly to an azimuth of 90° and angled to a dip of -45°to -60° which is approximately perpendicular to the orientation of the mineralised trends. • The mineralised zones strike at approximately 020°, variably dipping between 20° and 45° to the west.
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.*	• Exploration results are not being reported. All relevant plans and sections are included in the original Mineral Resource report. • No diagrams included in the announcement.
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.*	• 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.*	• At Hangaslampi three trenches were excavated, channel sampled and mapped for lithology and structure by Dragon. Better channel sample results include 4.50 metres @ 7.14 g/t gold and 9.50 metres @ 13.58 g/t gold in trench KS/HL-M2. In 2013, trenches were extended and new channel sampling profiles onto the stripped outcrops were sawed and sampled. Results of new channel samples arrived too late to this mineral resource estimate, and so, they will be used in the next resource update. • Independent geological consultants WSP completed a structural geology evaluation of the Hangaslampi area. • Dragon completed a detailed 3,715 line kilometre heli-borne VTEM and magnetic survey over the Kuusamo Gold Project area and the tenement holding immediately to the southwest of this area during 2012, providing a platform

Criteria	JORC Code explanation	Commentary
		from which future exploration could advance. Imaging and interpretation of the new dataset is advancing, the work completed to date highlights a number of areas of interest that display an analogous geophysical signature to four of the five known deposits at the Kuusamo Project.
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.*	• At the Hangaslampi deposit, extensional and infill drilling will continue in the future. • Additional metallurgical tests will be planned. • Open pit optimisations will be carried out. • An Environmental Impact Assessment (EIA) commenced in the spring of 2011 in order to collate the information and knowledge required to facilitate the subsequent permit processes in respect of the Project. The EIA process focuses on comparing the impacts caused by the various alternatives on the environment, people and local industries. The EIA report was published on the 11th of December 2013. Applications for the permits required to undertake mining activities can be submitted, after the EIA process is completed.

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 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.*	• The most recent site visit by the Competent Person for Mineral resources was conducted by Trevor Stevenson (RPM) in October 2013. 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 Hangaslampi deposit is within the Kuusamo Au zone, situated within the intra-cratonic, rift-related Paleoproterozoic Kuusamo Schist Belt. • The Hangaslampi deposit is hosted by sericite quartzite and mafic metavolcanics in an intracratonic albitised failed rift system and comprises a set of gently dipping parallel lodes in a tight array hosted within the NE-trending Käylä-Konttiaho Anticline. • Drill hole and trench sample logging by Dragon geologists, through direct observation of drill core and sawed trench samples have been used to interpret the geological setting.

Criteria	JORC Code explanation	Commentary
		• The continuity of the main mineralised lodes is clearly observed by Au and Co grades within the drill holes. The close spaced drilling suggests the current interpretation is robust. • Mineralisation occurs within albite-carbonate-chlorite-biotite-sericite-quartz altered contact zone of mafic metavolcanics and sericitic quartzite. The current interpretations are mainly based on Au and Co assay results. • Native gold is chiefly related to the most Co-rich parts of the mineralisation. Visible gold is present as inclusions in pyrrhotite, chalcopyrite and pyrite and along sulphide-calcite grain.
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 Hangaslampi resource area extends over a combined strike length of 280m and includes the vertical extent of 140m from 280mRL to 140mRL.
Estimation and modeling 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.*	• Ordinary Kriging (OK) interpolation with an oriented 'ellipsoid' search was used for the estimate. Surpac software was used for the estimations. • Interpretations and wireframes for the internal gold mineralisation were constructed by Dragon using cross sectional interpretations based on a nominal 0.5g/t Au cut-off grade and minimum 2m intercept, and reviewed by RPM. Wireframes representing the encompassing sulphide domain were constructed based on a 1% sulphur and 100ppm cobalt cut-off grade and minimum 2m intercept. • Sample data was composited to 1m down hole lengths using the 'best fit' method. Intervals with no assays were excluded from the estimates. • The maximum distance of extrapolation from data points (down dip) was 20m. • The influence of extreme grade values was addressed by reducing high outlier values by applying top-cuts to the data. The top-cut values were determined through statistical analysis (histograms, log probability plots, cv's, and summary multi-variate and bi-variate statistics) using Supervisor software. • RPM has not made assumptions regarding recovery of by-products from the mining and processing of the Hangaslampi Au and Co resource. • An orientated 'ellipsoid' search was used to select data for each element (Au, Co, Cu, S, TREO, LREO and U) and was based on the observed lode geometry. The search ellipse was orientated to the average strike, plunge, and dip of the main lodes. • Au was estimated within both gold and sulphide domains using a first pass search distance of 30m and a minimum of 12 samples. The search radius was increased to 60m for the second pass with a minimum of 6 samples required. A third and final pass used a search radius of 90m and a minimum of 2 samples to ensure or remaining blocks were estimated. Greater than 98% of

Criteria	JORC Code explanation	Commentary
		blocks were estimated within the first two passes. A maximum of 36 samples was set for each of the three passes. • Co was estimated within both gold and sulphide domains using a first pass search distance of 30m and a minimum of 12 samples. The search radius was increased to 60m for the second pass with a minimum of 6 samples required. A third and final pass used a search radius of 120m and a minimum of 2 samples to ensure or remaining blocks were estimated. Greater than 98% of blocks were estimated within the first two passes. A maximum of 34 samples was set for each of the three passes. • Un-estimated blocks were assigned a domain average. The occurrence of un-estimated blocks was noticeable for modelled TREO/LREO and U and reflected a lower sample density for these elements. • No mining has occurred at the Hangaslampi deposit. A Mineral Resource estimate was reported by OFM in 1993 and updated by RUL in 2010. • No assumptions were made regarding the recovery of by-products. • No deleterious elements were estimated. • The parent block dimensions used were 6m NS by 2m EW by 5m vertical with sub-cells of 1.5m by 0.5m 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 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. • A strong correlation was observed between sulphur and bulk density where higher densities corresponded to higher sulphide contents. • Wireframes for the internal gold mineralisation were constructed using cross sectional interpretations based on a nominal 0.5g/t Au cut-off grade with a minimum down hole length of 2m. Wireframes of the encompassing sulphide domain were constructed using cross sectional interpretations based on a 1% sulphur and 100ppm cobalt cut-off grade. The wireframes were applied as hard boundaries in the estimate. • 1m composite data was analysed using Supervisor software. Grade cuts were derived when high coefficients of variation were noted and grade outliers were identified in histograms. Visual inspection of high grade outliers was carried out in Surpac. Log histograms and probability plots were generated and the top-cuts were determined by distinct breaks in the log probability curve. For the Au domain, a top-cut of 70g/t Au was applied to 3 lodes. A top-cut of 500 to 650 ppm Cu was applied to 7 lodes. For the sulphide domain, a top-cut of 1.5g/t Au, 5000ppm Co and 1000ppm Cu was applied to

