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龍資源有限公司
DRAGON MINING
LIMITED

DRAGON MINING LIMITED

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(Incorporated in Western Australia with limited liability ACN 009 450 051)

(Stock Code: 1712)

INSIDE INFORMATION AND PROFIT WARNING

This announcement is made by Dragon Mining Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement of the Company dated 24 May 2021. The board of directors of the Company (the “**Board**”) wishes to update the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the information currently available to Company and the preliminary review of the Group’s unaudited management accounts for the half-year ended 30 June 2021, which have not been audited or reviewed by the auditors and/or the audit and risk management committee of the Company, it is expected that the Group will record a net loss for the half-year ended 30 June 2021 (“**Reporting Period**”) ranging between approximately AU\$0.2 million and AU\$0.8 million, as compared to the net profit of AU\$6.3 million for the half-year ended 30 June 2020 (“**Corresponding Period**”).

The expected net loss for the Reporting Period is primarily due to the factors as follows:

- (a) a decrease in the quantity of gold concentrate produced at the Vammala Production center due to throughput restraints of the crushing and milling circuit and lower mined ore grades;
- (b) the Corresponding Period includes gold produced from the remaining Orivesi high-grade ore stockpiles; and
- (c) Fäboliden test mining completed. However, the final environmental permit for the mine has not yet been granted and Svartliden is only treating Finland concentrate.

The Company has yet to finalise the interim results of the Group for the half-year ended 30 June 2021. The information contained in this announcement is only based on a preliminary review of the unaudited management accounts of the Group for the half-year ended 30 June 2021, and the actual results of the Group for the half-year ended 30 June 2021 may be different from what is disclosed herein. Shareholders and potential investors are advised to read carefully the interim results announcement of the Company for the half-year ended 30 June 2021 which is scheduled to be issued on 18 August 2021 (Hong Kong time).

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

On behalf of the Board
Dragon Mining Limited
Arthur George Dew
Chairman

Hong Kong, 2 August 2021

As at the date of this announcement, the Board comprises Mr. Arthur George Dew as Chairman and Non-Executive Director (with Mr. Wong Tai Chun Mark as his Alternate); Mr. Brett Robert Smith as Chief Executive Officer and Executive Director; Ms. Lam Lai as Non-Executive Director; and Mr Carlisle Caldwell Procter, Mr. Pak Wai Keung Martin and Mr. Poon Yan Wai as Independent Non-Executive Directors.

* *for identification purpose only*