龍資源有限公司
DRAGON MINING LIMITED

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龍 資 源 有 限 公 司 *

(Incorporated in Western Australia with limited liability)

(Stock Code: 1712)

INSIDE INFORMATION

DRILLING AT THE JOKISIVU GOLD MINE RETURNS SIGNIFICANT RESULTS

This announcement is made pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and the Inside Information Provision (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Dragon Mining Limited 龍資源有限公司* ("Dragon Mining" or "the Company") is pleased to announce the results from two campaigns of underground diamond core drilling carried out at the Company's Jokisivu Gold Mine ("Jokisivu") in southern Finland. The two campaigns comprising 30 holes in total targeted the Kujankallio and Arpola deposits. The campaigns were designed to better define the extent and geometry of known mineralised zones and provide additional information to support future mine planning and development.

The principal campaign was a 26 hole, 4,451.40 metre program that was drilled from the 410m level and designed to further evaluate the Kujankallio Hinge Zone between the 410m and 470m levels. Results have been received for all holes, returning a number of significant intercepts, including highlights 14.20 metres @ 3.55 g/t gold, 1.00 metres @ 110.50 g/t gold, 10.60 metres @ 5.50 g/t gold, 4.70 metres @ 11.51 g/t gold and 2.65 metres @ 44.93 g/t gold. A listing of all significant intercepts above 1 g/t gold is provided in Table 1.

The second campaign was a 4 hole program totalling 704.40 metres, drilled from the 350m level targeting the extensions of the Arpola deposit. This campaign returned a number of significant intercepts including the narrow, high-grade 1.90 metres @ 21.62 g/t gold, 2.35 metres @ 26.58 g/t gold and 1.05 metres @ 38.60 g/t gold, each of which are located in close proximity to existing development. A listing of all significant intercepts above 1 g/t gold is provided in Table 2.

The results received from the two campaigns support current geological models, further delineating the principal mineralised zones in the Kujankallio Hinge Zone area and providing confidence that high-grade mineralised zones associated with the Arpola deposit continue at depth. Updating of Mineral Resource and Ore Reserve estimates for the Jokisivu Gold Mine is now in progress, incorporating all new drill information.

BACKGROUND

The Jokisivu Gold Mine forms part of Dragon Mining's Vammala Production Centre in southern Finland, approximately 165 kilometres northwest of the Finnish capital Helsinki.

The Centre comprises the Vammala Plant, a 300,000 tonnes per annum conventional crushing, milling and flotation facility, which processes ore from the Jokisivu Gold Mine and the Orivesi Gold Mine. In addition, the VPC also includes the Kaapelinkulma Gold Project, which will soon become the Company's third gold mine in southern Finland region.

The Jokisivu Gold Mine is located 40 kilometres southwest of the Vammala Plant and hosts two principal gold deposits 200 metres apart, Kujankallio and Arpola. The deposits represent structurally controlled orogenic gold systems located within the Palaeoproterozoic Vammala Migmatite Belt. Gold mineralization at both Kujankallio and Arpola is hosted within relatively undeformed and unaltered diorite, in 1 to 5 metre wide shear zones that are characterised by laminated, pinching and swelling quartz veins.

The Kujankallio deposit has been shown by drilling to extend to at least 530 metres in depth, whilst the Arpola deposit has been drilled down to 310 metres. Both deposits remain open with depth and partially along strike. Open cut mining at Kujankallio commenced in 2009 and underground production in 2011. A small open pit was mined at Arpola in 2011 and underground production commenced from this deposit in 2014.

By Order of the Board
Dragon Mining Limited
Brett Robert Smith
Executive Director

Hong Kong, 28 December 2018

As at the date of this announcement, the board of directors of the Company 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; and Mr. Carlisle Caldow Procter, Mr. Pak Wai Keung Martin and Mr. Poon Yan Wai as independent non-executive directors.

* *For identification purposes only*

COMPETENT PERSONS STATEMENT

The information in this report 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 a full time employee of the Company. Mr. Neale Edwards 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. Neale Edwards has provided written consent for the inclusion in this report of the matters based on his information in the form and context in which it appears.

Table 1 – Results from the underground diamond core drilling program that targeted the Kujankallio Hinge Zone between the 410m and 470m levels at the Jokisivu Gold Mine. All intercepts reported at a 1 g/t gold cut-off.

Hole	North	East	Elevation	Azimuth (°)	Dip (°)	Length (m)	From (m)	Down Hole Interval (m)	Gold (g/t)
HU/JS-857	6779631.71	2426309.40	–334.12	289.44	–9.41	153.00	12.00	1.00	1.94
							15.00	0.60	6.39
							31.50	1.50	2.43
							68.90	1.10	3.74
							96.30	0.30	25.70
							114.00	1.25	2.48
HU/JS-858	6779631.76	2426309.57	–334.29	291.66	–21.03	158.00	35.00	1.20	4.89
							37.60	1.15	1.08
							43.00	1.25	3.28
							64.00	5.00	3.43
							112.00	1.50	4.81
HU/JS-859	6779631.70	2426309.44	–334.45	294.35	–35.46	150.00	58.95	0.65	1.96
							71.50	1.30	2.17
							75.60	2.65	1.48
							123.50	2.30	1.18
HU/JS-861	6779631.67	2426309.32	–333.92	307.66	–16.98	211.90	19.15	2.40	3.35
							38.50	1.05	1.09
							56.95	1.50	1.20
							63.85	0.95	4.21
							93.20	1.00	4.79
							178.50	1.50	1.06
HU/JS-862	6779631.66	2426309.32	–334.30	311.91	–30.07	153.20	18.00	1.00	10.50
							22.00	1.20	1.23
							24.60	1.30	1.95
							37.50	1.50	1.95
							50.35	1.30	1.35
							64.55	2.05	2.23
							92.80	1.20	1.42
							105.90	1.30	5.20
							111.10	1.50	1.40