Criteria	JORC Code explanation	Commentary
		Lode 1. • 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, Co and S grades of the composite file input against the Au, Co and S block model output for all the resource lodes. 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 and 100ppm Co appears to be a natural cut-off between mineralised zones and host rock as determined from analysis of log probability plots of all samples at the deposit. These cut-offs were used to define the mineralised wireframes. The Mineral Resource has been reported at a 1g/t and 2g/t Au cut-off in the gold domain based on assumptions made by Dragon in regard to economic cut-off grades for open pit and underground mining. The Mineral Resource has been reported at a 500ppm Co cut-off in the sulphide domain. The Resource is also reported within the combined sulphide and gold domain with a 1g/t Au OR 500ppm Co cut-off. The Mineral Resource has been reported at a 1g/ Au cut-off based on assumptions made by Dragon in regard to economic cut-off grades for open pit and underground mining justified by the potential for Co, Cu and REE by-products.
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 and underground techniques as part of a larger operation. The geological and mineralogical setting of the Kuusamo deposits and the results of high-level pit optimisation studies indicate that the defined Hangaslampi Mineral Resource estimate has a reasonable prospect for eventual economic extraction at the published cut-off figure of 1g/t Au.
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.
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*	• No assumptions have been made by RPM regarding possible waste and process residue disposal options.

Criteria	JORC Code explanation	Commentary
	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.	
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 in situ bulk density is based on test work completed for 135 relevant samples. Bulk density is correlated to sulphur content and a sulphur-bulk density regression equation was applied in the block model for within the sulphide and internal gold domain. • An average bulk density value was applied for the generally barren background domain (fresh waste 2.75t/m^3, overburden 1.9t/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 resource was classified as Indicated and Inferred Mineral Resource on the basis of data quality, sample spacing, and lode continuity. The Indicated portion of the resource included the areas where the drill spacing was less than 20m by 20m and lode continuity was good. The remainder of the deposit defined by drilling at greater than 20m spacing and where lode continuity was less certain was classified as Inferred Mineral resource. • The mineralised lodes interpreted at Hangaslampi are based on a high level of geological understanding of the deposit style. The drilling and sampling processes used by Dragon are 'best practice' and certified laboratories have been used for 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*	• The Hangaslampi 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. • The Mineral Resource statement relates to global estimates of tonnes and grade. • No mining has occurred at the deposit.

Criteria	JORC Code explanation	Commentary
	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.*	

Appendix 4 – Pohjasvaara Deposit JORC Table 1

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 Pohjasvaara deposit were sampled using surface diamond drill holes. Drill spacing ranges from 10m along strike by 10m across strike for the majority of the resource and drilled on the Finnish National Grid system (FIN KKJ2, 2003). • Drill hole collars and starting azimuths have been accurately surveyed by Dragon exploration surveyors. Dip values were measured at 10m intervals down hole by drillers using conventional equipment. • Drilling was conducted by GTK, Outokumpu and by Dragon. Diamond drilling by GTK and Outokumpu used 42mm 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 2002, diamond drilling by Outokumpu and Dragon used 50mm diameter core (WL-66) with sampling and preparation as described above. Sample preparation was undertaken at the local independent laboratory in Outokumpu. In 1985-2002, pulverised samples from drilling programs were assayed for gold using a 50g or 60g Fire Assay with AAS or ICP or gravimetric finish at GAL laboratory (Outokumpu town) and GTK's laboratory (Rovaniemi). In addition to gold, pulps were usually assayed for typical base metals and pathfinder elements (Co, Cu, Ni, Mo, Pb, As, S and Te) using AAS method. In 2011, 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.
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 drilling is the sole technique used at Pohjasvaara. Diamond holes were drilled with core diameters varying from 42mm to 50mm. Hole depths ranged from 35.9m to 207.5m. Recoveries from the 5 Outokumpu diamond core holes and the 7 Dragon diamond core holes were recorded as RQD figures in the supplied database. A total of 413 records were supplied with an average value of 60.9. 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. • No recovery data is available for historical drilling.
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 completed by Dragon 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 relationship was noted between sample recovery and grade. The mineralised zones have predominantly been intersected by diamond core with generally good core recoveries. The

Criteria	JORC Code explanation	Commentary
		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. • The latest diamond holes were logged for recovery, RQD, number and type of defects. The supplied database contained tables with information structural 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 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.*	• Historical core sample preparation techniques included half core. Sampling was undertaken at varying intervals based on geological boundaries. • Dragon diamond core is cut in half using a hydraulic press (historical drill holes) or a core saw (the latest drill holes) with half core submitted for assay. • No QAQC data is available for historic drilling. • 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.*	• The predominant assay method for drill samples was by Fire Assay with AAS or ICP finish (30g or 50g or 60g pulps). In 2011-12, samples reporting greater than 3 ppm were checked using a gravimetric finish. The main elements assayed were Au and Co, but also major and trace elements – including REE – were analysed on the latest drill holes with analysis undertaken at ALS Chemex Laboratories (Vancouver, Canada). • 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

