



龍資源有限公司
DRAGON MINING
LIMITED

DRAGON MINING LIMITED

龍資源有限公司*

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

(於西澳洲註冊成立的有限公司，澳洲公司註冊號碼 009 450 051)

Stock Code 股份代號 : 1712

2021

INTERIM REPORT

中期報告

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Corporate Information

BOARD OF DIRECTORS

Arthur George Dew
Chairman and Non-Executive Director

Brett Robert Smith
Chief Executive Officer and Executive Director

Wong Tai Chun Mark
Alternate Director to Arthur George Dew

Lam Lai
Non-Executive Director

Carlisle Caldwell Procter
Independent Non-Executive Director

Pak Wai Keung Martin
Independent Non-Executive Director

Poon Yan Wai
Independent Non-Executive Director

AUDIT AND RISK MANAGEMENT COMMITTEE

Poon Yan Wai *Chairman*

Carlisle Caldwell Procter

Pak Wai Keung Martin

REMUNERATION COMMITTEE

Carlisle Caldwell Procter *Chairman*

Pak Wai Keung Martin

Poon Yan Wai

NOMINATION COMMITTEE

Arthur George Dew *Chairman*

Carlisle Caldwell Procter

Pak Wai Keung Martin

BANKERS

National Australia Bank

Nordea Bank

AUDITOR

Ernst & Young, Perth
(Recognised Public Interest Entity Auditor)

LEGAL ADVISERS

P. C. Woo & Co. (as to Hong Kong law)

Addisons (as to Australian law)

Tomi Rinne (as to Finnish law)

Foyen Advokatfirma (as to Swedish law)

REGISTERED OFFICE, HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN AUSTRALIA

Unit 202, Level 2
39 Mends Street
South Perth
Western Australia 6151
Australia

公司資料

董事會

狄亞法
主席兼非執行董事

Brett Robert Smith
行政總裁兼執行董事

王大鈞
狄亞法的替任董事

林黎
非執行董事

Carlisle Caldwell Procter
獨立非執行董事

白偉強
獨立非執行董事

潘仁偉
獨立非執行董事

審核及風險管理委員會

潘仁偉 *主席*

Carlisle Caldwell Procter

白偉強

薪酬委員會

Carlisle Caldwell Procter *主席*

白偉強

潘仁偉

提名委員會

狄亞法 *主席*

Carlisle Caldwell Procter

白偉強

往來銀行

National Australia Bank

Nordea Bank

核數師

安永會計師事務所(珀斯)
(認可公眾利益實體核數師)

法律顧問

胡百全律師事務所(有關香港法律)

Addisons(有關澳洲法律)

Tomi Rinne(有關芬蘭法律)

Foyen Advokatfirma(有關瑞典法律)

澳洲註冊辦事處、總辦事處及主要營業地點

Unit 202, Level 2
39 Mends Street
South Perth
Western Australia 6151
Australia

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

22nd Floor
Allied Kajima Building
138 Gloucester Road
Wanchai, Hong Kong

香港主要營業地點

香港灣仔
告士打道138號
聯合鹿島大廈
22樓

AUSTRALIAN PRINCIPAL SHARE REGISTRAR

Computershare Investor Services Pty Limited
Yarra Falls, 452 Johnston Street
Abbotsford, Melbourne
Victoria 3067
Australia

澳洲主要證券登記處

Computershare Investor Services Pty Limited
Yarra Falls, 452 Johnston Street
Abbotsford, Melbourne
Victoria 3067
Australia

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716
17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

香港證券登記處

香港中央證券登記有限公司
香港灣仔
皇后大道東183號
合和中心17樓
1712-1716室

JOINT COMPANY SECRETARIES

Pauline Anne Collinson
(for Australian regulations)
Lau Tung Ni
(for Hong Kong regulations)

聯席公司秘書

Pauline Anne Collinson
(有關澳洲的規例)
劉冬妮
(有關香港的規例)

STOCK CODE

1712

股份代號

1712

WEBSITES

<http://www.dragonmining.com>
<http://www.irasia.com/listco/hk/dragonmining/index.htm>

網址

<http://www.dragonmining.com>
<http://www.irasia.com/listco/hk/dragonmining/index.htm>

Consolidated Interim Statement of Profit or Loss

For the 6 months ended 30 June 2021

綜合中期損益表

截至2021年6月30日止6個月

| | | | 6 months to 30 Jun 2021 截至2021年 6月30日 止6個月 AU\$'000 千澳元 (Unaudited) (未經審核) | 6 months to 30 Jun 2020 截至2020年 6月30日 止6個月 AU\$'000 千澳元 (Unaudited) (未經審核) |
|--|---------------------------------------|------|---|--|
| Revenue from customers | 客戶收益 | | 25,590 | 35,921 |
| Cost of sales | 銷售成本 | 2(a) | (22,715) | (26,739) |
| Gross profit | 毛利 | | 2,875 | 9,182 |
| Other revenue | 其他收益 | 2(b) | 1 | 6 |
| Other income | 其他收入 | 2(c) | 500 | 192 |
| Exploration expenditure | 勘探支出 | | (327) | (42) |
| Management and administration expenses | 管理及行政開支 | 2(d) | (1,954) | (1,867) |
| Evaluation costs written off | 撇銷評估資產 | 2(d) | (7) | (871) |
| Operating expenses | 營運開支 | 2(d) | (112) | (73) |
| Finance costs | 財務成本 | 2(e) | (18) | (63) |
| Foreign exchange loss | 外匯虧損 | | (261) | (206) |
| Profit before tax | 除稅前溢利 | | 697 | 6,258 |
| Income tax expense | 所得稅開支 | 3 | (963) | - |
| (Loss)/profit after income tax | 除所得稅後(虧損)/溢利 | | (266) | 6,258 |
| Basic and diluted (loss)/earnings per share attributable to ordinary equity holders of the parent (cents per share) | 母公司普通股持有人應佔每股基本及攤薄(虧損)/溢利(仙/股) | | | |
| Basic and diluted (loss)/earnings per share | 每股基本及攤薄(虧損)/溢利 | 12 | (0.17) | 4.51 |

For the 6 months ended 30 June 2021

截至2021年6月30日止6個月

| | | 6 months to 30 Jun 2021 截至2021年 6月30日 止6個月 AU\$'000 千澳元 (Unaudited) (未經審核) | 6 months to 30 Jun 2020 截至2020年 6月30日 止6個月 AU\$'000 千澳元 (Unaudited) (未經審核) |
|--|---|---|--|
| (Loss)/profit after income tax (brought forward) | 除所得稅後(虧損)/溢利 (承前) | (266) | 6,258 |
| Other comprehensive (loss)/income <i>Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods:</i> | 其他全面(虧損)/收益 將於其後期間重新分類至損益 的其他全面(虧損)/收益： | | |
| (Loss)/gain on foreign currency translation | 外幣匯兌(虧損)/收益 | (20) | 501 |
| Net other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods | 將於其後期間重新分類至損益 的其他全面(虧損)/收益 淨額 | (20) | 501 |
| Total comprehensive (loss)/income for the period | 期內全面(虧損)/ 收益總額 | (286) | 6,759 |
| (Loss)/profit attributable to: Members of Dragon Mining Limited | 以下人士應佔(虧損)/溢利： 龍資源有限公司股東 | (266) | 6,258 |
| | | (266) | 6,258 |
| Total comprehensive (loss)/income attributable to: Members of Dragon Mining Limited | 以下人士應佔全面(虧損)/ 收益總額： 龍資源有限公司股東 | (286) | 6,759 |
| | | (286) | 6,759 |

At 30 June 2021

於2021年6月30日

| | | | At 30 Jun 2021 於2021年 6月30日 AU\$'000 千澳元 (Unaudited) (未經審核) | At 31 Dec 2020 於2020年 12月31日 AU\$'000 千澳元 (Audited) (經審核) |
|--|----------------|----|--|--|
| CURRENT ASSETS | 流動資產 | | | |
| Cash and cash equivalents | 現金及現金等價物 | | 17,556 | 14,352 |
| Trade and other receivables | 貿易及其他應收款項 | 4 | 3,612 | 6,278 |
| Inventories | 存貨 | 5 | 16,137 | 16,114 |
| Other assets | 其他資產 | | 470 | 209 |
| Tax receivables | 應收稅項 | 3 | 410 | - |
| TOTAL CURRENT ASSETS | 流動資產總值 | | 38,185 | 36,953 |
| NON-CURRENT ASSETS | 非流動資產 | | | |
| Property, plant, and equipment | 物業、廠房及設備 | 6 | 42,185 | 38,534 |
| Mineral exploration and evaluation costs | 礦產勘探及評估成本 | 7 | 4,541 | 3,989 |
| Right-of-use assets | 使用權資產 | | 327 | 377 |
| Other assets | 其他資產 | | 5,423 | 5,544 |
| TOTAL NON-CURRENT ASSETS | 非流動資產總值 | | 52,476 | 48,444 |
| TOTAL ASSETS | 資產總值 | | 90,661 | 85,397 |
| CURRENT LIABILITIES | 流動負債 | | | |
| Trade and other payables | 貿易及其他應付款項 | 8 | 4,368 | 6,548 |
| Provisions | 撥備 | 9 | 2,598 | 2,351 |
| Interest bearing liabilities | 計息負債 | 10 | 183 | 147 |
| Other liabilities | 其他負債 | | 296 | 321 |
| Current tax liability | 即期稅項負債 | 3 | - | 303 |
| TOTAL CURRENT LIABILITIES | 流動負債總額 | | 7,445 | 9,670 |
| NON-CURRENT LIABILITIES | 非流動負債 | | | |
| Provisions | 撥備 | 9 | 23,252 | 19,025 |
| Interest bearing liabilities | 計息負債 | 10 | 136 | 3,217 |
| Other liabilities | 其他負債 | | 8 | 7 |
| TOTAL NON-CURRENT LIABILITIES | 非流動負債總額 | | 23,396 | 22,249 |
| TOTAL LIABILITIES | 負債總額 | | 30,841 | 31,919 |
| NET ASSETS | 資產淨值 | | 59,820 | 53,478 |
| EQUITY | 權益 | | | |
| Contributed equity | 實繳股本 | 11 | 140,619 | 133,991 |
| Reserves | 儲備 | | (516) | (496) |
| Accumulated losses | 累計虧損 | | (80,283) | (80,017) |
| TOTAL EQUITY | 權益總額 | | 59,820 | 53,478 |

Consolidated Interim Statement of Changes in Equity

綜合中期權益變動表

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For the 6 months ended 30 June 2021

截至2021年6月30日止6個月

| | | Contributed Equity | Accumulated Losses | Foreign Currency Reserve | Convertible Note Premium Reserve | Equity Reserve Purchase of Non- controlling Interest | Total Equity |
|--|--------------------|-------------------------|-------------------------|--------------------------------|---|---|-------------------------|
| | | 實繳股本 AU\$'000 千澳元 | 累計虧損 AU\$'000 千澳元 | 外匯儲備 AU\$'000 千澳元 | 可轉換票據 溢價儲備 AU\$'000 千澳元 | 非控股權益 的權益 儲備購買 AU\$'000 千澳元 | 權益總額 AU\$'000 千澳元 |
| At 31 December 2019 (audited) | 於2019年12月31日(經審核) | 133,991 | (90,210) | (3,554) | 2,068 | 1,069 | 43,364 |
| Profit for the period | 期內溢利 | - | 6,258 | - | - | - | 6,258 |
| Other comprehensive income | 其他全面收益 | - | - | 501 | - | - | 501 |
| Total comprehensive profit for the period | 期內全面溢利總額 | - | 6,258 | 501 | - | - | 6,759 |
| At 30 June 2020 (unaudited) | 於2020年6月30日(未經審核) | 133,991 | (83,952) | (3,053) | 2,068 | 1,069 | 50,123 |
| At 31 December 2020 (audited) | 於2020年12月31日(經審核) | 133,991 | (80,017) | (3,633) | 2,068 | 1,069 | 53,478 |
| Loss for the period | 期內虧損 | - | (266) | - | - | - | (266) |
| Other comprehensive loss | 其他全面虧損 | - | - | (20) | - | - | (20) |
| Total comprehensive loss for the period | 期內全面虧損總額 | - | (266) | (20) | - | - | (286) |
| Transactions with owners, recorded direct to equity | 與擁有人的交易， 直接計入權益 | | | | | | |
| Shares issued | 已發行股份 | 6,862 | - | - | - | - | 6,862 |
| Share issue transaction costs | 股份發行交易成本 | (234) | - | - | - | - | (234) |
| Total transactions with owners | 與擁有人的交易總額 | 6,628 | - | - | - | - | 6,628 |
| At 30 June 2021 (unaudited) | 於2021年6月30日(未經審核) | 140,619 | (80,283) | (3,653) | 2,068 | 1,069 | 59,820 |