Hole	North	East	Elevation	Azimuth (°)	Dip (°)	Length (m)	From (m)	Down Hole Interval (m)	Gold (g/t)
HU/JS-863	6779632.50	2426311.54	–334.54	319.54	–45.20	150.00	16.25	2.00	2.47
							43.25	0.95	1.06
							70.00	1.00	4.85
							74.55	1.10	2.78
							91.00	1.50	2.11
HU/JS-864	6779632.62	2426311.79	–334.58	331.69	–57.72	135.00	33.10	0.40	2.07
							47.10	1.10	1.02
							81.15	1.05	1.56
							84.90	1.10	1.41
							87.15	1.95	1.65
							90.20	1.00	1.87
HU/JS-865	6779632.57	2426311.30	–334.03	316.96	–10.28	149.50	37.50	1.50	1.42
							46.50	0.50	4.20
							60.00	14.20	3.55
							95.90	1.10	1.35
							109.35	1.00	2.22
HU/JS-866	6779632.71	2426311.49	–334.03	323.73	–21.63	138.20	3.00	1.10	1.52
							14.30	0.70	8.27
							37.75	0.75	10.65
							47.80	2.05	1.75
							50.75	0.95	3.96
							53.00	1.00	1.00
							66.70	3.90	1.88
							93.80	1.20	1.23
							96.30	1.40	1.32
							100.70	1.10	1.40
							113.90	1.10	1.51
							119.10	1.90	1.60
HU/JS-867	6779619.59	2426312.30	–334.82	334.99	–31.38	143.80	32.90	1.50	1.17
							51.10	2.90	1.74
							57.80	0.75	7.68
							78.60	2.05	2.68
							110.00	1.20	1.58
							135.10	1.50	1.24
HU/JS-868	6779632.76	2426311.94	–334.52	344.52	–48.54	150.00	3.35	1.15	1.21
							25.50	2.15	1.81
							38.85	0.55	1.01
							76.25	3.05	8.39
							112.50	0.70	1.48
							121.50	1.50	1.30

Hole	North	East	Elevation	Azimuth (°)	Dip (°)	Length (m)	From (m)	Down Hole Interval (m)	Gold (g/t)
HU/JS-869	6779619.62	2426312.32	–335.07	358.40	–50.83	188.50	38.05	1.00	110.50
							48.80	0.75	1.19
							62.80	1.05	1.52
							73.65	1.00	2.13
							100.20	3.45	1.79
							108.50	1.45	6.34
HU/JS-870	6779632.83	2426311.75	–334.00	335.70	–14.81	159.20	23.80	1.00	1.48
							56.15	1.45	1.76
							66.90	0.70	1.71
							74.30	1.05	9.17
							79.40	1.50	1.55
							90.50	1.00	1.26
							106.05	1.45	1.11
							122.50	1.50	1.80
							125.50	1.50	2.96
HU/JS-871	6779632.83	2426311.76	–334.07	342.34	–24.30	282.20	2.50	1.40	2.33
							51.10	2.25	1.29
							69.80	5.95	3.70
							110.20	1.00	1.58
							113.85	1.15	1.34
							166.60	0.90	1.89
							178.90	5.50	2.09
							214.00	1.50	1.28
							259.50	0.90	1.05
HU/JS-872	6779633.32	2426313.74	–334.23	351.91	–36.22	153.10	3.00	1.50	2.93
							10.20	1.10	1.10
							56.40	1.50	1.36
							62.20	1.20	1.75
							73.50	10.60	5.50
							131.00	0.55	3.47
							145.90	1.15	1.02
							147.75	1.35	1.29
							150.45	1.30	2.80
HU/JS-873	6779631.19	2426308.46	–334.28	272.18	–21.33	123.00	1.50	1.50	1.76
							4.50	1.50	1.21
							55.00	1.50	3.27
							68.60	1.15	1.08
							73.00	2.00	1.87