Criteria	JORC Code explanation	Commentary
		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. • QAQC data is available only for the latest assays of Pohjasvaara deposit. • A total of 3 different certified reference materials representing a variety of grades from 1.344g/t to 8.685g/t were inserted systematically for a total of 19 samples in 2011-12. Results highlighted that the sample assays are accurate, showing no obvious bias. • A total of 12 blank samples were submitted during the drill programs. Results show that no contamination has occurred. • 57 field duplicate analyses 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.*	• Significant mineralisation intersections were observed by Mr Paul Payne (formerly of RPM) during a site visit in September 2010. Mineralisation at the nearby Juomasuo deposit was observed by Mr Trevor Stevenson during the most recent site visit. • There has been no specific drill program at Pohjasvaara designed to twin existing drill holes. • Primary data was documented on paper logs prior to being digitised using Drill Logger software. From 2008 data has been documented on Excel spreadsheets and printed on paper copies. • RPM made no adjustments to the supplied 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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drill hole collars and starting azimuths have been accurately surveyed by Outokumpu and Dragon surveyors. Down hole dip values were recorded at 10m intervals by the drillers using conventional equipment. • Drill hole locations were positioned using the Finnish National Grid System (FIN KKJ4, 2003). • The topographic surface over the Pohjasvaara deposit was prepared using drill hole collar locations and extended to the cover the block model.
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.*	• The majority of drill holes have been located from 10m to 15m along strike by 15m to 20m across strike. • 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	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the*	• Drill holes are orientated predominantly to an azimuth of 90° or 270° and drilled at an angle of between 40° and 60° to the east which is

Criteria	JORC Code explanation	Commentary
structure	*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.*	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 the historical samples was managed by GTK and Outokumpu. Their personnel transport diamond core to the core shed where geologists log the core. Core cut, sample preparation and assays were done by GTK or Outokumpu's GAL laboratory personnel. • Presently chain of custody of samples is managed by Dragon and the process was closely viewed by Trevor Stevenson (RPM) during the October 2013 site visit. Contracted courier firms transport diamond core to the core shed where Dragon geologists log the core. Core samples are cut 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 during a site visit conducted by Paul Payne (formerly with RUL) in September 2010. The site was most recently visited by Trevor Stevenson (RPM) in October 2013. The conclusions made from both visits were 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.*	• Pohjasvaara deposit is located in the area of Mining concessions JUOMASUO and POHJASVAARA (number 3965/1-2, 47.86ha + 6.336ha = 54.196 ha). • Nearby claim applications HANGASLAMPI 10 (9266/4, 99.66ha) and HANGASLAMPI 12 (9266/6, 99.08ha) are in the preparation process of the Finnish mining permit authority (TUKES).
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The Pohjasvaara deposit was discovered by GTK in 1985 as a follow-up to exploration at the nearby Juomasuo prospect. It was detected as a distinct electric and magnetic anomaly by low-altitude airborne and ground geophysical survey. Subsequent exploration by GTK and Outokumpu outlined a small, medium to high grade deposit. • GTK conducted detailed bedrock mapping, geological, geophysical and geochemical studies and drilled 19 diamond drill holes between 1985 and 1992 for a total of 2,022m. Outokumpu bought the property in 1993 and drilled a further 18 diamond holes between 1993 and 2003 for a total of 1,387.55m. • Dragon assumed control of the property in 2003 and completed further diamond drilling from surface to test extensions of the existing lodes.

Criteria	JORC Code explanation	Commentary
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Pohjasvaara has a deposit style associated with Palaeoproterozoic orogenic gold with atypical metal association, however a syngenetic style has been suggested for the gold-cobalt-copper ± uranium occurrences at Kuusamo. Based on the most recent interpretation, Pohjasvaara and other polymetallic prospects in Kuusamo have some syngenetic features but the orogeny and deformation related stages are considered more important in the genesis of the mineralised deposits. • The Kuusamo Schist Belt consists of metasedimentary and metavolcanic units intruded by dolerites. The deposit is located in the contact zone between mafic metavolcanic rocks of the tholeiitic Greenstone Formation II and metasedimentary rocks of the Sericite Quartzite Formation, in the northern part of the Käylä-Konttiaho Anticline. • The Pohjasvaara deposit is mineralised for Au and Co, and enriched in Ag, Cu, REE, Mo, Ni and U. The deposit is extensively albitised and included quartz, biotite, sericite, chlorite, carbonates, pyrite and magnetite/hematite. • Pohjasvaara comprises several lodes controlled by NW-trending faults crossing the NE-trending anticline. Native gold occurs as inclusions in pyrite and also embedded on grain contacts associated with sulphides and silicates.

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.*
		• Drilling at the Pohjasvaara deposit consists of 44 diamond core holes totalling 4,432 metres. A Table of all relevant drill hole data is attached to the original 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. • Aggregation of intercepts has not occurred. • Metal equivalent values are not being reported.
Relationship	• *These relationships are particularly important in the*	• Drill holes were orientated predominantly to an

Criteria	JORC Code explanation	Commentary
between mineralisation widths and intercept lengths	*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').*	azimuth of 90° and angled to a dip of -45° to -60° which is approximately perpendicular to the orientation of the mineralised trends. • The mineralised zones strike at approximately 350°, variably dipping between 55° and 85° to the west.
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.*	• Exploration results are not being reported. All relevant plans and sections are included in the original Mineral Resource report. • No diagrams included in the announcement.
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.*	• 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.*	• Dragon completed a detailed 3,715 line kilometre heli-borne VTEM and magnetic survey over the Kuusamo Gold Project area and the tenement holding immediately to the southwest of this area during 2012, providing a platform from which future exploration could advance. Imaging and interpretation of the new dataset is advancing, the work completed to date highlights a number of areas of interest that display an analogous geophysical signature to four of the five known deposits at the Kuusamo Project.
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.*	• Relogging and resampling of historical drill holes with QAQC studies are planned to be continued in the near future. • An Environmental Impact Assessment (EIA) commenced in the spring of 2011 in order to collate the information and knowledge required to facilitate the subsequent permit processes in respect of the Project. The EIA process focuses on comparing the impacts caused by the various alternatives on the environment, people and local industries. The EIA report was published on the 11th of December 2013. Applications for the permits required to undertake mining activities can be submitted, after the EIA process is completed.

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.*	• RPM was not supplied with any information regarding the measures taken to ensure data integrity for the historical data. • Dragon drilling data is initially captured on paper logs 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.