For the 6 months ended 30 June 2021

截至2021年6月30日止6個月

| | | 6 months to 30 Jun 2021 截至2021年 6月30日 止6個月 AU\$'000 千澳元 (Unaudited) (未經審核) | 6 months to 30 Jun 2020 截至2020年 6月30日 止6個月 AU\$'000 千澳元 (Unaudited) (未經審核) |
|---|--|---|--|
| Cash flows from operating activities | 經營活動現金流量 | | |
| Receipts from customers | 收到客戶款項 | 29,116 | 37,471 |
| Payments to suppliers and employees | 向供應商及僱員付款 | (25,275) | (25,448) |
| Payments for mineral exploration | 就礦產勘探付款 | (1,564) | (36) |
| Interest received | 已收利息 | 1 | 6 |
| Interest expense | 利息開支 | (11) | (78) |
| Income tax paid | 已付所得稅 | (1,817) | - |
| Net cash from operating activities | 經營活動所得現金淨額 | 450 | 11,915 |
| Cash flows from investing activities | 投資活動現金流量 | | |
| Payments for property, plant, and equipment (Disposal)/proceeds from sale of property, plant, and equipment | 就物業、廠房及設備付款 (出售)/銷售物業、廠房及 設備所得款項 | (676) | (1,731) |
| Payments for development activities | 就開發活動付款 | 360 | 3 |
| Payments for bond held on deposit | 寄存債券付款 | (565) | (3,762) |
| Return/(payment) of environmental bonds | 環保債券退款/(付款) | - | (27) |
| | | 7 | (31) |
| Net cash used in investing activities | 投資活動所用現金淨額 | (874) | (5,548) |
| Cash flows from financing activities | 融資活動現金流量 | | |
| Lease liability payments | 租賃負債付款 | (45) | (50) |
| Repayment of loan | 償還貸款 | (3,000) | (3,000) |
| Restricted use proceeds from issue of shares | 發行股份限制性所得款項 | 6,862 | - |
| Share issue costs | 股份發行成本 | (234) | - |
| Net cash from/(used in) financing activities | 融資活動所得/(所用) 現金淨額 | 3,583 | (3,050) |
| Net increase in cash and cash equivalents | 現金及現金等價物增加淨額 | 3,159 | 3,317 |
| Cash and cash equivalents at the beginning of the period | 期初現金及現金等價物 | 14,352 | 8,182 |
| Effects of exchange rate changes on cash and cash equivalents | 匯率變動對現金及現金等價物 的影響 | 45 | 246 |
| Cash and cash equivalents at the end of the period | 期末現金及現金等價物 | 17,556 | 11,745 |

1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Reporting entity

Dragon Mining Limited (the “Company” or the “Parent Entity”) was incorporated as an Australian Public Company, limited by shares on 23 April 1990, and is subject to the requirements of the Australian Corporations Act 2001 as governed by the Australian Securities and Investments Commission. The Company is domiciled in Australia and its registered office is located at Unit 202, Level 2, 39 Mends Street, South Perth, Western Australia 6151, Australia.

The Interim Report comprising the Consolidated Interim Financial Statements (“Interim Financial Statements”) as at and for the period ended 30 June 2021 was authorised for issue in accordance with a resolution of the Directors on 15 September 2021.

The Interim Financial Statements comprises the Company and its subsidiaries (together the “Consolidated Entity” or the “Group”). The Company is a for profit entity, primarily involved in gold mining operations and gold mineral exploration. The Company has direct and indirect interests in its subsidiaries, all of which have substantially similar characteristics to a private company incorporated in Hong Kong, the particulars of which are set out below:

| Name 名稱 | Place and date of incorporation/registration and place of operations 註冊成立/註冊地點及日期以及營運地點 | Nominal value of issued ordinary share capital 已發行普通股的面值 | Percentage of equity attributable to the Company 本公司應佔股本百分比 | Principal activities 主要業務 |
|---|--|---|--|------------------------------|
| Dragon Mining Investments Pty Ltd | Australia 18 December 2008 澳洲 2008年12月18日 | – | 100% | Dormant 暫無業務 |
| Dragon Mining (Sweden) AB | Sweden 27 April 1993 瑞典 1993年4月27日 | SEK 100,000 100,000瑞典克朗 | 100% | Gold Production 黃金生產 |
| Viking Gold & Prospecting AB | Sweden 3 April 1996 瑞典 1996年4月3日 | SEK 100,000 100,000瑞典克朗 | 100% | Dormant 暫無業務 |
| Dragon Mining Oy | Finland 24 March 1993 芬蘭 1993年3月24日 | EUR 100,000 100,000歐元 | 100% | Gold Production 黃金生產 |
| 龍資源有限公司 (Dragon Mining Limited ¹⁾) | Hong Kong 17 May 2017 香港 2017年5月17日 | HK\$1.00 1.00港元 | 100% | Dormant 暫無業務 |

1 For translation purposes

1. 公司資料及主要會計政策概要

a) 報告實體

龍資源有限公司(「本公司」或「母公司」)於1990年4月23日註冊成立為一間澳洲公眾公司，為股份有限公司，並須遵守澳洲2001年公司法的規定，由澳洲證券及投資監察委員會監管。本公司於澳洲註冊成立，其註冊辦事處位於Unit 202, Level 2, 39 Mends Street, South Perth, Western Australia 6151, Australia。

包括於2021年6月30日及截至該日止期間的綜合中期財務報表(「中期財務報表」)在內的中期報告已根據董事日期為2021年9月15日的決議案獲准刊發。

中期財務報表涵蓋本公司及其附屬公司(統稱為「綜合實體」或「本集團」)。本公司為營利性實體，主要從事黃金開採業務及金礦勘探。本公司於其附屬公司擁有直接及間接權益，全部均具備與香港註冊成立的私人公司大致相同的特點，詳情載列如下：

1 僅供翻譯用途

1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

b) Basis of preparation

Statement of compliance

The Interim Financial Statements are condensed general purpose financial statements prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with International Accounting Standard (“IAS”) 34 Interim Financial Reporting.

The Interim Financial Statements do not include all notes of the type normally included within the Annual Financial Report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Consolidated Entity as the Annual Financial Report.

The Interim Financial Statements should be read in conjunction with the Annual Financial Report for the year ended 31 December 2020 and considered together with any public announcements made by the Company during the period ended 30 June 2021.

The Interim Financial Statements have been prepared under the historical cost convention, except for certain financial instruments which are measured at fair value. These Interim Financial Statements are presented in Australian dollars (“AUD”) and all values are rounded to the nearest thousand except when otherwise specified.

c) Going concern basis of preparation

The Group has adopted the going concern basis of preparation.

The Group achieved a profit before tax of AU\$0.7 million and a net loss after income tax of AU\$0.3 million for the period ended 30 June 2021 (30 June 2020: net profit AU\$6.3 million).

At 30 June 2021, the Group has cash and equivalents of AU\$17.6 million (31 Dec 2020: AU\$14.4 million), including the restricted use net proceeds from the placement of AU\$6.6 million (“Net Proceeds”). In addition, the Company has an unsecured AU\$12.0 million Loan Facility with AP Finance Limited (together the “Available Funds”). On 30 July 2021, the Company extended the Loan Facility repayment date from 30 June 2022 to 31 December 2022. The Group has a working capital surplus of AU\$30.3 million (31 Dec 2020: AU\$27.6 million) and is debt free at the date of this Interim Report.

1. 公司資料及主要會計政策概要(續)

b) 編製基準

合規聲明

中期財務報表乃根據香港聯合交易所有限公司證券上市規則附錄16的適用披露規定及國際會計準則(「國際會計準則」)第34號中期財務報告編製的簡明一般目的財務報表。

中期財務報表並不包括年度財務報告一般包括的所有附註類型，因而不能預期提供如年度財務報告全面理解綜合實體的財務表現、財務狀況以及融資及投資活動。

中期財務報表應與截至2020年12月31日止年度的年度財務報告一併閱覽，並連同本公司於截至2021年6月30日止期間作出的任何公開公告一併考慮。

中期財務報表乃使用歷史成本法編製，惟若干金融工具按公平值計量。該等中期財務報表以澳元(「澳元」)呈列，且除非另有說明，否則所有數值均已約整至最接近的千位。

c) 持續經營編製基準

本集團已採用持續經營編製基準。

截至2021年6月30日止期間，本集團錄得除稅前溢利0.7百萬澳元及除所得稅後淨虧損0.3百萬澳元(2020年6月30日：淨溢利6.3百萬澳元)。

於2021年6月30日，本集團的現金及現金等價物為17.6百萬澳元(2020年12月31日：14.4百萬澳元)，包括受限制用途的配售所得款項淨額6.6百萬澳元(「所得款項淨額」)。此外，本公司有來自AP Finance Limited的12.0百萬澳元無抵押貸款融資(統稱「可動用資金」)。於2021年7月30日，本公司將貸款融資的還款日期由2022年6月30日延長至2022年12月31日。本集團的營運資金盈餘為30.3百萬澳元(2020年12月31日：27.6百萬澳元)，於本中期報告日期並無負債。

1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

c) Going concern basis of preparation (Cont'd)

Despite throughput and crushing constraints impacting concentrate production at the Vammala Plant and operating the Svartliden Plant at below break-even, the Group achieved net operating cash flows of AU\$0.5 million (30 June 2020: AU\$11.9 million). The Group expects to resolve the production issues at the Vammala Plant with the installation of a new replacement Crusher planned for the September 2021 maintenance shutdown.

The Company has prepared a cash flow forecast ("Forecast") extending for at least 12-months from the date of signing the financial report ("Forecast Period"). The Forecast includes the following significant assumptions:

- based on production forecasts, the Group's activities are expected to generate positive operating cash flows.
- the Company will continue to support the Swedish operations at below break-even to maintain operational readiness pending approval of the Company's Environmental Permit ("Permit") application for Fäboliden.
- the timing of additional environmental bond payments ("Bond Payments") is ultimately determined by the relevant authority. The Forecast includes approximately AU\$11.4 million of Bond Payments which include:
 - o Svartliden – 37.7 million SEK (approximately AU\$5.9 million) being the additional collateral security requested by the Environmental Court which was appealed by the Company in 2019. The Main Hearing in the Environmental Court of Appeal will be held on 21 and 22 September 2021; and
 - o Jokisivu – 3.4 million EUR (approximately AU\$5.5 million) contained in permit order 16. On 26 March 2021, the Company submitted an appeal of permit order 16 to the Administrative Court. The forecast assumes a hearing date will be set within the Forecast Period.
- the Forecast includes a drawdown of AU\$4.8 million to cover the short fall between the Bond Payments and Net Proceeds.
- the Forecast excludes cash flows associated with commencing full-scale mining activities at Fäboliden including any Bond Payments.

1. 公司資料及主要會計政策概要(續)

c) 持續經營編製基準(續)

儘管吞吐量和碾碎限制影響Vammala工廠的精礦生產，而且Svartliden工廠在盈虧平衡點以下水平運營，但本集團錄得經營現金流量淨額0.5百萬澳元(2020年6月30日：11.9百萬澳元)。本集團預計Vammala工廠的生產問題將隨著2021年9月停產檢修時安裝一台新的替代碾碎機而獲得解決。

本公司已編製一份涵蓋財務報告簽署日期起至少12個月(「預測期間」)的現金流量預測(「預測」)。預測包括以下重要假設：

- 根據生產預測，預期本集團的活動將產生正面經營現金流量。
- 在本公司對Fäboliden的環境許可證(「許可證」)申請獲批之前，本公司將繼續在盈虧平衡點以下水平支持瑞典業務，以保持運營準備狀態。
- 額外環保債券付款(「債券付款」)的時間由有關當局最終決定。預測包括約11.4百萬澳元的債券付款，其中包括：
 - o Svartliden—37.7百萬瑞典克朗(約5.9百萬澳元)，即環境法院要求的額外附屬抵押，本公司於2019年就此提出上訴；環境上訴法院主要聆訊將於2021年9月21日及22日舉行；及
 - o Jokisivu—3.4百萬歐元(約5.5百萬澳元)，於第16號許可令載明。於2021年3月26日，本公司向行政法院提交對第16號許可令的上訴。預測假設聆訊日期將定於預測期間內。
- 預測包括提取4.8百萬澳元以補足債券付款與所得款項淨額之間的短欠金額。
- 預測不包括在Fäboliden展開全面採礦活動的相關現金流量(包括任何債券付款)。

1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

c) Going concern basis of preparation (Cont'd)

Based on the Forecast, the expected positive cash margins generated from Finnish operations and Available Funds, the Directors consider these are reasonable grounds to believe the Company will be able to pay its debts as and when they fall due. Accordingly, the Directors are satisfied that at the date of signing of the financial report, it is appropriate for the Interim Financial Statements to be prepared on a going concern basis.

If the Group's Finnish operations fail to achieve the anticipated production and cash flow outcomes, the Company may be required to make drawdowns from its Loan Facility or source additional cash from equity markets.

The Company anticipates its application for a Permit will be granted following the Main Court Hearing in early 2022. During the period, The County Administration Board ("CAB") also submitted a statement verifying that they deemed the Permit permissible provided certain conditions were met.

The Company has submitted documents to the Swedish Land and Environmental Court ("Environmental Court") proposing an environmental bond of 64.0 million SEK (approximately AU\$10.1 million), consisting of an upfront payment of 7.0 million SEK (approximately AU\$1.1 million) plus a variable cost of 2.6 SEK (approximately AU\$0.4) per tonne of waste rock mined. This results in linear down payments up to 55.0 million SEK (approximately AU\$8.6 million) over the first 5–7 years of operation. While a Bond Payment will be required, the final magnitude is uncertain. In any event, it is likely the Company will be required to source additional funding through either debt, equity, or a combination of both, before mining activities at Fäboliden could progress.

If the Permit application is further delayed, not granted or the Company is unable to source additional funding, as a contingency, the Company can choose to put the Svartliden operations on care and maintenance. The financial statements do not include any adjustment relating to the recoverability or classification of recorded asset amounts or to the amounts or classification of liabilities that may be necessary should these events transpire.