Hole	North	East	Elevation	Azimuth (°)	Dip (°)	Length (m)	From (m)	Down Hole Interval (m)	Gold (g/t)
HU/JS-901	6779631.69	2426309.28	–333.85	305.27	–1.65	159.30	16.00	1.00	3.31
							30.90	0.90	1.29
							37.30	0.60	3.80
							43.40	0.70	1.76
							44.55	0.40	1.35
							48.00	0.40	5.32
							53.25	0.55	1.81
							55.00	1.00	1.03
							60.00	0.60	3.31
							65.45	6.30	5.92
							97.85	0.95	1.25
							120.75	1.05	3.71
							152.20	0.80	1.36
							154.75	0.90	1.56
HU/JS-902	6779632.70	2426311.48	–333.90	323.37	–3.26	150.20	2.00	1.00	2.77
							24.50	0.50	7.75
							70.20	2.70	9.83
							111.00	1.50	2.19
							114.70	0.60	2.43
HU/JS-903	6779633.48	2426314.03	–333.92	356.00	–8.17	183.20	21.00	1.50	1.52
							80.00	4.70	11.51
					Includes 0.70 metres @ 59.30 g/t gold from 83.00 metres				
							89.45	0.50	20.20
							117.05	1.20	1.53
							146.00	0.65	20.20
							181.10	1.20	1.60
HU/JS-904	6779633.34	2426313.75	–334.18	349.84	–22.72	165.00	19.30	0.70	1.03
							25.65	1.05	4.25
							46.50	1.50	1.27
							60.50	1.00	1.49
							76.85	0.70	4.33
							79.90	1.40	2.16
							125.70	1.00	1.04
							127.80	1.45	2.59
							142.60	1.00	3.31
HU/JS-905	6779633.35	2426313.74	–334.18	355.78	–16.89	189.30	13.80	1.50	1.19
							70.20	1.00	2.74
							81.35	2.65	44.93
					Includes 1.65 metres @ 68.20 g/t gold from 82.35 metres				
							149.55	0.85	2.52
							182.85	1.20	1.49

Hole	North	East	Elevation	Azimuth (°)	Dip (°)	Length (m)	From (m)	Down Hole Interval (m)	Gold (g/t)
HU/JS-906	6779633.60	2426316.46	–333.96	4.24	–14.93	204.3	2.70	1.05	1.00
							20.05	1.50	2.53
							23.00	1.10	3.60
							31.10	1.35	2.95
							51.20	1.30	1.46
							98.00	1.15	3.60
							127.60	1.00	1.99
							153.10	0.70	1.30
							202.15	0.75	19.95
HU/JS-907	6779633.80	2426317.31	–334.41	15.63	–33.15	237.00	16.65	1.50	1.11
							21.15	1.45	1.20
							115.90	1.50	14.76
							132.75	0.95	15.30
							205.45	1.25	1.10
HU/JS-908	6779633.77	2426317.27	–334.34	13.51	–26.36	228.10	4.65	1.50	1.72
							38.00	1.50	1.66
							58.90	1.35	2.97
							78.80	1.50	1.00
							106.30	1.00	1.25
							109.60	2.10	6.50
							120.60	1.40	6.41
							187.00	0.55	4.55
HU/JS-948	6779633.46	2426313.71	–333.74	351.53	0.57	168.10	14.30	1.20	1.14
							78.20	1.60	1.86
							83.60	0.50	1.98
							86.70	1.20	4.82
HU/JS-949	6779633.41	2426313.37	–333.60	338.13	2.10	168.00	52.50	1.50	1.40
							77.65	3.00	4.33
							88.15	1.55	1.59
							122.00	1.50	2.08
							166.80	1.20	4.41

Table 2 – Results from the underground diamond core drilling program that targeted the Arpola deposit from the 350m level at the Jokisivu Gold Mine. All intercepts reported at a 1 g/t gold cut-off.

Hole	North	East	Elevation	Azimuth (°)	Dip (°)	Length (m)	From (m)	Down Hole Interval (m)	Gold (g/t)
HU/JS-909	6779527.54	2426431.67	–272.36	168.83	–0.11	207.10	4.40	1.00	7.02
							16.10	1.90	21.62
					Includes 0.90 metres @ 43.20 g/t gold from 17.10 metres				
							42.00	1.50	1.15
							100.40	1.20	2.47
							104.60	0.65	3.80
							172.05	0.75	1.07
							199.50	1.50	3.37
HU/JS-911	6779528.99	2426427.45	–272.60	191.51	–0.42	169.80	1.30	1.30	2.08
							11.00	2.05	3.56
							30.85	1.05	1.07
							83.50	1.50	3.08
							145.15	1.50	1.28
							155.50	0.30	2.22
HU/JS-912	6779529.00	2426427.45	–272.58	207.19	–0.26	165.2	1.30	1.25	1.40
							3.55	1.00	2.08
							23.25	1.35	1.00
							44.90	1.40	1.46
							64.65	2.35	26.58
					Includes 1.15 metres @ 51.90 g/t gold from 65.85 metres				
							106.30	1.10	1.06
							120.70	1.40	1.09
							131.00	1.50	2.42
							138.90	1.50	1.00
							141.90	0.65	11.55
							145.45	0.60	10.75
HU/JS-914	6779532.95	2426415.16	–272.81	219.36	–0.82	162.30	0.00	1.00	4.46
							31.80	2.05	2.09
							39.85	1.00	3.35
							52.00	1.05	38.60
							62.15	1.10	4.03
							64.50	1.10	1.20
							88.80	1.05	1.02