Criteria	JORC Code explanation	Commentary
		• 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. Any errors found were not contained within 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.*	• The most recent site visit was conducted by Trevor Stevenson (RPM) in October 2013. 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 geological interpretation of the Pohjasvaara deposit has been interpreted with a high degree of confidence. The deposit is hosted by sericite quartzite in an intracratonic albitised failed rift system close to the contact with Greenstone II formations. The deposit comprises a set of steeply dipping parallel lodes in a tight array hosted within the NE-trending Käylä-Konttiaho Anticline and controlled by associated WNW-trending faults. • Drill hole logging by Dragon geologists, through direct observation of drill core samples have been used to interpret the geological setting. The bedrock has been trenched and mapped at surface by GTK. • The continuity of the main mineralised lodes is clearly observed by Au grades within the drill holes. The close spaced drilling suggests the current interpretation is robust. The nature of the parallel lodes would indicate that alternate interpretations would have little impact on the overall Mineral Resource estimation. • The current interpretations are mainly based on Au assay results, however, the mineralisation intervals generally coincide with lithology logged as schists, with alteration noted as quartz, albite, biotite, or sericite.
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 Pohjasvaara resource area extends over a combined strike length of 100m and includes the vertical extent of 125m from 285mRL to 160mRL.
Estimation and modeling 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-*	• Ordinary Kriging (OK) 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 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)

Criteria	JORC Code explanation	Commentary
	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.*	using Supervisor software. • The maximum distance of extrapolation from data points (down dip) was 40m. • An orientated 'ellipsoid' search was used to select data for Au and Co and was based on the observed lode geometry. The search ellipse was orientated to the average strike, plunge, and dip of the main lodes. • For the Au estimate, a first pass radius of 30m and a second pass of 60m were used with a minimum number of samples of 10 and a maximum of 40 for all lodes. A third pass search radius of 90m was used with a minimum number of samples of 4 and maximum 40. A fourth pass search radius of 90m was used with a minimum number of samples of 2 for lodes 12 and 16 and 1 for lode 17. Greater than 90% of the blocks were filled in the first two passes. • For the Co estimate, a first pass radius of 25m and a second pass of 50m were used with a minimum number of samples of 10 and a maximum of 40 for all lodes. A third pass search radius of 75m was used with a minimum number of samples of 4. A fourth pass search radius of 75m was used with a minimum number of samples of 2 for lodes 12 and 16 and 1 for lode 17. Greater than 90% of the blocks were filled in the first two passes. • No mining has occurred at the deposit. • RPM has not made assumptions regarding recovery of by-products from the mining and processing of the Pohjasvaara Au and Co resource. • No estimation of deleterious elements was carried out. Only Au and Co was interpolated into the block model. • The parent block dimensions used were 6m NS by 2m EW by 5m vertical with sub-cells of 1.5m by 0.5m 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. The block size used in the resource model was based on drill sample spacing and lode orientation. • No correlation analysis was completed. • 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 0.5ppm Au was used as a limit. The wireframes were applied as hard boundaries in the estimate. • A top-cut of 30g/t Au was 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,

Criteria	JORC Code explanation	Commentary
		suggested that top-cuts were required if linear grade interpolation was to be carried out. No top-cut was applied to the Co data. • 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 lodes. A trend analysis was completed by comparing the interpolated blocks to the sample composite data within the main lodes. This analysis was completed for northing 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 Mineral Resource has been reported at a 1g/t Au cut-off based on assumptions made by Dragon in regard to economic cut-off grades for open pit and underground mining justified by the potential for Co, Cu and REE by-products.
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 as part of a larger operation. The geological and mineralogical setting of the Kuusamo deposits and the results of high-level pit optimisation studies indicate that the defined Pohjasvaara Mineral Resource estimate has a reasonable prospect for eventual economic extraction at the published cut-off figure of 1g/t
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.
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*	• The bulk density values assigned to the block model were assumed. A value of 2.95t/m³ was

Criteria	JORC Code explanation	Commentary
	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.*	used for fresh material (both mineralised and waste material). A value of 1.9 t/m³ was assigned to the overlying till material. These values are consistent with similar styles of mineralisation and lithologies at neighbouring Dragon operations within the Kuusamo Project.
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. In general, zones where drill hole spacing was less than 20m by 20m and reasonable 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 uncertain were classified as Inferred Mineral Resource. A single lode at depth is considered by RPM as unlikely to be economically extracted based on the current data and is therefore classified as Mineral Potential and not reported as part of the Mineral Resource. • The mineralised lodes interpreted at Pohjasvaara 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 analyses of samples. The input data is considered reliable and suitable for use in the Mineral 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 Pohjasvaara Mineral Resource estimate has been reported with a high degree of confidence as reflected in the classification of the Mineral Resource. 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 exploring similar deposits near to the Pohjasvaara deposit as part of the Kuusamo Gold Project and has a good understanding of the geology and mineralisation controls in the area. • The Mineral Resource statement relates to global estimates of tonnes and grade. • No mining has occurred at the deposit.

Appendix 5 – Meurastuksenaho Deposit JORC Table 1

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 Meurastuksenaho deposit were sampled using surface diamond drill holes. Drilling was conducted primarily on 12.5m line spacing through the central part of the deposit extending to 50m at the extremities, and drilled on the Finnish National Grid system (FIN KKJ4, 2003). • Drill holes were generally angled at -40° to -60° towards the north-west or south-east (135° or 315° azimuth) to optimally intersect the mineralised zones. • Diamond core was sampled at geological intervals prior to being cut, with half or whole core sent for analysis. • Drill hole collars and starting azimuths have been accurately surveyed. Dip values were measured at 10m intervals down hole by drillers using conventional equipment. • Drilling was conducted by Geological Survey of Finland (GTK) and Outokumpu Mining Oy. Diamond drilling by GTK used 31.7mm core diameter (T46) 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 42mm diameter core (T56) with sampling and preparation as described above. Sample analysis was undertaken at Outokumpu's GAL laboratory in the town of Outokumpu using Fire-Assay with AAS or ICP 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 drilling is the primary technique used at Meurastuksenaho. with core diameters varying from 31.7mm to 42mm. Hole depths range from 42m to 306m. • There is no oriented historical core for the Meurastuksenaho Deposit.
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.*	• Observations of core loss are recorded in the lithology table of the database. There is only minimal core loss recorded. • Core loss observations are noted by geologists during the logging process. • There was no recovery data provided, therefore a relationship could not be determined.
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*	• All holes were field logged by company geologists to a high level of detail. • Drill samples were logged for lithology and rock type. Logging is based on qualitative observations. It has been standard practice by Outokumpu and Dragon (since 2001), that all diamond core be routinely photographed. However photographs for the historical drilling at Meurastuksenaho (drilled between 1984 and 1994) have not been located.