1. 公司資料及主要會計政策概要(續)

c) 持續經營編製基準(續)

根據預測、芬蘭業務產生的預期正面現金利潤和可用資金，董事認為有合理理由相信本公司將能夠支付其到期的債務。因此，董事信納，在財務報告簽署日期，以持續經營基準編製中期財務報表合適。

如本集團芬蘭業務未能實現預期的生產和現金流量結果，本公司可能需要提取貸款融資，或從股票市場尋求更多現金。

本公司預計，其申請的許可證將於2022年初在主法院聆訊後批出。期內，縣行政局(「縣行政局」)亦提交一份聲明，確認彼等認為由於符合若干條件，彼等批准發出許可證。

本公司已向瑞典土地與環境法院(「環境法院」)提交文件，提議將環保債券定為64.0百萬瑞典克朗(約10.1百萬澳元)，包括前期付款7.0百萬瑞典克朗(約1.1百萬澳元)和每噸廢石開採的可變成本2.6瑞典克朗(約0.4澳元)。導致在首5至7年運營中，線性首付高達55.0百萬瑞典克朗(約8.6百萬澳元)。雖然需要債券付款，但最終數額仍不確定。無論如何，本公司都可能需要通過債務、股權或兩者結合來獲得額外資金，然後才能在Fäboliden進行開採活動。

如許可證申請進一步推遲、不獲批准或本公司無法獲得額外資金，作為應急措施，本公司可選擇將Svartliden業務進行保養及維護。財務報表不包括任何與已記錄資產金額的可回收性或分類有關的調整，或與此等事件發生時可能需要的負債金額或分類有關的調整。

1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

d) Changes in accounting policies and disclosures

Except as disclosed below, the accounting policies adopted in the preparation of the Interim Financial Statements are consistent with those followed in the preparation of the Group's Consolidated Financial Statements for the year ended 31 December 2020. All relevant new and amended Accounting Standards and Interpretations, which became applicable on 1 January 2021 have been adopted by the Group.

As a result of this review, the Directors have determined that there is no material impact of the new and revised accounting standards and interpretations on the Group's financial position or performance.

e) New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the Interim Financial Statements are consistent with those followed in the preparation of the Group's Annual Consolidated Financial Statements for the year ended 31 December 2020, except for the adoption of new standards effective as of 1 January 2021 as follows:

Reference to the Conceptual Framework – Amendments to IFRS 3 – Business Combinations

The amendments add an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* or IFRIC 21 *Levies*, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

At the same time, the amendments add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

The amendments are intended to update a reference to the Conceptual Framework without significantly changing requirements of IFRS 3. The amendments will promote consistency in financial reporting and avoid potential confusion from having more than one version of the Conceptual Framework in use.

1. 公司資料及主要會計政策概要(續)

d) 會計政策及披露之變動

除上文所披露者外，編製中期財務報表所採納之會計政策與編製本集團截至2020年12月31日止年度的綜合財務報表所遵循者一致。本集團已採納於2021年1月1日適用的所有相關新訂及經修訂會計準則及詮釋。

基於是次審核，董事已確定新訂及經修訂會計準則及詮釋概無對本集團的財務狀況或表現造成重大影響。

e) 本集團採納的新訂準則、詮釋及修訂

編製中期財務報表採納的會計政策與編製本集團截至2020年12月31日止年度的年度綜合財務報表者一致，惟採納下列截至2021年1月1日生效的新訂準則除外：

提述概念框架－國際財務報告準則第3號(修訂本)－業務合併

該等修訂對國際財務報告準則第3號的確認原則增加一個例外情況，以避免出現因負債及或然負債而產生的潛在「第2日」收益或虧損，而該等負債及或然負債將屬於國際會計準則第37號撥備、或然負債及或然資產或國際財務報告詮釋委員會第21號徵費(倘單獨產生)的範圍內。該例外情況要求實體分別應用國際會計準則第37號或國際財務報告詮釋委員會第21號的標準，而非概念框架，以釐定於收購日期是否存在現有責任。

與此同時，該修訂在國際財務報告準則第3號加入新段落以釐清或然資產不符合於收購日期確認的資格。

該修訂旨在更新概念框架的提述，而不對國際財務報告準則第3號作出重大改變。該修訂將提高財務報告的一致性，及避免使用超過一個版本的概念框架導致混淆。

1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

e) New standards, interpretations and amendments adopted by the Group (Cont'd)

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16

The amendment prohibits entities from deducting from the cost of an item of property, plant, and equipment (PP&E), any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

Amendments to IAS 37 – Onerous Contracts – Costs of Fulfilling a Contract

The amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a 'directly related cost approach'. The costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are intended to provide clarity and help ensure consistent application of the standard. Entities that previously applied the incremental cost approach will see provisions increase to reflect the inclusion of costs related directly to contract activities, whilst entities that previously recognised contract loss provisions using the guidance from the former standard, IAS 11 Construction Contracts, will be required to exclude the allocation of indirect overheads from their provisions.

1. 公司資料及主要會計政策概要(續)

e) 本集團採納的新訂準則、詮釋及修訂(續)

物業、廠房及設備：擬定用途前的所得款項－國際會計準則第16號(修訂本)

該修訂禁止實體從物業、廠房及設備(物業、廠房及設備)項目的成本中扣除於該資產達致其能夠以管理層擬定的方式營運所需的位置及條件的期間出售所生產項目的任何所得款項。相反，實體於損益確認出售該等項目的所得款項及生產該等項目的成本。

國際會計準則第37號(修訂本)－虧損性合約－履行合約的成本

國際會計準則第37號(修訂本)撥備、或然負債及或然資產訂明實體於評估合約是否繁重或錄得虧損時需要計入的成本。該等修訂應用「直接相關成本法」。與提供貨品或服務的合約直接相關的成本包括增量成本(如直接勞工及材料成本)及與合約活動直接相關的成本(如用於履行合約的設備折舊以及合約管理及監督成本)分配。本集團已考慮對其綜合財務報表的影響，並評定新準則的影響微乎其微。一般及行政成本與合約無直接關係及予以剔除，除非合約明確規定向對手方收取有關成本。

該修訂旨在提供解釋及幫助確保準則應用的一致性。先前使用遞增成本法的實體將增加撥備，以反映直接與合約活動相關成本的加入，而先前使用原準則(國際會計準則第11號建築合約)的指引確認合約虧損撥備的實體須將間接經營成本分配部分從撥備中剔除。

1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

e) New standards, interpretations and amendments adopted by the Group (Cont'd)

AIP IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter

The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported in the parent's consolidated financial statements, based on the parent's date of transition to IFRS if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

AIP IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for IAS 39.

An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

Classification of Liabilities as Current or Non-current – Amendments to IAS 1

The amendments clarify that if an entity's right to defer settlement of a liability is subject to the entity complying with specified conditions, the entity has a right to defer settlement of the liability at the end of the reporting period if it complies with those conditions at that date.

The amendments also clarify that the requirement for the right to exist at the end of the reporting period applies regardless of whether the lender tests for compliance at that date or later.

1. 公司資料及主要會計政策概要(續)

e) 本集團採納的新訂準則、詮釋及修訂(續)

AIP國際財務報告準則第1號首次採納國際財務報告準則—附屬公司作為首次採納者

該修訂允許選擇應用國際財務報告準則第1號第D16(a)段的附屬公司使用母公司綜合財務報表內的金額(基於母公司過渡至國際財務報告準則的日期)計量累計換算差額(倘並無對綜合入賬程序及母公司收購附屬公司的業務合併的影響作出調整)。此修訂亦適用於選擇應用國際財務報告準則第1號第D16(a)段的聯營公司或合營企業。

AIP國際財務報告準則第9號金融工具—終止確認金融負債的「10%」測試中的費用

該修訂釐清實體於評估一項新訂或經修訂金融負債的條款是否與原有金融負債的條款存在重大差異時包括的費用。該等費用僅包括借款人與貸款人之間支付或收取的費用,包括借款人或貸款人代表另一方支付或收取的費用。國際會計準則第39號並無建議類似修訂。

實體將修訂應用於在實體首次應用修訂的年度報告期初或之後修訂或交換的金融負債。

負債分類為流動或非流動—國際會計準則第1號(修訂本)

該等修訂闡明,倘實體延遲償還負債之權利受限於該實體須符合特定條件,則倘該實體符合當日之有關條件,其有權於報告期間結算日延遲償還負債。

該修訂亦釐清,無論貸款人於該日起或其後是否符合合規測試,於報告期末撤出的權利的規定均適用。

1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

e) New standards, interpretations and amendments adopted by the Group (Cont'd)

Amendments to IFRS 4, IFRS 16, IFRS 7, IFRS 9 and IAS 39 – Interest Rate Benchmark Reform – Phase 2

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate is replaced with an alternative nearly risk-free interest rate.

Definition of Accounting Estimates – Amendments to IAS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

1. 公司資料及主要會計政策概要(續)

e) 本集團採納的新訂準則、詮釋及修訂(續)

國際財務報告準則第4號、國際財務報告準則第16號、國際財務報告準則第7號、國際財務報告準則第9號及國際會計準則第39號(修訂本) – 利率基準改革 – 第二階段

該修訂就銀行同業拆息替換為其他接近無風險利率時造成的財務報告影響提供暫時性補救方式。

會計估計定義 – 國際會計準則第8號(修訂本)

該修訂釐清會計估計變動及會計政策變動之間的區別以及錯誤糾正。此外，其亦釐清實體使用計量技巧及輸入數據以計算會計估計的方式。

披露會計政策 – 國際會計準則第1號(修訂本)及國際財務報告準則常規說明第2號

該修訂旨在幫助實體提供更實用的會計政策披露，將實體披露其「主要」會計政策的規定替換為披露其「重大」會計政策的規定，並加入有關實體如何使用重大性概念進行會計政策披露決策的指引。

2. OTHER REVENUE, INCOME AND EXPENSES

2. 其他收益、收入及開支

| | | 6 months to 30 June | |
|---|---------------------|----------------------------|-------------|
| | | 截至6月30日止6個月 | |
| | | 2021 | 2020 |
| | | 2021年 | 2020年 |
| | | AU\$'000 | AU\$'000 |
| | | 千澳元 | 千澳元 |
| | | (Unaudited) | (Unaudited) |
| | | (未經審核) | (未經審核) |
| (a) Cost of sales | (a) 銷售成本 | | |
| Cost of production net of inventory movements | 生產成本(扣除存貨變動) | 20,145 | 23,258 |
| Depreciation of mine properties, plant, and equipment | 礦場物業、廠房及設備折舊 | 2,570 | 3,481 |
| | | 22,715 | 26,739 |
| <i>Cost of production net of inventory movements</i> | <i>生產成本(扣除存貨變動)</i> | | |
| Mining | 採礦 | 13,063 | 14,346 |
| Processing | 選礦 | 6,639 | 6,318 |
| Other production activities | 其他生產活動 | 699 | 625 |
| Gold inventory movements | 黃金存貨變動 | (256) | 1,969 |
| | | 20,145 | 23,258 |
| (b) Other revenue | (b) 其他收益 | | |
| Finance revenue and interest | 融資收益及利息 | 1 | - |
| Rent and sundry revenue | 租金及雜項收益 | - | 6 |
| | | 1 | 6 |
| (c) Other income | (c) 其他收入 | | |
| Sale of property, plant, and equipment | 銷售物業、廠房及設備 | 361 | 2 |
| Other | 其他 | 139 | 190 |
| | | 500 | 192 |

2. OTHER REVENUE, INCOME AND EXPENSES (CONT'D) **2. 其他收益、收入及開支(續)**

| | | 6 months to 30 June | |
|--|----------------------------|----------------------------|--------------------|
| | | 截至6月30日止6個月 | |
| | | 2021 | 2020 |
| | | 2021年 | 2020年 |
| | | AU\$'000 | AU\$'000 |
| | | 千澳元 | 千澳元 |
| | | (Unaudited) | (Unaudited) |
| | | (未經審核) | (未經審核) |
| (d) Operating expenses | (d) 營運開支 | | |
| Management and administration expenses | 管理及行政開支 | 1,954 | 1,867 |
| Evaluation assets written off | 撤銷評估資產 | 7 | 871 |
| Depreciation of non-mine site assets | 非礦山場地資產折舊 | 112 | 73 |
| | | 2,073 | 2,811 |
| (e) Finance costs | (e) 財務成本 | | |
| Interest | 利息 | 11 | 54 |
| Other | 其他 | 7 | 9 |
| | | 18 | 63 |
| (f) Total employee benefits including Directors' remuneration | (f) 僱員福利總額 (包括董事薪酬) | | |
| Wages and salaries | 工資及薪金 | 3,286 | 3,723 |
| Defined contribution superannuation expense | 界定供款退休金開支 | 683 | 501 |
| | | 3,969 | 4,224 |

3. INCOME TAX

The Company is subject to income tax on profits arising in or derived from the jurisdiction in which the Company is domiciled and operates. Income tax expense is recognised based on management's estimate of the weighted average income tax rate expected for the full financial year.

No provision for Hong Kong profits tax has been made, as the Company had no assessable profits derived from or earned in Hong Kong during the period ended 30 June 2021 (30 June 2020: Nil).

The Company has recognised an income tax expense of AU\$963,000 and tax receivable asset of AU\$410,000 for the period ended 30 June 2021 (30 June 2020: Nil).