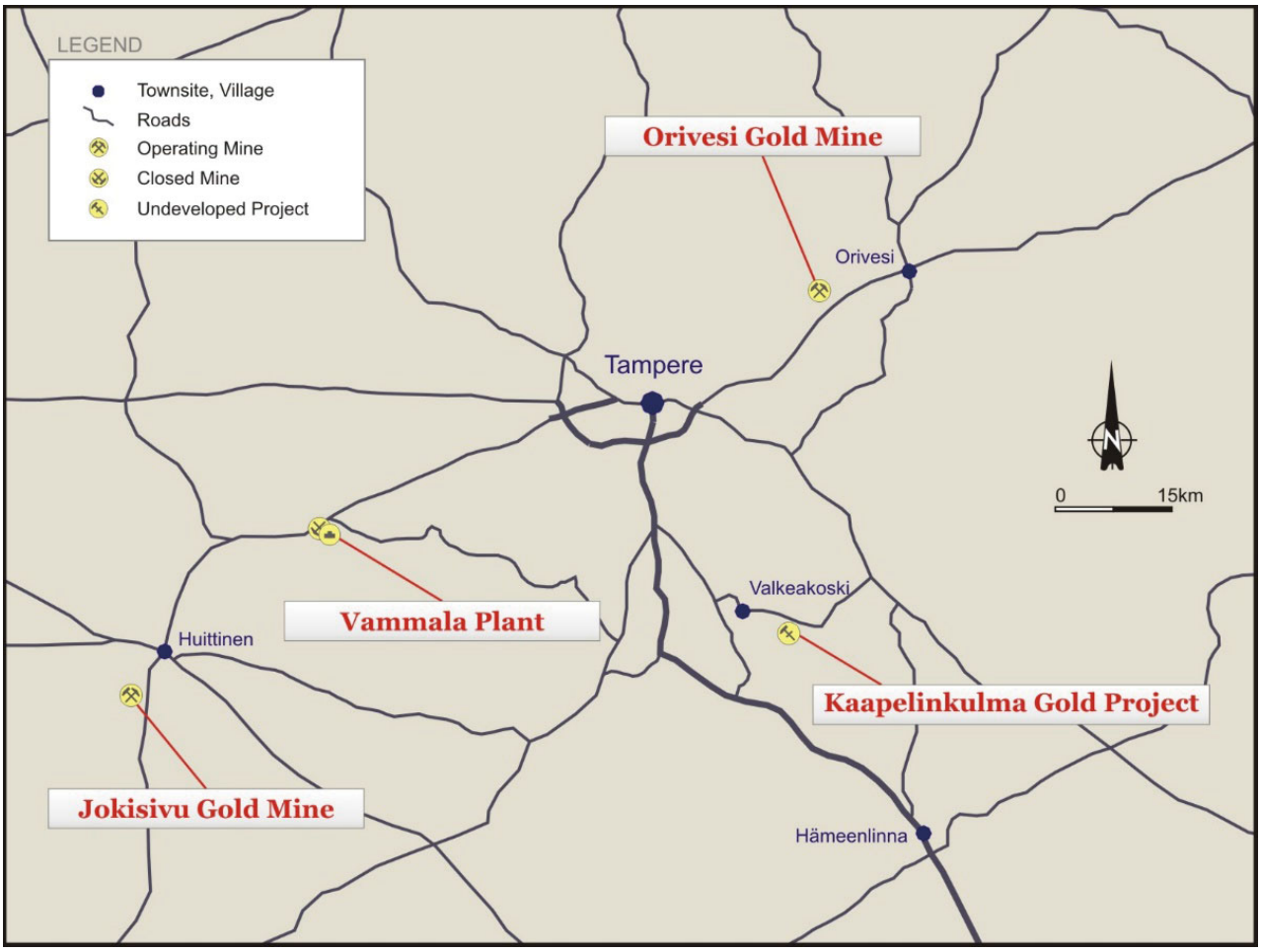

Figure 1 – Vammala Production Centre.