Criteria	JORC Code explanation	Commentary
	intersections logged.	• 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.*	• Historical core sample preparation techniques included half or whole core. Sampling was undertaken at varying intervals based on geological boundaries. • No QAQC data is available for historic drilling. • 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.*	• The predominant assay method for drill samples was by Fire Assay with AAS or ICP finish (30g or 50g pulps). The main elements assayed were Au, Co, and S but major and trace elements were analysed on selected drill holes. • No geophysical tools were used to determine any element concentrations used in this resource estimate. • No QAQC data is available for the deposit.
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.*	• Significant mineralisation intersections were observed by Mr Paul Payne (formerly of RPM) during a site visit in September 2010. Mineralisation at the nearby Juomasuo deposit was observed by Mr Trevor Stevenson during the most recent site visit. • There has been no specific drill program at Meurastuksenaho designed to twin existing drill holes. • Primary data was documented on paper logs prior to being digitised using Drill Logger software. • RPM made no adjustments to the supplied 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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drill hole collars and starting azimuths have been accurately surveyed. Down dip values were measured at regular 10m intervals down hole by the drillers using conventional equipment. • Drill hole locations were positioned using the Finnish National Grid System (FIN KKJ4, 2003). • The topographic surface over the Meurastuksenaho deposit was prepared using drill hole collar locations and extended to cover the block model.

Criteria	JORC Code explanation	Commentary
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 spacing ranges from 12.5m along strike by 10m to 80m across strike. • 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 were generally angled at -40° to -60° towards the north-west or south-east (135° or 315° azimuth) 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.*	• No sample security data is available for the historic drilling. • Information on the chain of custody of the historical sampling is unknown.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No review of historical sampling techniques and data has been completed for the Meurastuksenaho deposit. Dragon has not completed any drilling at the deposit.

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.*	• Mining concession MEURASTUKSENAHO (number 4909, 13.78 ha). • In Meurastuksenaho area, there are also claim applications MUTKA-AHO 11-12 (9267/1-2, 73.25ha and 95.81ha) in the preparation process of the Finnish mining permit authority (TUKES). Furthermore, a reservation for claims ISO-REHVI (VA2012:0037-01H, 2072.76ha) in the larger regional area.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The Meurastuksenaho deposit was discovered by the Geological Survey of Finland (GTK) in 1984. It was detected as an electric and magnetic anomaly by airborne and ground geophysical survey. Subsequent exploration by GTK and Outokumpu outlined a small, medium grade deposit.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Meurastuksenaho has a deposit style associated with Palaeoproterozoic orogenic gold with atypical metal association, however a syngenetic style has been suggested for the gold-cobalt-copper ± uranium occurrences at Kuusamo. Based on the most recent interpretation, Meurastuksenaho and other polymetallic prospects in Kuusamo have some syngenetic features but the orogeny and deformation related stages are considered more important in the genesis of the mineralised deposits. • The Kuusamo Schist Belt consists of metasedimentary and metavolcanic units intruded by dolerites.

Criteria	JORC Code explanation	Commentary
		• The Meurastuksenaho deposit represents thin parallel and steeply dipping, medium grade gold mineralisation.

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 drilling at Meurastuksenaho comprises 37 DD holes totalling 4,587 metres. The holes were drilled by GTK from 1984 to 1986 and by Outukumpu Mining Oy between 1992 and 1994. A Table of all the relevant holes is attached to the original 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. • Aggregation of intercepts has not occurred. • Metal equivalent values are not being reported.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g.'down hole length, true width not known').*	• Drill holes were orientated predominantly to an azimuth of 135° or 315° and angled to a dip of -40°to -60° which is approximately perpendicular to the orientation of the mineralised trends. • The narrow mineralised zones strike at approximately 050° and are dipping around 80° to the northwest.
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.*	• Exploration results are not being reported. All relevant plans and sections are included in the original Mineral Resource report. • No diagrams included in the announcement.
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.*	• Exploration results are not being reported.
Other substantive	• *Other exploration data, if meaningful and material, should be reported including (but not limited to):*	• Dragon completed a detailed 3,715 line kilometre heli-borne VTEM and magnetic survey over the Kuusamo Gold Project area and the

Criteria	JORC Code explanation	Commentary
exploration data	*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.*	tenement holding immediately to the southwest of this area during 2012, providing a platform from which future exploration could advance. Imaging and interpretation of the new dataset is advancing, the work completed to date highlights a number of areas of interest that display an analogous geophysical signature to four of the five known deposits at the Kuusamo Project.
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.*	• Infill and exploration drilling is being planned by Dragon in the near future, however not in 2014. Re-logging of historical drill holes will be continued.

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 historical with no drilling by Dragon. RPM was not supplied with any information regarding the measures taken to ensure data integrity for the historical data. • RPM 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.*	• The most recent site visit was conducted by Trevor Stevenson (RPM) who is the Competent Person for Mineral Resources in October 2013.
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 geological interpretation of the Meurastuksenaho deposit has been interpreted with a high degree of confidence. The deposit comprises multiple sub-vertical, parallel lodes. The close spaced drilling, and continuity of high grade mineralised intercepts down dip confirm the lode orientation and width. The Meurastuksenaho deposit is within the Kuusamo Au zone, situated within the intra-cratonic, rift-related Paleoproterozoic Kuusamo Schist Belt. • The Meurastuksenaho deposit is hosted by sericite quartzite in an intracratonic albitised failed rift system and comprises a set of steeply dipping parallel lodes in a tight array hosted within the NE-trending Käylä-Konttiaho Anticline. • The continuity of the main mineralised lodes is clearly observed by Au and Co grades within the drill holes. The close spaced drilling suggests 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 sericitic quartzite. The current interpretations are mainly based on Au and Co assay results. • Native gold is chiefly related to the most Co-rich parts of the mineralisation. Visible gold is present as inclusions in pyrrhotite, chalcopyrite and pyrite and along sulphide-calcite grain