3. 所得稅

本公司須就註冊及營運所在的司法權區產生或獲得的溢利繳納所得稅。所得稅開支乃根據管理層對整個財政年度預期加權平均所得稅率的估計而確認。

概無就香港利得稅作出撥備，因為本公司於截至2021年6月30日止期間概無於香港獲得或賺取應課稅溢利(2020年6月30日：無)。

本公司於截至2021年6月30日止期間確認所得稅開支963,000澳元及應收稅項資產410,000澳元(2020年6月30日：無)。

| | | 6 months to 30 June | |
|--|--------------------|----------------------------|--------------------|
| | | 截至6月30日止6個月 | |
| | | 2021 | 2020 |
| | | 2021年 | 2020年 |
| | | AU\$'000 | AU\$'000 |
| | | 千澳元 | 千澳元 |
| | | (Unaudited) | (Unaudited) |
| | | (未經審核) | (未經審核) |
| <i>Income Tax Expense</i> | <i>所得稅開支</i> | | |
| The major components of income tax expense are: | 所得稅開支的主要部份為： | | |
| <i>Current income tax</i> | <i>即期所得稅</i> | | |
| Current income tax expense | 即期所得稅開支 | 963 | - |
| Adjustments in respect of current income tax of previous year | 就過往年度即期所得稅作出調整 | (410) | (303) |
| Income tax receivable | 應收所得稅 | 410 | - |
| <i>Deferred income tax</i> | <i>遞延所得稅</i> | | |
| Income tax benefit arising from previously unrecognised tax loss | 因過往未確認稅項虧損產生的所得稅利益 | - | 303 |
| Income tax expense reported in the statement of comprehensive income | 於全面收益表呈報的所得稅開支 | 963 | - |

4. TRADE AND OTHER RECEIVABLES

4. 貿易及其他應收款項

| | | At 30 Jun 2021 於2021年 6月30日 AU\$'000 千澳元 | At 31 Dec 2020 於2020年 12月31日 AU\$'000 千澳元 |
|--|-----------------------------------|---|--|
| Trade receivables – fair value through profit or loss ⁽ⁱ⁾ | 貿易應收款項 – 於損益按公平值計值 ⁽ⁱ⁾ | – | 4,153 |
| Trade receivables – amortised cost ⁽ⁱⁱ⁾ | 貿易應收款項 – 攤銷成本 ⁽ⁱⁱ⁾ | 1,924 | 866 |
| Other receivables ⁽ⁱⁱⁱ⁾ | 其他應收款項 ⁽ⁱⁱⁱ⁾ | 1,688 | 1,259 |
| | | 3,612 | 6,278 |

- (i) Trade receivables that relate to concentrate sales that are subject to quotation period pricing are recognised at fair value through profit or loss. Concentrate sales are subject to the provisional pricing arrangements. The Group issues a provisional invoice at the end of the month following the month of delivery which is payable within fifteen days. A final invoice is issued by the Group within three days of receiving final assays, typically two months post-delivery, which is payable by the purchaser within five days of invoice receipt.
- (ii) Includes trade receivables for gold sold on market and settled within two days. The probability of default is considered to be insignificant. All amounts have been collected after period end.
- (iii) Other receivables include bank guarantees held on deposit with National Australia Bank for the lease of the corporate premises. These deposits are rolled over every three months in accordance with the lease terms. Due to the short-term nature and credit rating of the counterparty, the probability of default is insignificant.
- (i) 與視乎報價期定價的精礦銷售相關的貿易應收款項，按公平值於損益確認。精礦銷售須受臨時定價安排所限。本集團會於交付該月後下個月底發出臨時發票，款項應於十五日內支付。本集團於收取最終含量三日內發出最終發票，一般為交付後兩個月，買方應於收取發票後五日內付款。
- (ii) 包括就於市場出售黃金並於兩日內清償的貿易應收款項。違約可能性被視為不重大。所有款項已於期間結束後收取。
- (iii) 其他應收款項包括就出租公司物業而持有並存放於National Australia Bank的銀行擔保。該等存款根據租賃條款每三個月滾存一次。基於其短期性質及交易對手方的信貸評級，違約可能性並不重大。

4. TRADE AND OTHER RECEIVABLES (CONT'D)**Ageing Analysis**

An aged analysis of the trade debtors as at the end of the reporting period, based on invoice date, is as follows:

| | |
|--------------------------|-----------|
| Amounts not yet invoiced | 尚未開具發票的金額 |
| Within 1 month | 一個月內 |
| 1 to 2 months | 一至兩個月 |
| 2 to 3 months | 兩至三個月 |
| Over 3 months | 超過三個月 |

| | |
|-------------------|--------|
| Trade receivables | 貿易應收款項 |
|-------------------|--------|

4. 貿易及其他應收款項(續)**賬齡分析**

於報告期間末，按發票日期計算的應收貿易賬款的賬齡分析如下：

| At 30 Jun 2021 於2021年 6月30日 AU\$'000 千澳元 | At 31 Dec 2020 於2020年 12月31日 AU\$'000 千澳元 |
|---|--|
| – | 4,153 |
| 1,924 | 856 |
| – | 7 |
| – | – |
| – | 3 |
| 1,924 | 5,019 |

5. INVENTORIES

| | |
|--|-------------|
| Ore and concentrate stockpiles – at cost | 礦石及精礦庫存—按成本 |
| Gold in circuit valued – at cost | 流通中的黃金—按成本 |
| Raw materials and stores – at cost | 原材料及儲備—按成本 |

5. 存貨

| At 30 Jun 2021 於2021年 6月30日 AU\$'000 千澳元 | At 31 Dec 2020 於2020年 12月31日 AU\$'000 千澳元 |
|---|--|
| 10,228 | 7,261 |
| 5,098 | 8,003 |
| 811 | 850 |
| 16,137 | 16,114 |

6. PROPERTY, PLANT, AND EQUIPMENT

6. 物業、廠房及設備

| | | At 30 Jun 2021 於2021年 6月30日 AU\$'000 千澳元 | At 31 Dec 2020 於2020年 12月31日 AU\$'000 千澳元 |
|--|-------------------|---|--|
| Land | 土地 | | |
| Gross carrying amount – at cost | 按成本計值的賬面總值 | 1,364 | 1,377 |
| Buildings | 樓宇 | | |
| Gross carrying amount – at cost | 按成本計值的賬面總值 | 2,654 | 2,580 |
| Less accumulated depreciation and impairment | 減累計折舊及減值 | (2,220) | (2,185) |
| Net carrying amount | 賬面淨值 | 434 | 395 |
| Property, plant, and equipment | 物業、廠房及設備 | | |
| Gross carrying amount – at cost | 按成本計值的賬面總值 | 35,933 | 36,083 |
| Less accumulated depreciation and impairment | 減累計折舊及減值 | (33,461) | (33,448) |
| Net carrying amount | 賬面淨值 | 2,472 | 2,635 |
| Mine properties | 礦場物業 | | |
| Gross carrying amount – at cost | 按成本計值的賬面總值 | 141,281 | 136,247 |
| Less accumulated amortisation and impairment | 減累計攤銷及減值 | (103,366) | (102,120) |
| Net carrying amount | 賬面淨值 | 37,915 | 34,127 |
| Total property, plant, and equipment | 物業、廠房及設備總額 | | |
| Gross carrying amount – at cost | 按成本計值的賬面總值 | 181,232 | 176,287 |
| Less accumulated amortisation and impairment | 減累計折舊及減值 | (139,047) | (137,753) |
| Net carrying amount | 賬面淨值 | 42,185 | 38,534 |

Included within mine properties and property, plant, and equipment is AU\$15.2 million (31 December 2020: AU\$14.4 million) relating to Fäboliden.

At the end of each reporting period, the Group is required to review whether there is any indication that an asset may be impaired, in accordance with International Accounting Standards. If any such indication exists, the Group shall estimate each asset or cash generating unit (“CGU”) recoverable amount. The recoverable amount is determined as the higher of a CGU’s value in use (“VIU”) and its fair value less costs of disposal (“FVLCD”).

計入礦場物業及物業、廠房及設備的15.2百萬澳元(2020年12月31日：14.4百萬澳元)與Fäboliden有關。

於各報告期末，根據國際會計準則，本集團需要檢視是否有任何跡象表明資產可能出現減值。倘若存在任何此等跡象，本集團將估計各資產或現金產生單位(「現金產生單位」)的可收回金額。可收回金額乃按現金產生單位的使用價值(「使用價值」)和其公平值減出售成本(「公平值減出售成本」)兩者中的較高者確定。

6. PROPERTY, PLANT, AND EQUIPMENT (CONT'D)

In assessing the CGUs, management of the Company has determined that the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets is the Vammala CGU. As the Svartliden Plant has an interdependency on the Vammala CGU, the impairment assessment of the Vammala CGU includes the Svartliden Plant. Expenditure relating to the development of Fäboliden has been capitalised as mine development and assessed as a separate asset to the Vammala CGU. The Group has determined that there is no active market for intermediate components.

The Company has reviewed the Vammala CGU and Fäboliden for indications of impairment using both external and internal sources of information which included current performance, changes in exchange rates, gold price, market capitalisation and environmental permitting delays. The Company identified two impairment indicators being:

1. the market capitalisation of the Company at 30 June 2021 was below the book value of its equity; and
2. in response to the European Court of Justice preliminary ruling on the impact of operations on animal species as laid out in the Habitats Directive, the Main Court Hearing for the Fäboliden Environmental Permit application was expected to be early 2022, pending formal confirmation by the Court. The time extension is to allow the Company sufficient time to prepare the additional supplementary information for submission to the Swedish Land and Environmental Court prior to the holding of a Main Court Hearing.

Vammala CGU

The Vammala CGU impairment assessment utilises a life-of-mine discounted cash flow ("DCF") model. The recoverable amount has been determined using the VIU methodology.

Fäboliden Valuation

Fäboliden comprises the open cut mining operation, the underground resources, and exploration assets. The key assumptions utilised in the impairment modelling have been provided by an Independent Experts Valuation conducted in accordance with the requirements set out by the Accounting Professional and Ethical Standards Board professional standard APES225 Valuation Services.

6. 物業、廠房及設備(續)

評估現金產生單位時，本公司管理層確定，產生現金流入且基本上獨立於其他資產的現金流入的最小可識別資產群組為Vammala現金產生單位。由於Svartliden工廠與Vammala現金產生單位有著相互依賴的關係，對Vammala現金產生單位的減值評估包括Svartliden工廠。與Fäboliden開發有關的開支已資本化為礦山開發，並評估為Vammala現金產生單位的一項獨立資產。本集團確定中期產品並無活躍市場。

本公司利用內外部資料來源，包括當前的業績、匯率變化、金價、市值和環境許可證的推遲，檢視了Vammala現金產生單位和Fäboliden的減值跡象。本公司已識別兩個減值跡象，即：

1. 本公司於2021年6月30日的市值低於其股本賬面值；及
2. 就歐洲法院對《棲息地指令》所載有關作業對動物物種的影響的初步裁決，預計主法院對Fäboliden環境許可證申請的聆訊將於2022年初進行，有待法院的正式確認。延長時間是為了讓本公司有足夠的時間準備額外的補充資料，以在舉行主法院聆訊前提交予瑞典土地與環境法院。

Vammala現金及現金等價物

Vammala現金產生單位減值評估採用了礦山壽命折現現金流量(「折現現金流量」)模型。可收回金額乃採用使用價值方法釐定。

Fäboliden估值

Fäboliden包括露天採礦作業、地下資源和勘探資產。減值建模中使用的關鍵假設乃由獨立專家根據會計專業和道德標準委員會專業標準APES225評估服務所載規定進行的估值提供。

6. PROPERTY, PLANT, AND EQUIPMENT (CONT'D)**Fäboliden Valuation (Cont'd)***Fäboliden open cut mine operations*

The fair value of the open cut mining operation was determined using a DCF analysis with support from comparable transactions. The fair value measurement is categorised as Level 3 in the fair value hierarchy utilising inputs that are not based on observable market data. The DCF valuation deals with recently estimated Ore Reserves from December 2020 based on a life of mine plan, up-to-date operating and capital costs, full mine closure costs, and other technical parameters.

Fäboliden underground resources

The underground resource at Fäboliden is valued using the comparable transactions methodology using resource multiples.

Fäboliden exploration assets

The value of the exploration assets related to Fäboliden nr 11, are valued using area multiples and geoscientific approaches.

No impairment has been recognised for the period ended 30 June 2021 (30 June 2020: Nil).

7. MINERAL EXPLORATION AND EVALUATION COSTS**6. 物業、廠房及設備(續)****Fäboliden估值(續)***Fäboliden露天採礦作業*

露天採礦作業的公平值乃在可比交易的支持下使用折現現金流量分析釐定。公平值計量利用並非基於可觀察市場數據的輸入資料，歸類為公平值層級中的第三級。折現現金流量估值涉及最近基於礦山壽命計劃自2020年12月起估計的礦石儲量、最新的運營和資本成本、全部礦山關閉成本和其他技術參數。

Fäboliden地下資源

Fäboliden的地下資源利用可比交易方法使用資源量倍數估值。

Fäboliden勘探資產

有關Fäboliden nr 11的勘探資產的價值使用面積倍數和地球科學法估值。

截至2021年6月30日止期間並無確認減值(2020年6月30日：無)。

7. 礦產勘探及評估成本

| | | At 30 Jun 2021 於2021年 6月30日 AU\$'000 千澳元 | At 31 Dec 2020 於2020年 12月31日 AU\$'000 千澳元 |
|--|-------------|---|--|
| Balance at beginning of financial period | 財政期間初的結餘 | 3,989 | 8,699 |
| Additions | 添置 | 1,604 | 8,713 |
| Exploration write-off | 勘探撤銷 | (7) | (2,381) |
| Reclassification to mine properties | 重新分類至礦場物業 | (1,058) | (11,037) |
| Net foreign exchange movement | 外匯變動淨額 | 13 | (5) |
| | | <hr/> | <hr/> |
| Total mineral exploration and evaluation expenditure | 礦產勘探及評估開支總額 | 4,541 | 3,989 |

7. MINERAL EXPLORATION AND EVALUATION COSTS (CONT'D)

The recoverability of the carrying amount of exploration and evaluation is dependent on the successful development and commercial exploitation, or alternatively through the sale of the respective area of interest. Mineral exploration and evaluation costs are reclassified to mine properties when those costs relate to an area of interest in which mines are being prepared for production or the economic mining of a mineral reserve has commenced.