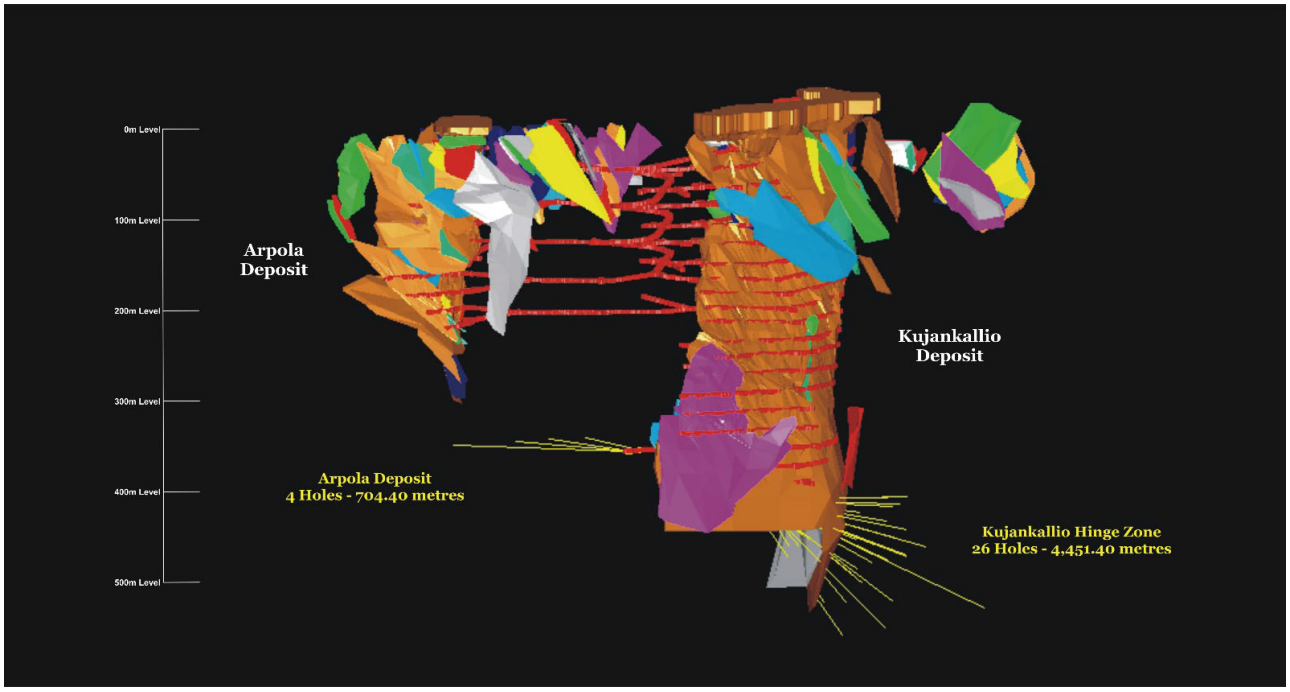

Figure 2 – Jokisivu Gold Mine. View looking to the west.

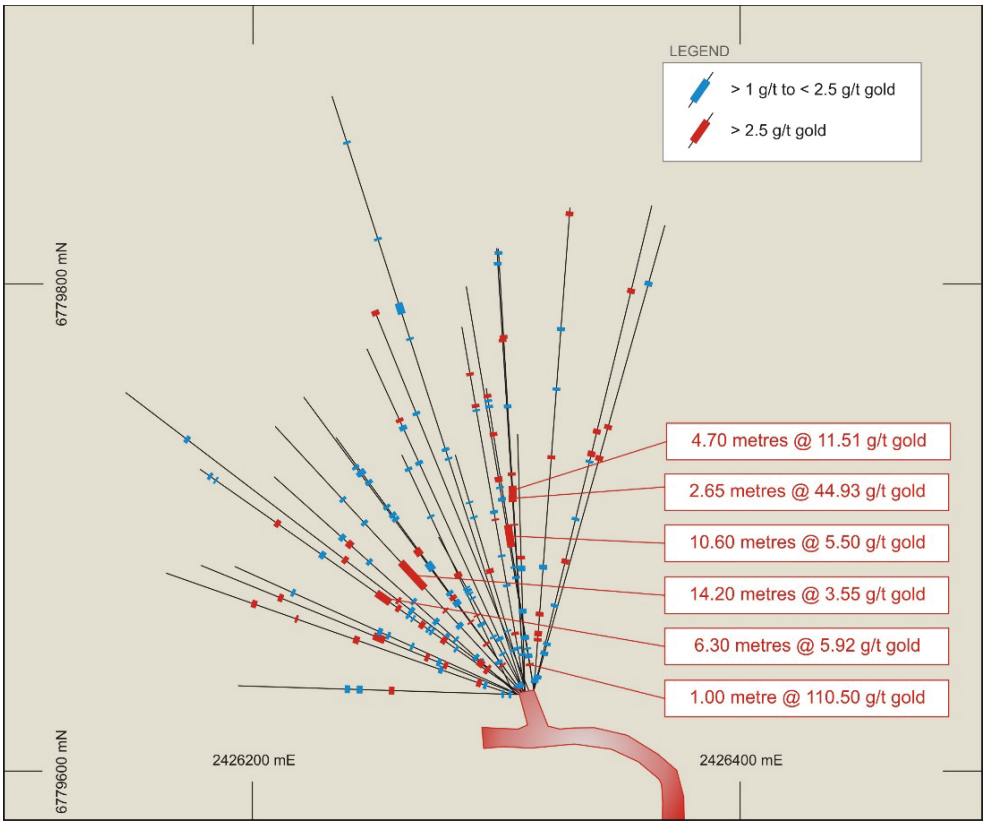

Figure 3 – Plan view of results from the underground diamond core drilling program that targeted the Kujankallio Hinge Zone between the 410m and 470m levels at the Jokisivu Gold Mine.

