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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 ALERT

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).

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 year ended 31 December 2023, 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 an increase in net profit for the year ended 31 December 2023 (“**Reporting Period**”) ranging between approximately AU\$4.2 and AU\$5.5 million, as compared to the net profit after tax of AU\$2.5 million for the year ended 31 December 2022 (“**Corresponding Period**”).

Such improvement in net profit after tax when compared to the Corresponding Period is primarily attributed to the sale of the Company's interests in the Kutuvuoma Gold Project and Silassekä Vanadium Project in northern Finland for a consideration of Euro 5,000,000 (equivalent to approximately A\$8,400,000) partially offset by:

- (a) an increase in costs associated with mining at depth including additional ground support, an increased use of chemicals and reagents used in processing ore and concentrate, combined with price increases;
- (b) an increase in foreign exchange losses caused by exchange rate fluctuations in the following currencies, namely, USD:SEK, USD:EUR, AUD:SEK, AUD:EUR and AUD:HKD during the Reporting Period; and
- (c) an increase in depreciation and amortisation charges associated with a decrease in Ore Reserves.

The Company has yet to finalise the annual results of the Group for the year ended 31 December 2023, including whether the annual results will be materially impacted by the ongoing impairment assessment of non-current assets. The information contained in this announcement is only based on a preliminary review of the unaudited management accounts of the Group for the year ended 31 December 2023, and the actual results of the Group for the year ended 31 December 2023 may be different from what is disclosed herein. Shareholders and potential investors are advised to carefully read the annual results announcement of the Company for the year ended 31 December 2023 which is scheduled to be issued on 14 March 2024 (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, 15 January 2024

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; 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*