7. 礦產勘探及評估成本(續)

勘探及評估的賬面值能否收回取決於能否成功開發及商業開採，或另行通過出售相關擬開發之地收回。當礦產勘探及評估成本與就礦山準備生產或礦產儲備的經濟開採已開始的擬開發之地有關，該等成本重新分類至礦場物業。

8. TRADE AND OTHER PAYABLES

8. 貿易及其他應付款項

| | | At 30 Jun 2021 於2021年 6月30日 AU\$'000 千澳元 | At 31 Dec 2020 於2020年 12月31日 AU\$'000 千澳元 |
|-----------------------------|-------------|---|--|
| Trade payables and accruals | 貿易應付款項及應計費用 | 4,368 | 6,548 |

Ageing Analysis

An aged analysis of the trade creditors and accruals as at the end of the reporting period, based on invoice date, is as follows:

賬齡分析

於報告期間末，按發票日期計算的應付貿易賬款及應計費用的賬齡分析如下：

| | | At 30 Jun 2021 於2021年 6月30日 AU\$'000 千澳元 | At 31 Dec 2020 於2020年 12月31日 AU\$'000 千澳元 |
|-----------------------------|-------------|---|--|
| Within 1 month | 一個月內 | 4,313 | 6,544 |
| 1 to 2 months | 一至兩個月 | 43 | 1 |
| 2 to 3 months | 兩至三個月 | 12 | 3 |
| Trade payables and accruals | 貿易應付款項及應計費用 | 4,368 | 6,548 |

9. PROVISIONS

9. 撥備

| | | At 30 Jun 2021 於2021年 6月30日 AU\$'000 千澳元 | At 31 Dec 2020 於2020年 12月31日 AU\$'000 千澳元 |
|--|-----------------|---|--|
| Current | 流動 | | |
| Employee entitlements | 僱員權益 | 1,787 | 1,839 |
| Rehabilitation | 復墾 | 612 | 313 |
| Other | 其他 | 199 | 199 |
| | | 2,598 | 2,351 |
| Non-current | 非流動 | | |
| Employee entitlements | 僱員權益 | 64 | 149 |
| Rehabilitation | 復墾 | 23,188 | 18,876 |
| | | 23,252 | 19,025 |
| <i>Rehabilitation movement</i> | <i>復墾變動</i> | | |
| Balance at 1 January 2021 | 於2021年1月1日的結餘 | 19,189 | 18,992 |
| Additions ¹ | 添置 ¹ | 4,953 | 26 |
| Rehabilitation borrowing discount unwound | 已解除復墾借貸折扣 | - | - |
| Net foreign exchange movement | 匯兌變動淨額 | (342) | 171 |
| Balance at 30 June 2021 | 於2021年6月30日的結餘 | 23,800 | 19,189 |

1 Additions to rehabilitation provision amounts have been recognised for all sites during the period. The largest increase of 1.2 million EUR (approximately AU\$1.8 million) was made at Jokisivu to provide for scope changes to the closure plan provided by Envineer Oy. The rehabilitation closure costs have also increased due to an increase in the long-term inflation rate to 1.9% and 2.0% (31 December 2021: 0.2% and 0.2%) in Finland and Sweden, respectively.

1 已就期內所有礦場確認添置復墾撥備額。Jokisivu有幅度最大的增加，達1.2百萬歐元(約1.8百萬澳元)以就Envineer Oy所編製關閉計劃的範疇變動作出撥備。復墾關閉成本亦因芬蘭及瑞典的長期通脹率分別增至1.9%及2.0%(2021年12月31日:0.2%及0.2%)而有所增加。

As at the date of this Interim Report, there have been no changes to the acid forming characteristics of the non-acid forming waste rock area included in the Group's Svartliden Closure Plan. On 18 November 2019, the Company submitted its appeal to the Environmental Court of Appeal challenging, amongst other things, the additional security required by the Land and Environmental Court for an engineered cover to the entire waste rock area. The Company is awaiting notification of a hearing date from the Land and Environmental Court of Appeal. On 21 to 22 September 2021, the Swedish Land and Environmental Court of Appeal will hold a main hearing regarding these issues.

於本中期報告日期，本集團的Svartliden封礦計劃所列入的非酸性廢岩區的酸性形成特徵並無任何變動。於2019年11月18日，本公司向環境上訴法院提出上訴，質疑(其中包括)土地及環境法院要求就整個廢岩區域的改造覆蓋提供額外抵押。本公司目前正等待環境上訴法院有關聆訊日期的通知。於2021年9月21至22日，瑞典環境上訴法院將就該等事宜舉行主要聆訊。

10. INTEREST BEARING LIABILITIES

10. 計息負債

| | | At 30 Jun 2021 於2021年 6月30日 AU\$'000 千澳元 | At 31 Dec 2020 於2020年 12月31日 AU\$'000 千澳元 |
|--------------------|------------|---|--|
| Current | 流動 | | |
| Lease liabilities | 租賃負債 | 183 | 147 |
| Non-current | 非流動 | | |
| Loan principal | 貸款本金 | - | 3,000 |
| Lease liabilities | 租賃負債 | 136 | 217 |
| | | 136 | 3,217 |

The Group has an unsecured AU\$12.0 million loan facility with AP Finance Limited ("Loan Facility").

本集團有來自 AP Finance Limited 的 12.0 百萬澳元無抵押貸款融資(「貸款融資」)。

On 6 January 2021, the Company made a voluntary prepayment towards its Loan Facility of AU\$3.0 million (including interest payable to that date) to repay the balance remaining on its Loan Facility.

於2021年1月6日，本公司自願提前償還其貸款融資3.0百萬澳元(包括截至該日的應付利息)，以償還其貸款融資的餘額。

At the date of this Interim Report, the Company has AU\$12.0 million in undrawn funds available.

於本中期報告日期，本公司有12.0百萬澳元的未提取可動用資金。自結算日起概無提款。

There have been no drawdowns since balance date. On 30 July 2021, the Company extended the Loan Facility availability period from 30 June 2022 to 31 December 2022.

於2021年7月30日，本公司將可獲得貸款融資的期限由2022年6月30日延長至2022年12月31日。

11. CONTRIBUTED EQUITY

| Share capital | | 30 Jun | | 31 Dec | |
|--|----------------|---------------------------|-------------|----------------|---------------|
| | | 2021 | | 2020 | |
| | | 6月30日 | | 12月31日 | |
| | | Average number. of shares | | AU\$'000 | |
| | | 平均股數 | | 千澳元 | |
| Ordinary shares fully paid | 已繳足普通股 | 158,840,613 | 138,840,613 | 140,619 | 133,991 |
| Movements in issued capital | | 已發行股本變動 | | AU\$'000 | No. of Shares |
| | | | | 千澳元 | 股份數目 |
| Balance at 1 January 2021 | 於2021年1月1日的結餘 | | | 133,991 | 138,840,613 |
| Issue of new shares net of transaction costs | 發行新股份，扣除交易成本 | | | 6,862 | 20,000,000 |
| Transaction costs for issued share capital | 已發行股本交易成本 | | | (234) | - |
| Balance at 30 June 2021 | 於2021年6月30日的結餘 | | | 140,619 | 158,840,613 |

On 22 January 2021, the issued share capital was increased by net AU\$6,632,371 by the issue of 20,000,000 ordinary shares of AU\$0.33 each after transaction costs (31 December 2020: Nil).

於2021年1月22日，已發行股本通過發行20,000,000股每股面值0.33澳元的普通股(扣除交易成本後)增加淨額6,632,371澳元(2020年12月31日：無)。

12. (LOSS)/EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net profit or loss for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

11. 實繳股本

| Share capital | | 30 Jun | | 31 Dec | |
|--|----------------|---------------------------|-------------|----------------|---------------|
| | | 2021 | | 2020 | |
| | | 6月30日 | | 12月31日 | |
| | | Average number. of shares | | AU\$'000 | |
| | | 平均股數 | | 千澳元 | |
| Ordinary shares fully paid | 已繳足普通股 | 158,840,613 | 138,840,613 | 140,619 | 133,991 |
| Movements in issued capital | | 已發行股本變動 | | AU\$'000 | No. of Shares |
| | | | | 千澳元 | 股份數目 |
| Balance at 1 January 2021 | 於2021年1月1日的結餘 | | | 133,991 | 138,840,613 |
| Issue of new shares net of transaction costs | 發行新股份，扣除交易成本 | | | 6,862 | 20,000,000 |
| Transaction costs for issued share capital | 已發行股本交易成本 | | | (234) | - |
| Balance at 30 June 2021 | 於2021年6月30日的結餘 | | | 140,619 | 158,840,613 |

12. 每股(虧損)/盈利

每股基本盈利金額乃以母公司普通股持有人應佔期內溢利或虧損淨額除以期內已發行普通股的加權平均數計算。

12. (LOSS)/EARNINGS PER SHARE (CONT'D)

Diluted earnings per share amounts are calculated by dividing the net profit or loss attributable to ordinary shareholders of the parent by the weighted average number of ordinary shares outstanding during the period (adjusted for the effects of dilutive options and dilutive convertible notes). There have been no post balance sheet movements impacting the diluted earnings per share. The following reflects the income and share data used in the basic and diluted earnings per share computations:

| | | At 30 Jun 2021 於2021年 6月30日 | At 30 Jun 2020 於2020年 6月30日 |
|---|------------------------------|--------------------------------------|--------------------------------------|
| Basic and diluted (loss)/earnings per share | 每股基本及攤薄(虧損)/盈利 | | |
| (Loss)/profit used in calculation of basic (loss)/earnings per share (AU\$'000) | 用於計算每股基本(虧損)/盈利的(虧損)/溢利(千澳元) | (266) | 6,258 |
| Weighted average number of ordinary shares outstanding during the period used in the calculation of basic (loss)/earnings per share | 用於計算每股基本(虧損)/盈利的期內已發行 | 157,689,928 | 138,840,613 |
| Basic and diluted (loss)/earnings per share (cents) | 每股基本及攤薄(虧損)/盈利(仙) | (0.17) | 4.51 |

13. DIVIDENDS

The Board resolved not to declare any interim dividend for the period ended 30 June 2021 (30 June 2020: Nil).

12. 每股(虧損)/盈利(續)

每股攤薄盈利金額乃以母公司普通股持有人應佔溢利或虧損淨額除以期內已發行普通股的加權平均數(就具攤薄效應的購股權及可轉換票據的影響作出調整後)。概無發生影響每股攤薄盈利的資產負債表後變動。以下反映計算每股基本及攤薄盈利所用的收入及股份數據：

13. 股息

董事會議決不就截至2021年6月30日止期間宣派任何中期股息(2020年6月30日：無)。

14. RELATED PARTY TRANSACTIONS

Subsidiaries

The Interim Financial Statements include the financial statements of Dragon Mining Limited and the subsidiaries listed in the following table:

| Name of Entity 實體名稱 | Incorporation 註冊成立地點 | Class 類別 | Equity Holding 股權持有量 | |
|--|-------------------------|-----------------|-------------------------|--------------------|
| | | | 2021 2021年 % | 2020 2020年 % |
| Dragon Mining Investments Pty Ltd | Australia 澳洲 | Ordinary 普通股 | 100 | 100 |
| Dragon Mining (Sweden) AB | Sweden 瑞典 | Ordinary 普通股 | 100 | 100 |
| Viking Gold & Prospecting AB | Sweden 瑞典 | Ordinary 普通股 | 100 | 100 |
| Dragon Mining Oy | Finland 芬蘭 | Ordinary 普通股 | 100 | 100 |
| 龍資源有限公司 (Dragon Mining Limited ¹) | Hong Kong 香港 | Ordinary 普通股 | 100 | 100 |

1 For translation purposes

Transactions with related parties

The Company has the following transactions with related parties that are exempted from continuing connected transactions disclosures according to Rule 14A.73(6) and 14A.73(8) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

- (i) The Company has effected Directors' and Officers' Liability Insurance.
- (ii) In addition to his role as the Company's Chief Financial Officer, Mr. Daniel Broughton provides Chief Financial Officer Services ("CFO Services") and the Company also provides administrative services ("Administration Services") including offering the use of certain space in the Company office premises located in Perth, Australia as its registered office to ASX listed gold explorer, Tanami Gold NL ("Tanami") and ASX listed base metals mining and exploration company Metals X Limited ("Metals X"). Tanami is a Company of which Messrs Dew, Smith and Procter, the Company's Non-Executive Chairman, Executive Director, and Independent Non-Executive Director are also Non-Executive Directors. Metals X is a Company of which Mr. Brett Smith is also Executive Director.