Criteria	JORC Code explanation	Commentary
		boundaries.
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 Meurastuksenaho resource area extends over a combined strike length of 265m and includes the vertical extent of 245m from 265mRL to 20mRL.
Estimation and modeling 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.*	• Ordinary Kriging interpolation with an oriented 'ellipsoid' search was used for the estimate. Surpac software was used for the estimations. • Sample data was composited to 1m 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 top-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. • 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 horizontal strike direction of the lodes. For the estimation of Au, the first estimation pass used a range 56m, with a minimum of 10 samples. For the second pass, the range was extended to 112m. To ensure all remaining blocks were estimated, a third pass was used with a search distance of 168m with a minimum number of 4 samples. Greater than 99% of the blocks were filled within the first two passes. For the estimation of Co, the first estimation pass used a range 40m, with a minimum of 10 samples. For the second pass, the range was extended to 80m. To ensure all remaining blocks were estimated, a third pass was used with a search distance of between 120m to 240m depending on the lode, with a minimum number of 4 samples. Greater than 80% of the blocks were filled in the first two passes. • No mining has occurred at the Meurastuksenaho deposit. A Mineral Resource estimate was reported by RUL in December 2010. • No assumptions were made regarding the recovery of by-products. • No estimation of deleterious elements was carried out. Au and Co were interpolated into the block model. • The parent block dimensions used were 6m NS by 2m EW by 5m vertical with sub-cells of 1.5m by 0.5m by 1.25m. The parent block size was selected on the basis of being approximately 50% of the average drill hole spacing and the limited extent along strike of the mineralisation. • Selective mining units have not been modelled. The block size used in the Mineral Resource estimate was based on the drill hole sample

Criteria	JORC Code explanation	Commentary
		spacing and the orientation of the lode geometry. • No assumptions were made regarding correlation of variables. • Three dimensional mineralised wireframes (interpreted by RUL) were used to domain the Au and Co data. The mineralisation wireframes were constructed using cross sectional interpretations based on a nominal 0.5g/t Au cut-off grade combined with a nominal 500ppm Co cut-off grade with a minimum down hole length of 2m. • The influence of extreme grade values was addressed by reducing high outlier values by applying top-cuts to the data. These top-cut values were determined through statistical analysis (histograms, log probability plots, cv's, and summary multi-variate and bi-variate statistics) using Supervisor software. • 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 and Co grades of the composite file input against the Au and Co block model output for all the resource lodes. A trend analysis was completed by comparing the interpolated blocks to the sample composite data within the main lode. This analysis was completed for elevation. 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 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 1g/ Au cut-off based on assumptions made by Dragon in regard to economic cut-off grades for open pit and underground mining justified by the potential for Co, Cu and REE by-products.
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 or underground techniques as part of a larger operation. The geological and mineralogical setting of the Kuusamo deposits and the results of high-level pit optimisation studies indicate that the defined Meurastuksenaho Mineral Resource estimate has a reasonable prospect for eventual economic extraction at the published cut-off figure of 1g/t Au.
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*	• RPM has made no assumptions regarding metallurgical amenability.

Criteria	JORC Code explanation	Commentary
	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.	
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 2.95t/m³ was used for fresh (both mineralised and waste) rock below the till. This value is consistent with similar mineralisation styles and lithologies at other Dragon deposits. A bulk density of 1.9 t/m³ was used for the till material. These values are based on bulk density analysis at nearby Dragon deposits. • Bulk density values were assigned to the block model by material type.
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. Zones where drill hole spacing was less than 20m by 20m and reasonable 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 uncertain were classified as Inferred Mineral Resource. • The mineralised lodes interpreted at Meurastuksenaho 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 and Co analyses of samples. The input data is considered reliable and suitable for use in the Mineral 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*	• The Meurastuksenaho Mineral Resource estimate has been reported with a high degree of confidence. The lode geometry and continuity has been verified through drilling orientated to optimally intersect the lodes. Dragon is currently

Criteria	JORC Code explanation	Commentary
	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.*	exploring similar deposits near to the Meurastuksenaho deposit and has a good understanding of the geology and mineralisation controls in the area. • The Mineral Resource statement relates to global estimates of tonnes and grade. • No mining has occurred at the deposit.

Appendix 6 – Sivakkaharju Deposit JORC Table 1

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 mineralised lodes at the Sivakkaharju deposit were sampled using surface diamond drill holes. Drilling was conducted primarily on 12.5m line spacings with holes spaced at 20m on each section. Further from the mineralised lodes the drilling has been conducted on uneven spacings with no observable pattern. Drilling was located on the Finnish National Grid system (FIN KKJ4, 2003). • Drill holes intersecting the mineralised lodes were generally angled at between -50° to -70° towards the south-east (average of 135° azimuth) to optimally intersect the mineralised zones. In areas away from the mineralised lodes, drill holes were primarily drilled vertical, or at shallow angles of approximately -30° towards the east or the west. • 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 have been accurately surveyed by GTK and Outokumpu. Dip values were predominantly measured at 10m intervals down hole by drillers using conventional equipment. • Drilling was conducted by Geological Survey of Finland (GTK), and Outokumpu Mining Oy (Outokumpu). Diamond drilling by GTK used 32mm core diameter (T46 rig) whilst Outokumpu used 42mm diameter core (T56 rig). Sampling was at varying intervals based on geological boundaries. Half-split core was sampled and sent for preparation (crushing and pulverising) and assaying at GTK's or Outokumpu's laboratory. Samples at the GTK laboratory were analysed using Aqua Regia digest with FAAS or GFAAS finish. Re-assayed samples were analysed by Lead Collection Fire Assay with FAAS finish. Cobalt was assayed using Aqua Regia digest with FAAS finish. Samples at Outokumpu's laboratory were analysed using Lead Collection Fire Assay 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 drilling was the only drilling technique used at Sivakkaharju. Diamond core diameters were either 32mm or 42mm. Hole depths range from 19m to 312m.
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.*	• The historical drill holes had no sample recovery results recorded. • At other deposits where drilling has been conducted by GTK and Outokumpu, 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. RPM assumes that a similar process would have been used at the Sivakkaharju deposit although this