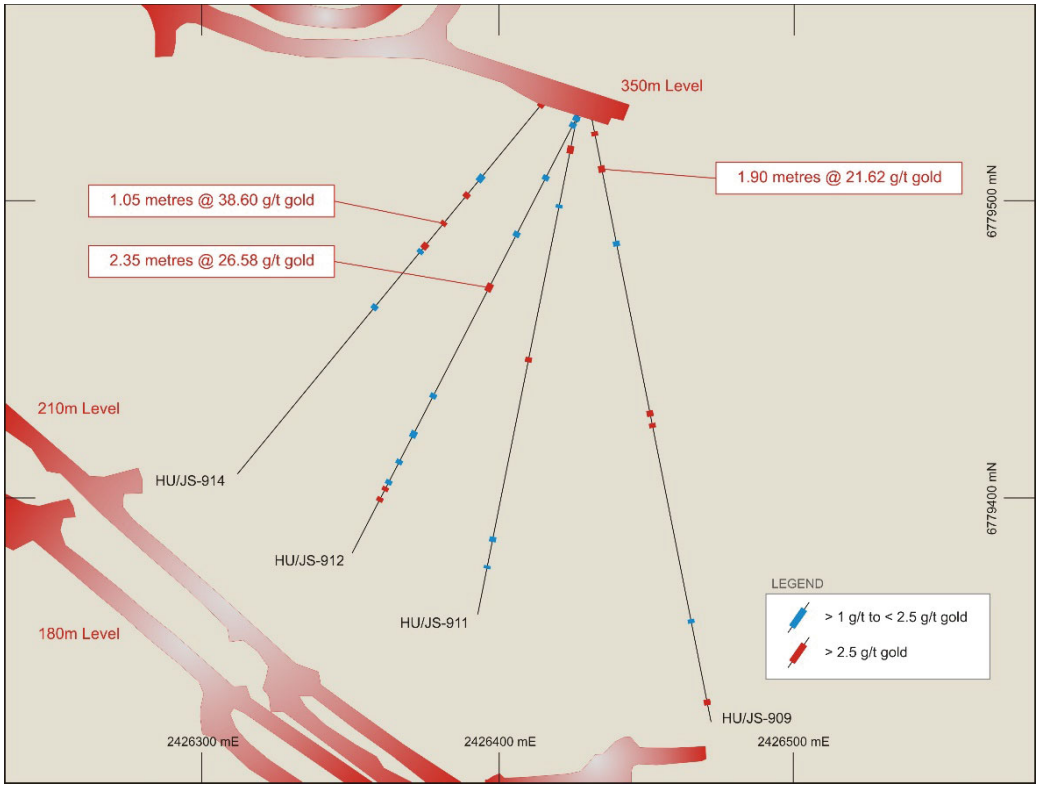

Figure 4 – Plan view of results from the underground diamond core drilling program from the 350m Level that targeted the Arpola deposit at the Jokisivu Gold Mine.

Appendix 1

JORC Code Table 1 – Jokisivu

Section 1 – Sampling Techniques and Data ***(Criteria in this Section apply to all succeeding sections)***	
Criteria	**Commentary**
Sampling Techniques	In the reported campaigns, the Kujankallio and Arpola deposits at the Jokisivu Gold Mine have been sampled by a series underground diamond core programs. Dragon Mining has completed 26 underground diamond core drill holes for an advance of 4,451.40 metres that was designed to further evaluate the Kujankallio Hinge Zone between the 410m and 470m levels and 4 holes for an advance of 704.40 metres directed at the Arpola deposit from the 350m level. Drill holes are orientated predominantly to the north and south (local mine grid) and drilled in a fan array at various angles which are approximately perpendicular to the orientation of the mineralised trends. Pierce points are nominally spaced at 20 metres vertically and 20 to 30 metres horizontally for underground drilling. Drill hole collars and starting azimuths have been accurately surveyed with a Leica TCRP 1203+ Total Station. Azimuth deviations of the holes were surveyed with Reflex Maxibor II or Devico Deviflex equipment. All drill core is geologically and geotechnically logged, photographed and mineralised zones sampled with lithological control. Sampling and QAQC protocols are as per industry best applicable practice. Drill cores are sampled with lithological control to a maximum down hole length of 1.5 metres. Sample intervals are measured by tape from depth intervals shown on core blocks labelled by the drillers. Samples are collected by Dragon Mining personnel and dispatched via road transport to ALS Minerals for sample preparation and analysis for gold by fire-assay methods.
Drilling Techniques	Diamond core, percussion, sludge, and reverse circulation (RC) are the primary drilling techniques that have been used at the Jokisivu Gold Mine. Underground drilling in the reported programs was completed by T56/WL-56 (39.0mm) diamond core methods.

Section 1 – Sampling Techniques and Data ***(Criteria in this Section apply to all succeeding sections)***	
Criteria	**Commentary**
	Core from underground drilling is collected with a standard tube. Core has not been orientated for definition drill programs but has sometimes for exploration drill programs. Hole deviation surveys are completed on all drill holes using Reflex Maxibor II or Devico Deviflex equipment.
Drill Sample Recovery	Diamond core was reconstructed into continuous runs with depths checked against core blocks. Core loss observations were noted by geologists during the logging process. All information is recorded in the database. Sample recovery in the completed campaigns is high with drill core having recoveries >95%. Experienced underground drilling contract groups were engaged to undertake the program of work. Drilling contractors are supervised and routinely monitored by Dragon Mining personnel. Drilling is well planned to avoid existing underground development and is undertaken in primary rock material. No relationship was noted between sample recovery and grade. The mineralised zones have predominantly been intersected by diamond core with good core recoveries. The consistency of the mineralised intervals suggests sampling bias due to material loss or gain is not an issue.
Logging	All holes were logged by Dragon Mining geologists to a high level of detail that will support Mineral Resource estimation and mining studies. Diamond holes were logged for recovery, RQD, number and type of defects. The database contains tables with information recorded for alpha/beta angles, dips, azimuths, and true dips. Specific indicator minerals and the amount and type of ore textures and ore minerals were also recorded within separate tables. Drill samples were logged for lithology, rock type, colour, mineralisation, alteration, and texture. Logging is a mix of qualitative and quantitative observations. It has been standard practice that all diamond core be routinely photographed. All holes were logged in full.