14. 關聯方交易

附屬公司

中期財務報表包括龍資源有限公司及下表所列附屬公司的財務報表：

| Name of Entity 實體名稱 | Incorporation 註冊成立地點 | Class 類別 | Equity Holding 股權持有量 | |
|--|-------------------------|-----------------|-------------------------|--------------------|
| | | | 2021 2021年 % | 2020 2020年 % |
| Dragon Mining Investments Pty Ltd | Australia 澳洲 | Ordinary 普通股 | 100 | 100 |
| Dragon Mining (Sweden) AB | Sweden 瑞典 | Ordinary 普通股 | 100 | 100 |
| Viking Gold & Prospecting AB | Sweden 瑞典 | Ordinary 普通股 | 100 | 100 |
| Dragon Mining Oy | Finland 芬蘭 | Ordinary 普通股 | 100 | 100 |
| 龍資源有限公司 (Dragon Mining Limited ¹) | Hong Kong 香港 | Ordinary 普通股 | 100 | 100 |

1 僅供翻譯用途

與關聯方的交易

本公司擁有以下獲豁免遵守香港聯合交易所有限公司證券上市規則第14A.73(6)及14A.73(8)條項下持續關連交易披露規定的關聯方交易。

- (i) 本公司已落實董事及高級人員的責任保險。
- (ii) 除了擔任本公司首席財務官之外，Daniel Broughton先生亦向澳交所上市的黃金勘探公司Tanami Gold NL (「Tanami」)及澳交所上市的基本金屬開採及勘探公司Metals X Limited (「Metals X」)提供首席財務官的服務(「首席財務官服務」)，而本公司亦向其提供行政服務(「行政服務」)，包括提供本公司位於澳洲珀斯的辦公處所的若干空間作為其註冊辦事處。Tanami是本公司非執行主席狄先生、執行董事Smith先生及獨立非執行董事Procter先生亦擔任其非執行董事的一家公司。Brett Smith先生亦為Metals X的執行董事。

14. RELATED PARTY TRANSACTIONS (CONT'D)**Transactions with related parties (Cont'd)**

- (iii) The provision of services to Tanami commenced from 8 September 2014. During the period, the Company charged Tanami AU\$49,500 (30 June 2020: AU\$49,500) for CFO Services of which AU\$24,750 was outstanding on 30 June 2021 (30 June 2020: AU\$24,750) and AU\$13,569 (30 June 2020: AU\$30,337) for Administration Services of which AU\$2,171 was outstanding at 30 June 2021 (30 June 2020: AU\$4,248).
- (iv) The provision of services to Metals X commenced from 1 December 2020. During the period, the Company charged Metals X AU\$50,000 (30 June 2020: Nil) for CFO Services of which Nil was outstanding on 30 June 2021 (30 June 2020: Nil) and AU\$2,000 (30 June 2020: Nil) for Administration Services of which there was no outstanding amounts at 30 June 2021 (30 June 2020: Nil).

Entity with significant influence over the Group

As at 30 June 2021, the following entities have significant influence over the Group:

- (i) Allied Properties Resources Limited ("APRL"), a wholly owned subsidiary of Allied Group Limited, owns 41,032,727 ordinary shares of the Company for an interest of 25.83% (30 June 2020: 19.97%). On 12 August 2021, shareholders of the Company voted in favour of the resolution to approve APAC Resources Limited's ("APAC") acquisition of the relevant interest in 41,032,727 shares of the Company, for an interest of 25.83%, by acquiring all the issued share capital of APRL on the terms and conditions set out in the Sale and Purchase Agreement ("Proposed Transfer"). Completion of the Proposed Transfer took place on 13 August 2021 in accordance with the terms and conditions of the Sale and Purchase Agreement. Following the said completion, APAC, via APRL, became a substantial shareholder in the Company.
- (ii) Sincere View International Ltd. owns 31,111,899 ordinary shares of the Company for an interest of 19.59% (30 June 2020: 20.02%).

14. 關聯方交易(續)**與關聯方的交易(續)**

- (iii) 向Tanami提供服務自2014年9月8日開始。於期內，本公司就首席財務官服務向Tanami收取49,500澳元(2020年6月30日：49,500澳元)，其中於2021年6月30日的未支付費用為24,750澳元(2020年6月30日：24,750澳元)，及就行政服務收取13,569澳元(2020年6月30日：30,337澳元)，其中於2021年6月30日的未支付費用為2,171澳元(2020年6月30日：4,248澳元)。
- (iv) 向Metals X提供服務自2020年12月1日開始。於期內，本公司就首席財務官服務向Metals X收取50,000澳元(2020年6月30日：無)，其中於2021年6月30日的未支付費用為零(2020年6月30日：無)，及就行政服務收取2,000澳元(2020年6月30日：無)，於2021年6月30日概無未支付費用(2020年6月30日：無)。

對本集團有重大影響的實體

於2021年6月30日，以下實體對本集團有重大影響：

- (i) 聯合集團有限公司的全資附屬公司Allied Properties Resources Limited(「APRL」)擁有本公司41,032,727股普通股(即25.83%權益(2020年6月30日：19.97%))。於2021年8月12日，本公司股東就批准亞太資源有限公司(「亞太資源」)透過根據買賣協議所載條款及條件收購APRL全部已發行股本收購本公司41,032,727股股份的相關權益(即25.83%權益)(「建議轉讓」)的決議案投贊成票。建議轉讓於2021年8月13日根據買賣協議的條款及條件完成。上述完成後，亞太資源透過APRL成為本公司的一名主要股東。
- (ii) Sincere View International Ltd.擁有本公司31,111,899股普通股(即19.59%權益(2020年6月30日：20.02%))。

15. SEGMENT INFORMATION

15. 分部資料

| | | Sweden 瑞典 | Finland 芬蘭 | Unallocated 未分配 | Total 總計 |
|--|----------------------------|---|---|---|---|
| | | 30 Jun 2021 2021年 6月30日 AU\$'000 千澳元 | 30 Jun 2021 2021年 6月30日 AU\$'000 千澳元 | 30 Jun 2021 2021年 6月30日 AU\$'000 千澳元 | 30 Jun 2021 2021年 6月30日 AU\$'000 千澳元 |
| Segment revenue | 分部收益 | | | | |
| Gold sales to external customers | 對外部客戶銷售黃金 | 23,780 | 1,810 | - | 25,590 |
| Inter-segment sales | 分部間銷售 | - | 20,551 | - | 20,551 |
| Elimination of inter-segment revenue | 抵銷分部間收益 | - | - | (20,551) | (20,551) |
| Total revenue | 收益總額 | 23,780 | 22,361 | (20,551) | 25,590 |
| Other revenue | 其他收益 | | | | |
| Sundry revenue | 雜項收益 | 1 | - | - | 1 |
| Total other revenue | 其他收益總額 | 1 | - | - | 1 |
| Segment interest expense | 分部利息開支 | 2 | - | - | 2 |
| Unallocated interest expense | 未分配利息開支 | - | - | 9 | 9 |
| Total interest expense | 利息開支總額 | 2 | - | 9 | 11 |
| Depreciation and amortisation | 折舊及攤銷 | 213 | 2,446 | - | 2,659 |
| Unallocated depreciation and amortisation | 未分配折舊及攤銷 | - | - | 23 | 23 |
| Exploration write-off | 勘探撇銷 | - | 7 | - | 7 |
| | | 213 | 2,453 | 23 | 2,689 |
| Segment result | 分部業績 | | | | |
| Pre-tax segment result | 除稅前分部業績 | (4,876) | 5,463 | - | 587 |
| Income tax expense | 所得稅開支 | - | (963) | - | (963) |
| Post-tax segment result | 除稅後分部業績 | (4,876) | 4,500 | - | (376) |
| Unallocated items: | 未分配項目： | | | | |
| Corporate interest revenue and other income | 公司利息收益及其他收入 | | | | 133 |
| Corporate costs | 公司成本 | | | | (791) |
| Finance costs | 財務成本 | | | | 896 |
| Elimination of inter-company interest, expense, and management fees in segment results | 分部業績中抵銷集團內公司間利息、開支及管理費 | | | | (128) |
| Loss after tax as per the Consolidated Statement of Profit or Loss | 按照綜合損益表所示 除稅後虧損 | | | | (266) |

15. SEGMENT INFORMATION (CONT'D)

15. 分部資料(續)

| | | Sweden 瑞典 30 Jun 2020 2020年 6月30日 AU\$'000 千澳元 | Finland 芬蘭 30 Jun 2020 2020年 6月30日 AU\$'000 千澳元 | Unallocated 未分配 30 Jun 2020 2020年 6月30日 AU\$'000 千澳元 | Total 總計 30 Jun 2020 2020年 6月30日 AU\$'000 千澳元 |
|--|----------------------------|---|--|---|--|
| Segment revenue | 分部收益 | | | | |
| Gold sales to external customers | 對外部客戶銷售黃金 | 27,493 | 8,428 | - | 35,921 |
| Inter-segment sales | 分部間銷售 | - | 25,593 | - | 25,593 |
| Elimination of inter-segment revenue | 抵銷分部間收益 | - | - | (25,593) | (25,593) |
| Total revenue | 收益總額 | 27,493 | 34,021 | (25,593) | 35,921 |
| Other revenue | 其他收益 | | | | |
| Sundry revenue | 雜項收益 | - | 6 | - | 6 |
| Total other revenue | 其他收益總額 | - | 6 | - | 6 |
| Segment interest expense | 分部利息開支 | 1 | - | - | 1 |
| Unallocated interest expense | 未分配利息開支 | - | - | 53 | 53 |
| Total interest expense | 利息開支總額 | 1 | - | 53 | 54 |
| Depreciation and amortisation | 折舊及攤銷 | 112 | 3,420 | 22 | 3,554 |
| Disposal of exploration | 出售勘探 | - | 871 | - | 871 |
| | | 112 | 4,291 | 22 | 4,425 |
| Segment result | 分部業績 | | | | |
| Pre-tax segment result | 除稅前分部業績 | (2,102) | 8,190 | - | 6,088 |
| Income tax expense | 所得稅開支 | - | - | - | - |
| Post-tax segment result | 除稅後分部業績 | (2,102) | 8,190 | - | 6,088 |
| Unallocated items: | 未分配項目： | | | | |
| Corporate interest revenue and other income | 公司利息收益及其他收入 | | | | 50 |
| Corporate costs | 公司成本 | | | | (664) |
| Finance costs | 財務成本 | | | | (56) |
| Elimination of inter-company interest, expense, and management fees in segment results | 分部業績中抵銷集團內公司間利息、開支及管理費 | | | | 840 |
| Profit after tax as per the Consolidated Statement of Profit or Loss | 按照綜合損益表所示 除稅後溢利 | | | | 6,258 |

15. SEGMENT INFORMATION (CONT'D)

Non-current assets by
geographic location

As at 30 June 2021

As at 31 December 2020

按地理位置劃分的
非流動資產

於2021年6月30日

於2020年12月31日

15. 分部資料(續)

| Sweden 瑞典 AU\$'000 千澳元 | Finland 芬蘭 AU\$'000 千澳元 | Australia 澳洲 AU\$'000 千澳元 | Total 總計 AU\$'000 千澳元 |
|---------------------------------|----------------------------------|------------------------------------|--------------------------------|
| 27,553 | 24,635 | 288 | 52,476 |
| 24,928 | 22,277 | 1,239 | 48,444 |

16. EXPENDITURE COMMITMENTS

a) Exploration commitments

Due to the nature of the Consolidated Entity's operations in exploring and evaluating areas of interest, it is very difficult to accurately forecast the nature or amount of future expenditure, although it will be necessary to incur expenditure to retain present interests in mineral tenements. Expenditure commitments on mineral tenure for the Consolidated Entity can be reduced by selective relinquishment of exploration tenure or by the renegotiation of expenditure commitments. The approximate minimum level of exploration requirements to retain current tenements in good standing is detailed below.

16. 開支承擔

a) 勘探承擔

由於綜合實體在勘探及評估利益相關方面的業務性質使然，儘管有必要產生支出以保留現有礦產權益，但很難準確預測未來支出的性質或金額。通過有選擇性地讓渡勘探期限或重新協商開支承擔，可減少綜合實體礦產期限的開支承擔。以下詳細說明使現有物業保持良好狀況的概約最低勘探要求水平。

| | 30 Jun 2021 2021年 6月30日 AU\$'000 千澳元 | 30 Jun 2020 2020年 6月30日 AU\$'000 千澳元 |
|---|---|---|
| Within one year | 34 | 31 |
| One year or later and no later than five years | 155 | 147 |
| | 189 | 178 |

16. EXPENDITURE COMMITMENTS (CONT'D)**b) Short-term lease expense commitments**

Future operating lease commitments not provided for in the financial statements are as follows:

Within one year 一年內

c) Remuneration commitments

Commitments for the payment of salaries and other remuneration under long-term employment contracts in existence at the reporting date but not recognised as liabilities are as follows:

Within one year 一年內

16. 開支承擔(續)**b) 短期租賃開支承擔**

財務報表中未作撥備的未來經營租賃承擔如下：

| 30 Jun 2021 2021年 6月30日 AU\$'000 千澳元 | 30 Jun 2020 2020年 6月30日 AU\$'000 千澳元 |
|---|---|
| 13 | 48 |

c) 薪酬承擔

根據於報告日期存續的長期僱傭合同支付薪金及其他薪酬的承擔(但未確認為負債)如下：

| 30 Jun 2021 2021年 6月30日 AU\$'000 千澳元 | 30 Jun 2020 2020年 6月30日 AU\$'000 千澳元 |
|---|---|
| 321 | 321 |

17. SIGNIFICANT EVENTS AFTER PERIOD END

On 30 July 2021, the Company extended the availability period of its Loan Facility with AP Finance Limited from 30 June 2022 to 31 December 2022. At the date of this Interim Report, the Company has AU\$12.0 million in undrawn funds available. There have been no drawdowns since balance date.

On 30 June 2021, the Company announced a change of joint company secretary and alternate authorised representative for the Company under rule 3.05 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited with effect from 1 July 2021.

On 12 August 2021, shareholders of the Company voted in favour of the resolution to approve APAC Resources Limited's ("APAC") acquisition of the relevant interest in 41,032,727 shares of the Company, for an interest of 25.83%, by acquiring all the issued share capital of Allied Properties Resources Limited ("APRL") on the terms and conditions set out in the Sale and Purchase Agreement ("Proposed Transfer"). Completion of the Proposed Transfer took place on 13 August 2021 in accordance with the terms and conditions of the Sale and Purchase Agreement. Following the said completion, APAC, via APRL, became a substantial shareholder in the Company.