Criteria	JORC Code explanation	Commentary
		cannot be verified. • No relationship could be determined between recovery and grade as recoveries were not supplied for the historical data. 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. Rock names and remarks were recorded within the lithology table in the database, and some entries recorded rock colour. • The drill hole logging was qualitative, with rock name recorded and a brief remark referring to alteration or mineralisation. • It has been standard practice by Outokumpu and Dragon (since 2001), that all diamond core be routinely photographed. Historical drill holes have not been photographed systematically at the Sivakkaharju deposit. • 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. • Drilling was through bedrock from surface. Sampling of diamond core used industry standard techniques. After drying the sample was subject to a primary crush, then pulverised so that more than 85% passes a -75um sieve. • No QAQC data was supplied to RPM. Historical assays for the Sivakkaharju deposit do not include standards, duplicates or replicates. • No historical records are available regarding the representivity of the sampling. • 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.*	• Samples were analysed at either GTK's or Outokumpu's laboratories. Samples at the GTK laboratory were analysed using Aqua Regia digest (30g or 50g pulps) with FAAS or GFAAS finish. Re-assayed samples were analysed by Lead Collection Fire Assay with FAAS finish. Cobalt was assayed using Aqua Regia digest with FAAS finish. Samples at Outokumpu's laboratory were analysed using Lead Collection Fire Assay with AAS finish. • A host of elements were assayed including Au, Co, Cu, As, Ni and Pb. • No geophysical tools were used to determine any element concentrations used in this resource estimate. • Sample preparation checks for fineness are carried out by the laboratory as part of internal

Criteria	JORC Code explanation	Commentary
		procedures to ensure the grind size of more than 85% passing 75µm is being attained. Laboratory QAQC includes the use of internal standards using certified reference material, and pulp replicates. RPM was not supplied with any QAQC data for the Sivakkaharju deposit.
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.*	• Mr Paul Payne (RPM) verified significant intersections of mineralisation in 2010 by viewing diamond core and comparing to assay values within the Dragon database. Trevor Stevenson also visually reviewed diamond core on the recent visit in 2013. • There has been no specific drill program at Sivakkaharju designed to twin existing drill holes. • Primary data was documented on paper logs prior to being digitised using Drill Logger software. • RPM made no adjustments to the supplied 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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drill hole collars and starting azimuths have been accurately surveyed. Down hole dip values were recorded at 10m intervals by the drillers using conventional equipment. • Drill hole locations were positioned using the Finnish National Grid System (FIN KKJ4, 2003). • The topographic surface over the Sivakkaharju deposit was prepared by RPM using surveyed data points from the drill hole collars. These points provide an adequate surface directly above the mineralised lodes as the points are spaced at 20m by 12m.
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 12m by 20m across the main mineralised lodes. Irregularly spaced holes have been drilled up to 300m away from the mineralised lodes. • 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 135° and drilled at an angle of between -50° and -70° which is approximately perpendicular to the orientation of the mineralised trends. Further away from the main lodes, drill holes have been drilled vertically or orientated to the west or east at shallow angles in the order of -30°. • No orientation based sampling bias has been identified in the data.
Sample security	• *The measures taken to ensure sample security.*	• Information on the chain of custody of the historical samples is unknown.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No review of historical sampling techniques and data has been completed for the Sivakkaharju deposit. Dragon has not completed any drilling at the deposit.

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.*	• Mining concession SIVAKKAHARJU (number 4013, 3.51 ha). In the Sivakkaharju area, there are also claim applications: MUTKA-AHO 13-15 (9267/3-5, 99.73ha, 99.96ha, 100.00ha) and KONTTIAHO 16-17 (9118/15-16, 99.87ha, 99.92ha). Claim applications are in the preparation process of the Finnish mining permit authority (TUKES). • The tenements are currently held by Dragon Mining Oy with no known impediments to operate in the area.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The Sivakkaharju deposit was discovered by the Geological Survey of Finland (GTK) when a few radioactive boulders were found in 1985. This led to a detailed ground radiometric survey and the discovery of the deposit by trenching in the area of the radiometric anomaly.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Sivakkaharju deposit occurs in the Palaeoproterozoic Kuusamo Schist Belt, contains quantities of Au, Cu and Co, and is also enriched in Mo and U. It is hosted by sericite and albite rich schist of sedimentary origin in a metamorphosed, intracratonic, extensively albitised, supracrustal sequence in a failed rift system. The deposit comprises two lodes at intersection of two faults within the N-trending Hyväniemi-Maaninkavaara Anticline. The deposit contains native gold, chiefly free and associated silicates, but also occurring with uraninite, and, locally, as inclusions in molybdenite and pyrite, and as intergrowths with tellurides. Orogenic gold with atypical metal association, iron oxide-copper-gold, and syngenetic style have been suggested for the gold-cobalt-copper ± uranium occurrences at Kuusamo. Structural control and timing seem to fit with the orogenic hypothesis, alteration, metal association, necessary mineralising fluid(s) and structural control with the IOCG hypothesis, whereas mineralising fluid(s) and the rift/self and host rock settings with the syngenetic (metamorphosed) hypothesis. Gold fineness may fit with any of the genetic styles proposed.

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.*
		• Drilling at the Sivakkaharju deposit is entirely diamond core.
		• 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. No information has been excluded.

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

Criteria	JORC Code explanation	Commentary
aggregation methods	*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.*	• Aggregation of intercepts has not occurred. • Metal equivalent values are not being reported.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g.'down hole length, true width not known').*	• Drill holes were orientated predominantly to an azimuth of 135° and angled to a dip of -50° to -70° which is approximately perpendicular to the orientation of the mineralised trends. • The narrow mineralised zones strike at approximately 040° and dip at 80° to the NW.
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.*	• Exploration results are not being reported. All relevant plans and sections are included in the original Mineral Resource report. • No diagrams included in the announcement.
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.*	• 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.*	• Detailed radiometric surveys were conducted by GTK after the discovery of radioactive boulders in the area. Subsequent surveys included; low altitude airborne and ground magnetics, electric, slingram, gravimetry (ground only), and VLF-R. • Till stratigraphy and geochemistry, trenching, and bedrock mapping has been completed.
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.*	• Infill and exploration drilling is being planned by Dragon in the near future.