Section 1 – Sampling Techniques and Data ***(Criteria in this Section apply to all succeeding sections)***	
Criteria	**Commentary**
Sub-sampling Techniques and Sample Preparation	For definition programs Dragon Mining collect full core samples of select zones for analysis from underground diamond core drill holes. For exploration programs half core samples of select zones are collected from underground diamond core drill holes. When core is required to be split, it is sawn. All drilling this report is completed by diamond core methods. No riffle, rotary or tube sampling is required. Samples of select zones were collected for analysis by company personnel. With respect to the nature of the mineralised system and the core diameter, the use of either full or half core is considered appropriate. Sample preparation is completed by ALS Minerals and follows industry best applicable practice. ALS Minerals procedures and facilities are organised to assure proper preparation of the sample for analysis, to prevent sample mixing, and to minimise dust contamination or sample to sample contamination. Core samples are submitted to the ALS Minerals facility in Outokumpu, Finland for sample preparation by method PREP-31BY. Samples were weighed, assigned a unique bar code and logged into the ALS Minerals system. The sample was dried, fine crushed to >70% passing 2mm screen. A split off weighing 1kg is collected and pulverised to better than 85% passing 75 microns. A sub-sample is collected for analysis at the ALS Minerals facility at either Rosia Montana, Romania or Loughrea, Ireland. The method selected for sample preparation is considered appropriate. Certified reference material and blanks are routinely inserted with the sample submission. 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). A review of the results of the certified reference material and blanks indicates that they are within acceptable limits.

Section 1 – Sampling Techniques and Data ***(Criteria in this Section apply to all succeeding sections)***	
Criteria	**Commentary**
	A review of the results of the pulp duplicate samples indicates that they are within acceptable limits. 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 gold.
Quality of Data and Laboratory Tests	Analysis has been completed at ALS Minerals in Rosia Montana, Romania or Loughrea in Ireland 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-GRA21 (Detection Limit – 0.05 g/t gold; Upper Limit – 1,000.00 g/t gold) – 30g fire assay with gravimetric finish. ALS Minerals are a certified global laboratory group. They are monitored by an internal QAQC program and a QAQC program implemented by Dragon Mining, both of which include blank material, duplicates and certified reference material. The analytical techniques used are considered total. No geophysical tools, spectrometers, handheld XRF instruments or similar device was used for analytical purposes on sample material collected. QAQC protocols are stringently adhered to throughout the duration of all drilling programs undertaken by Dragon Mining. The protocols of the QAQC program implemented by Dragon Mining includes the insertion of certified reference material (three ranges used – high, medium and low) and blank material on a 1 sample every 20 sample basis and the insertion duplicate samples on a 1 sample every 20 sample basis. ALS Minerals implement an internal QAQC program that includes the insertion of blanks, certified reference material and duplicates with each analytical run. A review of both the Dragon Mining and ALS Minerals QAQC results indicates that the blank material, certified reference material and duplicates are within acceptable limits.

Section 1 – Sampling Techniques and Data ***(Criteria in this Section apply to all succeeding sections)***	
Criteria	**Commentary**
Verification of Sampling and Assaying	All significant intercepts are reviewed and verified by Dragon Mining geologists. No twinned holes have been drilled in the reported programs. Primary data is collected by Dragon Mining personnel at site using Excel work sheets. All measurements and observations are digitally recorded and transferred into an Access database. Primary assay data is received direct from the laboratory in digital format. Primary assay and QAQC data is entered into an Access database. Verification and validation of the databases is handled internally. No adjustment has been made to the assay data.
Location of Data Points	Drill hole collars and starting azimuths have been accurately surveyed by contract surveyors. Down hole surveys are undertaken on all exploration and resource development holes. Collars and underground mine surveys are performed using a Leica TCRP 1203+ Total Station to a level of accuracy of 0.05 metres. Down hole surveys are carried out on all drill holes using a Maxibor II, EMS multi-shot or Devico Deviflex device. Down hole dip values were recorded at 10m intervals. The grid system used for the reporting of results is the Finnish Grid System – KKJ2. A local mine grid is used at the Jokisivu mine. The local grid system is parallel to National Grid System, and equivalence of systems as follows (examples of coordinate values): $Northing_{Nat}$ 6,779,500.00 = $Northing_{Loc}$ 9,500.00, $Easting_{Nat}$ 2,425,800.00 = $Easting_{Loc}$ 5,800.00, $Elevation_{Nat}$ 80.00 = $Elevation_{Loc}$ 0.00. $Northing_{Loc}$ = $Northing_{Nat}$ – 6,770,000m $Easting_{Loc}$ = $Easting_{Nat}$ – 2,420,000m $Elevation_{Loc}$ = $Elevation_{Nat}$ – 80m A series of fixed points are located at the surface form the basis of all topographic control at the Jokisivu Gold Mine. Additional fixed points have been established along the underground development and function as the elevation control underground.