On 23 August 2021, the Company received the final \$0.4 million from Latitude 66 Cobalt Limited as full and final satisfaction of its obligations under the 2016 Share Sale and Purchase Agreement to acquire a 100% interest in the Company's (then) Finnish subsidiary, Kuusamo Gold Oy.

17. 期末後重大事項

於2021年7月30日，本公司將與AP Finance Limited的貸款融資的期限由2022年6月30日延長至2022年12月31日。於本中期報告日期，本公司有12.0百萬澳元的未提取可動用資金。自結算日起概無提款。

於2021年6月30日，本公司宣佈更換本公司聯席公司秘書及香港聯合交易所有限公司證券上市規則第3.05條項下之候補授權代表，自2021年7月1日起生效。

於2021年8月12日，本公司股東就批准亞太資源有限公司(「亞太資源」)透過根據買賣協議所載條款及條件收購Allied Properties Resources Limited(「APRL」)全部已發行股本收購本公司41,032,727股股份的相關權益(即25.83%權益)(「建議轉讓」)的決議案投贊成票。建議轉讓於2021年8月13日根據買賣協議的條款及條件完成。上述完成後，亞太資源透過APRL成為本公司的一名主要股東。

於2021年8月23日，本公司接獲來自Latitude 66 Cobalt Limited的最後0.4百萬元，作為對其於2016年股份買賣協議下義務的全部及最終付款，以收購本公司(當時)的芬蘭附屬公司Kuusamo Gold Oy的100%權益。



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Independent review report to the board of directors of Dragon Mining Limited

致龍資源有限公司董事會之獨立審閱報告

INTRODUCTION

緒言

We have reviewed the interim financial information set out on pages 4 to 36, which comprises the consolidated statement of financial position of Dragon Mining Limited (the "Company") and its subsidiaries as at 30 June 2021 and the related consolidated interim statements of profit or loss, other comprehensive income, changes in equity and cash flows for the six-month period then ended, a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34"). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

我們已審閱載於第4頁至36頁之中期財務資料，包括龍資源有限公司（「貴公司」）及其附屬公司於2021年6月30日之綜合資產負債表及截至該日止6個月之相關綜合中期損益表、其他全面收益表、權益變動表及現金流量表、重要會計政策概要及其他說明性附註。香港聯合交易所有限公司證券上市規則規定須根據其相關條例及國際會計準則第34號中期財務報告（「國際會計準則第34號」）編製中期財務資料報告。貴公司董事對根據國際會計準則第34號編製並呈報之中期財務資料負責。我們之責任為根據我們之審閱工作就中期財務資料作出結論。根據協定之委聘條款，我們僅向閣下（作為實體）報告我們之結論，除此之外並無其他用途。我們毋須就本報告內容向任何其他人士負責或承擔責任。

SCOPE OF REVIEW

審閱範圍

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

我們已根據國際審閱準則第2410號「獨立審計師對企業中期財務信息執行審閱」進行審閱。審閱中期財務資料之工作包括主要向負責財務及賬目事宜之人士進行諮詢、應用分析程序及其他審閱程序。由於審閱範圍遠較根據國際核數準則進行審核者為小，我們無法保證本行能獲悉審核程序可能確認之所有重大事項。因此我們並無發表審核意見。

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CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with IAS 34.

結論

根據我們的審閱，我們並不知悉任何使我們認為中期財務資料在任何重大方面未根據國際會計準則第34號編製之事項。

Ernst & Young
Perth, Western Australia
17 September 2021

安永會計師事務所
西澳洲珀斯
2021年9月17日

As at 30 June 2021, the following Directors and Chief Executive of the Company had the following interests in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance) (Cap. 571 of the Laws of Hong Kong) (the "SFO"), as recorded in the register required to be kept under section 352 of the SFO:

於2021年6月30日，根據證券及期貨條例（「證券及期貨條例」）第352條規定所存置之登記冊所載，本公司董事及最高行政人員於本公司及其相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份或債權證中擁有以下權益：

| Name of Director/Chief Executive 董事／主要行政人員姓名 | Capacity/Nature of interest 身份／權益性質 | Number of Shares interested 擁有股份數目 | Approximate % of the total number of issued shares in Company 佔已發行 股份總數之 概約百分比 |
|---|--|--|--|
| Mr Arthur George Dew 狄亞法先生 | Beneficial Owner/Personal Interest 實益擁有人／個人權益 | 220,000 | 0.14% |
| Mr Brett Robert Smith Brett Robert Smith先生 | Beneficial Owner/Personal Interest 實益擁有人／個人權益 | 118,866 | 0.07% |
| Mr Carlisle Caldwell Procter Carlisle Caldwell Procter先生 | Beneficial Owner/Personal Interest 實益擁有人／個人權益 | 102,602 | 0.06% |

- All interests stated above represent long positions.
- The calculation is based on the total number of 158,840,613 shares in issue as at 30 June 2021.

- 上述所有權益均屬好倉。
- 有關計算乃基於2021年6月30日已發行股份總數158,840,613股而作出。

Save as disclosed above, as at 30 June 2021, none of the Directors and Chief Executives of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations, within the meaning of Part XV of the SFO, as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

除上文所披露者外，於2021年6月30日，概無本公司董事或主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的任何股份、相關股份或債權證中擁有記錄於本公司根據證券及期貨條例第352條須予存置之登記冊，或根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」）須另行知會本公司及香港聯合交易所有限公司的權益及淡倉。

To the best of Directors' knowledge, as at 30 June 2021, the following Shareholders had interests in the shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO:

盡董事所知，於2021年6月30日，根據證券及期貨條例第336條規定所存置之登記冊所載擁有本公司股份或相關股份權益之股東如下：

| Name of Shareholder 股東名稱 | Nature of interest 權益性質 | Number of Shares interested 股份數目 | Approximate % of the total number of issued shares 概約百分比 | Notes 附註 |
|---|--|--|---|-------------|
| Allied Group Limited ("AGL") 聯合集團有限公司(「聯合集團」) | Interest of Controlled Corporations 受控法團權益 | 41,032,727 | 25.83% | 1, 4 |
| Lee and Lee Trust | Interest of Controlled Corporations 受控法團權益 | 41,032,727 | 25.83% | 2, 3 |
| APAC Resources Limited ("APAC") 亞太資源有限公司(「亞太資源」) | Interest of Controlled Corporations 受控法團權益 | 41,032,727 | 25.83% | 4, 5 |
| Mr. Hon Kwok Lung 韓國龍先生 | Interest of a Controlled Corporation 受控法團權益 | 31,111,899 | 19.59% | 6 |
| Sincere View International Ltd. ("Sincere View") | Beneficial Owner 實益擁有人 | 31,111,899 | 19.59% | – |
| Ms. Lam Suk Ying 林淑英女士 | Interest of Spouse 配偶權益 | 31,111,899 | 19.59% | 7 |

Notes:

- As at 30 June 2021, these shares were held by Allied Properties Resources Limited ("APRL"), a wholly-owned subsidiary of Allied Properties Overseas Limited ("APOL"), which in turn was a wholly-owned subsidiary of Allied Properties (H.K.) Limited ("APL"). AGL directly and indirectly (through Capscore Limited, Citiwealth Investment Limited and Sunhill Investments Limited, all being direct wholly-owned subsidiaries of AGL) owned in aggregate 100% of the total number of issued shares of APL. AGL was therefore deemed to have an interest in the shares in which APRL was interested.
- This represents the same interest of AGL in 41,032,727 shares of the Company.
- Mr. Lee Seng Hui, Ms. Lee Su Hwei and Mr. Lee Seng Huang are the trustees of Lee and Lee Trust, being a discretionary trust. The Lee and Lee Trust controlled approximately 74.96% of the total number of issued shares of AGL (inclusive of Mr. Lee Seng Hui's personal interests) and was therefore deemed to have an interest in the shares in which AGL was interested through APRL.

附註：

- 於2021年6月30日，該等股份由Allied Properties Overseas Limited(「APOL」)之全資附屬公司Allied Properties Resources Limited(「APRL」)持有，而前者則為聯合地產(香港)有限公司(「聯合地產」)之全資附屬公司。聯合集團分別直接及間接(透過CapScore Limited, Citiwealth Investment Limited及Sunhill Investments Limited，均為聯合集團之直接全資附屬公司)擁有聯合地產已發行股份總數合共100%。因此，故聯合集團被視作擁有APRL所持有之股份之權益。
- 該權益指聯合集團於41,032,727股本公司股份中之相同權益。
- 李成輝先生、李淑慧女士及李成煌先生均為Lee and Lee Trust(全權信託)的信託人。Lee and Lee Trust控制聯合集團已發行股份總數約74.96%(包括李成輝先生之個人權益)，因此，彼等被視作擁有聯合集團(透過APRL)所持有之股份之權益。

4. A sale and purchase agreement dated 14 May 2021 ("Sale and Purchase Agreement") was entered into between APOL and Genuine Legend Limited, a wholly-owned subsidiary of APAC, for the sale and purchase of APRL. Completion of the transaction ("Completion") was subject to the fulfillment of the conditions as set out therein. Following the Completion, AGL's deemed interests in the Company (through APAC) would remain unchanged.

For information only, the Completion took place on 13 August 2021.

5. As at 30 June 2021, APAC was deemed to be interested in 41,032,727 shares of the Company in which APRL was interested in upon the acquisition of the entire issued share capital of APRL pursuant to the Sale and Purchase Agreement.
6. Mr. Hon Kwok Lung controlled 80% of the issued shares of Sincere View. Mr. Hon Kwok Lung was therefore deemed to have an interest in the shares in which Sincere View was interested.
7. Ms. Lam Suk Ying is the spouse of Mr. Hon Kwok Lung. She was therefore deemed to have an interest in the shares in which Mr. Hon Kwok Lung was deemed to be interested.
8. All interests stated above represent long positions.
9. The calculation is based on the total number of 158,840,613 shares on issue as at 30 June 2021.

Save as disclosed above, as at 30 June 2021, the Directors were not aware of any other persons who had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

4. APOL與亞太資源的全資附屬公司Genuine Legend Limited已就買賣APRL訂立日期為2021年5月14日的買賣協議(「買賣協議」)。項下交易之完成(「完成」)取決於其中所載條件之達成。完成後，聯合集團(透過亞太資源)被視為於本公司擁有的權益維持不變。

僅供參考，該完成已於2021年8月13日落實。

5. 於2021年6月30日，在根據買賣協議收購APRL的全部已發行股本後，亞太資源被視為於APRL擁有權益的41,032,727股本公司股份中擁有權益。
6. 韓國龍先生控制Sincere View已發行股份的80%。韓國龍先生因此被視為於Sincere View擁有權益之股份中擁有權益。
7. 林淑英女士為韓國龍先生的配偶。彼因此被視為於韓國龍先生被視為擁有權益的股份中擁有權益。
8. 上述所有權益均屬好倉。
9. 有關計算乃基於2021年6月30日已發行股份總數158,840,613股而作出。

除上文所披露者外，於2021年6月30日，董事並不知悉任何其他人士於本公司股份或相關股份中擁有須記錄於本公司根據證券及期貨條例第336條規定所存置之登記冊內之任何權益或淡倉。

CORPORATE GOVERNANCE CODE

The Board is committed to achieving good corporate governance standards. The Board believes that good corporate governance is essential in providing a framework for the Company to safeguard the interests of shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

During the half-year period ended 30 June 2021, the Company has complied with all code provisions of the Corporate Governance Code as set out in Appendix 14 of the Listing Rules.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as the code of conduct regarding Directors' securities transactions. Specific enquiry has been made by the Company with all Directors and the Directors have confirmed that they have complied with the Model Code throughout the period ended 30 June 2021.

CHANGES IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules, changes of information of the Directors during the period are set out as below:

Experience including other directorships held in the last three years and major appointments

Chairman and Non-Executive Director – Mr Arthur George Dew

- With effect from 1 January 2021, Mr Dew retired as chairman and non-executive director of Allied Properties (H.K.) Limited, a company previously listed on The Stock Exchange of Hong Kong Limited.
- On 27 April 2021, Mr Dew resigned as a non-executive director of SHK Hong Kong Industries Limited, a company previously listed on The Stock Exchange of Hong Kong Limited until 22 April 2021.

企業管治守則

董事會致力實踐良好企業管治標準。董事會相信，良好的企業管治對為本集團提供框架以保障股東權益、提升企業價值、制定業務策略及政策以及提升透明度及問責性而言實屬重要。

於截至2021年6月30日止半年期間，本公司已遵守上市規則附錄十四所載企業管治守則的所有守則條文。

董事進行證券交易之行為守則

本公司已採納標準守則，作為董事進行證券交易的行為準則。經本公司作出特定查詢後，全體董事均確認彼等於截至2021年6月30日止整個期間已遵守標準守則。

董事資料之變更

根據上市規則第13.51B(1)條，本期間內董事資料的變動載列如下：

於過去三年擔任其他董事職務及其他主要任命之經驗

主席兼非執行董事－狄亞法先生

- 自2021年1月1日起，狄先生退任聯合地產(香港)有限公司(一家先前於香港聯合交易所有限公司上市的公司)之主席兼非執行董事。
- 於2021年4月27日，狄先生辭任新工投資有限公司(一家先前於香港聯合交易所有限公司上市的公司，直至2021年4月22日為止)之非執行董事。

CHANGES IN INFORMATION OF DIRECTORS (CONT'D)**董事資料之變更(續)****Experience including other directorships held in the last three years and major appointments (Cont'd)****於過去三年擔任其他董事職務及其他主要任命之經驗(續)**

Alternate Director to Mr Arthur George Dew – Mr Wong Tai Chun Mark

狄亞法先生的替任董事－王大鈞先生

- Mr Wong remains as an executive director of SHK Hong Kong Industries Limited (a company previously listed on the Stock Exchange until 22 April 2021).