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*	• Drilling data is historical with no drilling by Dragon. RPM was not supplied with any information regarding the measures taken to ensure data integrity for the historical data.

Criteria	JORC Code explanation	Commentary
	Mineral Resource estimation purposes. • *Data validation procedures used.*	• RPM 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.*	• The most recent site visit was conducted by Trevor Stevenson (RPM) who is the Competent Person for Mineral Resources in October 2013.
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 geological interpretation of the Sivakkaharju deposit has been interpreted with a high degree of confidence. The deposit comprises two sub-vertical, parallel, wedge shaped lodes which narrow at depth. The close spaced drilling, and continuity of high grade mineralised intercepts down dip confirm the lode orientation and width. The deposit is hosted by sericite and albite rich schist of sedimentary origin in a metamorphosed, intracratonic, extensively albitised, supracrustal sequence in a failed rift system. • Au mineralisation is native gold, chiefly free with associated silicates, but also occurring with uraninite, and, locally, as inclusions in molybdenite and pyrite, and as intergrowths with tellurides. • Drill hole logging by geologists, through direct observation of drill core samples has been used to interpret the geological setting. The bedrock has been exposed at surface by trenching and stripping and detail mapping of outcropping material. • The continuity of the main mineralised lodes is clearly observed by Au grades within the drill holes. The close spaced drilling suggests the current interpretation is robust. The nature of the two parallel lodes would indicate that alternate interpretations would have little impact on the overall Mineral Resource estimation. • The current interpretations are mainly based on Au assay results, however, the mineralisation intervals generally coincide with lithology logged as schists, with alteration noted as quartz, albite, biotite, or sericite. • The two lodes at Sivakkaharju occur at the intersection of two faults within the north trending Hyväniemi-Maaninkavaara Anticline.
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 Sivakkaharju deposit strikes at 40 to the NE and extends over a strike length of 100m from 7,344,550mN to 7,344,650mN and includes the vertical extent of 75m from 270mRL to 195mRL. The two main lodes are approximately 10m in width near surface and narrow to 3m at depth. The lodes have a combined width of 16m from 4,456,990mE to 4,457,010mE.
Estimation and modeling 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.*	• Inverse Distance Squared (ID^2) interpolation with an isotropic search ellipse was used for the estimate. Surpac software was used for the estimations. • Three dimensional mineralised wireframes interpreted by RPM were used to domain the Au data. Sample data was composited to 1m down hole lengths using the 'best fit' method. Intervals

Criteria	JORC Code explanation	Commentary
	• *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.*	with no assays were excluded from the estimates. • Statistical analysis (histograms, log probability plots, coefficients of variation, and summary multi-variate and bi-variate statistics) using Supervisor software revealed that no extreme grade values occur at the deposit. • The maximum distance of extrapolation from data points (down dip) was 20m. • An isotropic search was used to select data for the estimate. Three passes were used in the estimation. The first pass used a range 15m, with a minimum of 10 samples. For the second pass, the range was extended to 30m, with a minimum of 10 samples. A third pass search radius of 45m with a minimum of 4 samples was used to ensure all blocks within the mineralisation lodes were estimated. A maximum of 40 samples was used for all 3 passes. Greater than 90% of the blocks were filled in the first two passes. • No mining has occurred at the Sivakkaharju deposit. A Mineral Resource estimate was reported on the Dragon website in July 2010. • No assumptions were made regarding the recovery of by-products. • No non-grade deleterious elements were estimated. • The parent block dimensions used were 6m NS by 2m EW by 5m vertical with sub-cells of 1.5m by 0.5m by 1.25m. The parent block size was selected on the basis of being approximately 50% of the average drill hole spacing along strike. • 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 recorded within the supplied database. Cobalt was estimated by RPM. The deposit has been noted by GTK, Outokumpu and Dragon as being enriched in Mo and U. No correlation of variables was performed by RPM. • 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 mineralisation wireframes were applied as hard boundaries in the estimate. • Statistical analysis of the composite data was carried out by RPM. The low CV values and lack of inflections on the log probability curves suggested that no top-cuts were required. • A qualitative assessment was completed by slicing sections through the block model in positions coincident with drilling.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of*	• Tonnages and grades were estimated on a dry in situ basis.

Criteria	JORC Code explanation	Commentary
	determination of the moisture content.	
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 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 1g/t Au cut-off based on assumptions made by Dragon in regard to economic cut-off grades for open pit and underground mining at Dragon's operating mines.
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 or underground techniques as part of a larger operation. The geological and mineralogical setting of the Kuusamo deposits and the results of high-level pit optimisation studies indicate that the defined Sivakkaharju Mineral Resource estimate has a reasonable prospect for eventual economic extraction at the published cut-off figure of 1g/t
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. Dragon has extensive experience mining similar deposits and has a good knowledge of treating this type of ore.
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 2.95t/m^3 was used for fresh material (both mineralised and waste material). A value of 1.9t/m^3 was assigned to the overlying till material. These values are consistent with similar styles of mineralisation and lithologies at neighbouring Dragon operations within the Kuusamo Project area. • Bulk density values were assigned to the block model by material type.
Classification	• *The basis for the classification of the Mineral*	• Mineral Resources were classified in accordance

Criteria	JORC Code explanation	Commentary
	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.*	with the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC, 2012). The resource was classified as Inferred Mineral Resource on the basis of data quality. The Sivakkaharju deposit has been defined entirely by historical drilling. No QAQC data has been supplied. Drilling and sampling methods adopted by GTK and Outokumpu have historically been well recorded at many of the Dragon deposits, and have been carried out to best industry practice. RPM has assumed that the drilling and sampling at Sivakkaharju was to the same high standard. • The mineralised lodes interpreted at Sivakkaharju are based on a high level of geological understanding of similar deposits currently being explored or mined by Dragon. Certified laboratories were used for Au analyses of samples. The input data is considered suitable for use in the resource estimate. The level of confidence in the estimate has been appropriately addressed through the classification of the resource as Inferred Mineral Resource. • 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 Sivakkaharju Mineral Resource estimate has been estimated with a moderate degree of confidence. The lode geometry and continuity has been verified through drilling orientated to optimally intersect the lodes. Dragon is currently exploring similar deposits near the Sivakkaharju 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.