Section 1 – Sampling Techniques and Data ***(Criteria in this Section apply to all succeeding sections)***	
Criteria	**Commentary**
Data Spacing and Distribution	Underground drilling has been undertaken in a fan array type pattern. Pierce points are usually spaced nominally at 20 metres vertically and 20 metres horizontally. Sample lengths down hole varies and is dependent on geology. Mineralisation displays satisfactory continuity in both geology and grade from hole to hole and will be sufficient to support the definition of a Mineral Resource or Ore Reserve and the classifications contained in the JORC Code (2012 Edition). No sampling compositing has been applied.
Orientation of Data in Relation to Geological Structure	Drill holes are orientated predominantly to either the north or south (local mine grid) and drilled at an angle which is approximately perpendicular to the orientation of the mineralised trends. The majority of drill holes are underground drill holes and completed at various angles in a 'fan' array to optimally intersect the orientation of the mineralised trends. No orientation based sampling bias has been identified in the data.
Sample Security	Chain of custody of samples is managed by Dragon Mining. Dragon Mining personnel or drill contractors transport diamond core to the core logging facilities where Dragon Mining geologists log the core. Core samples are transported to the sample preparation laboratory and then on to the analysis laboratory using contract couriers or laboratory personnel. Dragon Mining employees have no involvement in the preparation or analysis of samples.
Audits or Reviews	Dragon Mining undertakes its own reviews and audits of sampling techniques and data. Dragon Mining has completed audits of the ALS Minerals facilities at Outokumpu, Finland; Rosia Montana, Romania and Vancouver, Canada. The completed reviews and audits raised no issues.

Section 2 – Reporting of Exploration Results	
Criteria	**Commentary**
Mineral Tenement and Land Tenure Status	The Jokisivu Gold Mine is located within granted Mining Concessions (Concession ID – 7244; Concession Name – Jokisivu; Area – 48.57 ha and Concession ID – KL2015:0005; Concession Name – Jokisivu 2; Area – 21.30 ha). The Mining Concessions are in good standing and no impediments to operating exist.
Exploration Completed by Other Parties	The first indication of gold mineralization in the Jokisivu area was obtained in 1964. Outokumpu Oy began exploring the area in 1985 and continued until 2003, when Dragon Mining acquired the Project. Dragon Mining advanced the project over the ensuing years, undertaking extensive drilling and completing mining studies to enable production to commence in 2009. Production from the Jokisivu Gold Mine commenced with open-pit mining of the near surface portion of the Kujankallio deposit in September 2009. The near surface portion of the Arpola deposit was also mined by open-pit methods in 2011. Underground development of the Kujankallio deposit commenced in September 2010 access achieved through a decline portal located at the eastern most end of the Kujankallio open pit. Underground production from the Arpola deposit commenced in 2014.
Geology	The Jokisivu Gold Mine is located in the Paleoproterozoic Vammala Migmatite Belt, which is dominated by tonalitic and granodioritic gneisses, micagneiss, migmatites, intermediate and mafic metamorphosed volcanic rocks as well as felsic and mafic plutonic rocks. Gold mineralisation is hosted within a sheared and quartz-veined diorite unit surrounded by mica gneiss. The Kujankallio deposit consists of several gold-bearing lodes, having a total length of at least 350 metres. The lodes strike northeast, primarily dipping 50 degrees to the southwest. The nearby Arpola deposit consists of several east-west trending gold lodes that extend over length of 150 metres. The Arpola lodes strike northeast and dip 50 degrees to the southwest. Both deposits represent structurally controlled gold systems.

Section 2 – Reporting of Exploration Results	
Criteria	**Commentary**
Drill Hole Information	Full details of the completed drilling campaigns and results are provided in: Table 1 – Results from the underground diamond core drilling program that targeted the Kujankallio Hinge Zone between the 410m and 470m levels at the Jokisivu Gold Mine. Table 2 – Results from the underground diamond core drilling program that targeted the Arpola deposit from the 350m level at the Jokisivu Gold Mine.
Data Aggregation Methods	Weighted average gold intercepts are reported at a 1 g/t gold cut-off with up to 2 metres of internal dilution allowed. No high grade cuts were applied. High grade intervals internal to broader zones of mineralisation are reported at a 15 g/t gold cut-off as included intervals. No metal equivalent values have been used or reported.
Relationship between Mineralisation Widths and Intercept Lengths	All intercepts reported are down hole lengths. True widths have not been calculated.
Diagrams	Diagrams provided in this report.
Balanced Reporting	Reporting of drill details has been provided in this report. All meaningful and material exploration data has been reported.
Other Substantive Exploration Data	Investigative geological work completed at the Jokisivu Gold Mine is dominated by diamond core drilling. The results for completed drilling campaigns have previously been regularly reported to the ASX.
Further Work	Drilling will continue with the objective of identifying extensions to known mineralised zones, as well as providing information to support mine planning and development.