- 王先生繼續擔任新工投資有限公司(一家先前於聯交所上市的公司，直至2021年4月22日為止)之執行董事。

Non-Executive Director – Ms Lam Lai

非執行董事－林黎女士

- Since April 2021, Ms Lam has been redesignated as the vice president of Citychamp Watch & Jewellery Group Limited (Stock Code: 256).

- 自2021年4月起，林女士已調任為冠城鐘錶珠寶集團有限公司(股份代號：256)之副總裁。

Independent Non-Executive Director – Mr Pak Wai Keung Martin

獨立非執行董事－白偉強先生

- Mr Pak ceased to be an independent non-executive director of China Huiyuan Juice Group Limited after its delisting on the Main Board of the Stock Exchange on 18 January 2021.
- Mr Pak ceased to be an independent non-executive director of Convoy Global Holdings Limited after its delisting on the Main Board of the Stock Exchange on 4 May 2021.

- 自中國滙源果汁集團有限公司於2021年1月18日在聯交所主板除牌後，彼已不再為其獨立非執行董事。
- 自康宏環球控股有限公司於2021年5月4日在聯交所主板除牌後，彼已不再為其獨立非執行董事。

AUDIT AND RISK MANAGEMENT COMMITTEE AND REVIEW OF INTERIM FINANCIAL INFORMATION**審核及風險管理委員會及審閱中期財務資料**

The Audit and Risk Management Committee consists of three Independent Non-Executive Directors. The Audit and Risk Management Committee has reviewed the interim results of the Company for the half-year period ended 30 June 2021, including the accounting principles and practices adopted by the Company. The figures in respect of the Company's Consolidated Interim Statement of Profit or Loss, the Consolidated Interim Statement of Other Comprehensive Income, the Consolidated Interim Statement of Financial Position, the Consolidated Interim Statement of Changes in Equity, the Consolidated Interim Statement of Cash Flows, and the related notes thereto for the half-year period ended 30 June 2021 as set out in this interim report, have been agreed by the Company's Auditors, Ernst & Young. Ernst & Young's review was conducted in accordance with the International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Audit of the Entity* as detailed on page 37.

審核及風險管理委員會由三名獨立非執行董事組成。審核及風險管理委員會已審閱本公司截至2021年6月30日止半年期間的中期業績，包括本公司所採納的會計準則及常規。本中期報告所載有關本公司截至2021年6月30日止半年期間的本公司綜合中期損益表、綜合中期其他全面收益表、綜合中期財務狀況表、綜合中期權益變動表、綜合中期現金流量表以及相關附註的數字，已由本公司核數師安永會計師事務所同意。安永會計師事務所根據國際審閱工作準則2410號「由實體的獨立核數師執行中期財務資料審閱」進行審閱，詳情請參閱第37頁。

ROUNDING

The amounts contained in this report and in the financial report have been rounded to the nearest AU\$1,000 (where rounding is applicable).

INTERIM DIVIDEND

No dividend had been paid or declared during the period and no dividend has been recommended or declared by the Directors for the half-year period ended 30 June 2021 (30 June 2020: nil).

PURCHASE, SALE OR REDEMPTION OF SHARES

During the half-year ended 30 June 2021, neither the Company nor any of its subsidiaries had purchased, sold, or redeemed any of the Company's shares.

約整

本報告及財務報告所列金額均已約整至最接近的1,000澳元(如適合約整)。

中期股息

本公司並無於本期間支付或宣派任何股息，且董事並無就截至2021年6月30日止半年期間建議或宣派任何股息(2020年6月30日：無)。

購買、出售或贖回股份

於截至2021年6月30日止半年度，本公司或其任何附屬公司概無購買、出售或贖回本公司之任何股份。

BUSINESS REVIEW

Nature of Operations and Principal Activities

The Group comprises Dragon Mining Limited (“Dragon Mining” or the “Company”), the parent entity, and its subsidiaries (together referred to as the “Group”). Of these subsidiaries, the operating entities are Dragon Mining (Sweden) AB in Sweden and Dragon Mining Oy in Finland. Dragon Mining is an Australian company listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Group operates gold mines and processing facilities in Finland and Sweden. In Finland, the Vammala Production Centre (“Vammala”) consists of a conventional 300,000 tonnes per annum (“TPA”) crushing, milling and flotation plant (“Vammala Plant”), the Jokisivu Gold Mine (“Jokisivu”), the Orivesi Gold Mine (“Orivesi”) which ceased production in June 2019, and the Kaapelinkulma Gold Mine (“Kaapelinkulma”) which ceased production in April 2021. Annual production from Finland is in the range of 23,000 to 30,000 ounces of gold in concentrate depending on the grade of ore and gold concentrate feed.

In Sweden, the operation is known as the Svartliden Production Centre (“Svartliden”), consisting of a 300,000 TPA carbon-in-leach processing plant (“Svartliden Plant”) together with the closed Svartliden Gold Mine (mining completed in 2013), and the Fäboliden Gold Mine (“Fäboliden”) where a programme of test mining was completed in September 2020.

The principal activities of the Group during the period were:

- Gold mining, and processing ore in Finland;
- Gold mining, and processing gold concentrate in Sweden; and
- Exploration, evaluation, and development of gold projects in the Nordic region.

There have been no significant changes in those activities during the period.

業務回顧

營運性質及主要業務

本集團包括龍資源有限公司（「龍資源」或「本公司」）、母公司實體及其附屬公司（統稱「本集團」）。於該等附屬公司中，營運中實體為瑞典的Dragon Mining (Sweden) AB及芬蘭的Dragon Mining Oy。龍資源為於香港聯合交易所有限公司（「聯交所」）主板上市的澳洲公司。

本集團於芬蘭及瑞典經營金礦及加工設施。芬蘭的Vammala生產中心（「Vammala」）包括一座年處理量（「年處理量」）300,000噸並集碾碎、精磨和浮選於一體的傳統工廠（「Vammala工廠」）、Jokisivu金礦（「Jokisivu」）、於2019年6月停產的Orivesi金礦（「Orivesi」）及於2021年4月停產的Kaapelinkulma金礦（「Kaapelinkulma」）。芬蘭的年產量介乎23,000至30,000盎司金精礦，具體視乎礦石及金精礦進料的品位而定。

瑞典的設施為Svartliden生產中心（「Svartliden」），包括一座年處理量300,000噸的炭濾法加工廠（「Svartliden工廠」）連同已關閉的Svartliden金礦（已於2013年完成開採）及於2020年9月完成試採計劃的Fäboliden金礦（「Fäboliden」）。

本集團於期內的主要業務為：

- 在芬蘭開採金礦及加工礦石；
- 在瑞典開採金礦和加工金精礦；及
- 在北歐地區勘探、評估及開發黃金項目。

該等業務活動於期內並無發生任何重大變化。

BUSINESS REVIEW (CONT'D)**Health and Safety**

Safety is one of the Group's main priorities, and every effort to safeguard the health and wellbeing of the Group's employees and contractors, together with the people in the communities in which the Group operates. The Group aims to go beyond what is expected to meet local health and safety legislation. This is not just because the Group cares for the people who work for it, but also because a safe business is operationally sound. The Group's Code of Conduct clearly communicates its commitment towards protecting employee health and safety including conflict resolution and fair dealing.

The Group strives to maintain its safety culture through its leadership team, which delivers a clear safety message to all employees. The Group has well documented safety procedures and visible safety boards located at its operations. Safety inductions to new employees and service agreements for suppliers of goods and services promote the Group's safety culture.

The Group maintains a significant number of health and safety measures, which are implemented upon commissioning of new equipment and monitored by way of periodic inspections. Prior to commissioning, each piece of equipment and machinery is subjected to a start-up check to ensure it meets the safety standards.

The Group reports the Lost Time Injury Frequency Rate ("LTIFR") to measure workplace safety and track the Group's newly implemented safety scheme. Lost Time Injuries ("LTI") are injuries that have occurred in the workplace and where an employee requires time off to recover. Calculating the frequency provides a key metric to track over time and compare against peers within the mining industry.

During the period, two LTI's occurred at the Group's Finnish operations. At Jokisivu, a diamond driller sustained an eye injury while using an angle grinder and at Vammala, a worker sustained a hand injury. Vammala, Jokisivu and Kaapelinkulma recorded 120, 113, and 1,610 LTI free days, respectively. In Sweden, Svartliden recorded 1,955 days LTI free and Fäboliden 1,024 days LTI free.

Lost Time Injury Frequency Rate

失時工傷頻率

The LTIFR calculation is based on the number of injuries resulting in one lost shift sustained over a specific period per 1,000,000 work hours worked by all employees including sub-contractors over that period.

The Group has not sustained any work-related fatalities at any of its operations since its incorporation.

業務回顧(續)**健康及安全**

安全是本集團的首要任務之一，本集團竭力保障本集團僱員及承包商以及本集團經營所在社區民眾的健康及福利。本集團的目標是達到本地健康及安全法規的預期標準之上。這不僅是因為本集團關懷旗下員工，亦是因為安全的業務有助取得良好營運。本集團的行為守則清晰傳達其對保護員工健康及安全(包括衝突解決及公平交易)方面的承諾。

本集團致力於透過領導團隊維持安全文化，團隊向全體員工傳遞清晰的安全訊息。本集團亦制定妥善的安全程序及在營運地點放置顯眼的安全公示板。為新僱員提供入職安全簡介及商品及服務供應商的服務協議均倡導本集團的安全文化。

本集團落實大量健康及安全措施，並在調試新設備時落實有關措施及通過定期檢查進行監控。調試之前，每部設備及機械均進行啟動檢查，確保符合安全標準。

為了量化工作場所安全情況及追蹤本集團新實施的安全計劃，本集團對失時工傷頻率(「失時工傷頻率」)作出報告。失時工傷(「失時工傷」)指在工作場地受傷且員工需要休假恢復的受傷情況。計算有關頻率提供了關鍵參數，以隨時間追蹤及與採礦同業公司進行比較。

於期內，本集團芬蘭業務發生了兩宗失時工傷。一名金剛石鑽工在Jokisivu使用角磨機時眼睛受傷，以及一名Vammala工人手部受傷。Vammala、Jokisivu及Kaapelinkulma分別錄得120日、113日及1,610日無失時工傷日數。瑞典的Svartliden及Fäboliden分別錄得1,955日及1,024日無失時工傷日數。

| 30 Jun 2021 2021年 6月30日 | 30 Jun 2020 2020年 6月30日 |
|----------------------------------|----------------------------------|
| 9.1 | 4.2 |

失時工傷頻率乃按在有關期間內導致所有僱員(包括承包商)於該期內每工作1,000,000個工時失去一次輪班的工傷次數計算。

自註冊成立後，本集團概無於其任何業務中發生任何工作相關死亡事件。

BUSINESS REVIEW (CONT'D)**COVID-19 Pandemic**

The COVID-19 pandemic has had a significant impact on individuals, communities, and businesses globally. Employees at all levels of the Company's business were asked to change the way they work, and how they interacted professionally and socially. In line with the various Government health measures, the Group implemented significant controls and requirements at all its sites to protect the health and safety of its workforce, their families, local suppliers, and neighbouring communities, while ensuring a safe environment for operations to continue.

The Group's COVID-19 response protocols reinforce, and operate concurrently with, public health advice. They include:

- social distancing protocols;
- suspension of large indoor gatherings;
- cancellation of all non-essential travel;
- flexible and remote working plans for employees;
- access to site restrictions and temperature screening;
- self-isolation following international travel, development of symptoms or interaction with a confirmed case of COVID-19;
- increased inventory of hand sanitiser and hygiene supplies; and
- increased focus on cleaning and sanitation.

The COVID-19 pandemic, and the various Government measures so far introduced have not, to date, significantly disrupted the Group's operations and no adjustments have been made to the Group's interim financial results. However, the scale and duration of possible future Government measures, vaccine rollout, and their impact on the Group's operations and financial situation, necessarily remains highly uncertain.

業務回顧(續)**COVID-19疫情**

COVID-19疫情對全球個人、社區及企業造成重大影響。本公司要求所有業務層面的僱員改變工作方式，以及以專業與符合社會期望的方式互動。為配合各項政府的健康措施，本集團已於其所有場所實施重大監控及規定，以保障其員工、其家庭、當地供應商及鄰近社區的健康及安全，同時確保營運環境安全以如常繼續進行。

本集團的COVID-19應對措施方案加強，並與公眾衛生建議同時實施，包括：

- 社交距離規定；
- 暫停大型室內聚會；
- 取消所有非必要出行；
- 為僱員提供靈活及遠程辦公計劃；
- 限制場所進出及檢測體溫；
- 於國際出行、出現症狀或與COVID-19確診病患接觸後進行自我隔離；
- 增加搓手液及衛生用品存貨；及
- 更注重清潔及衛生。

至今，COVID-19疫情及迄今為止政府的多項措施並無對本集團業務造成嚴重干擾，本集團亦無對中期財務業績作出任何調整。然而，未來政府可能採取的措施的規模及持續時間、疫苗接種計劃，以及其對本集團營運及財務狀況的影響仍存在極大不確定性。

BUSINESS REVIEW (CONT'D)

Finland Operations

Vammala Plant

Gold production in Finland decreased by 8.4% compared to the period ending 30 June 2020 due to throughput restraints in the crushing and milling circuit, lower head grade and recovery. The Vammala Plant treated 152,332 tonnes of ore with an average grade of 2.6 g/t gold and achieved a process recovery of 85.2% to produce 11,080 ounces of gold in concentrate.

During the period, Vammala mill feed was sourced from Jokisivu and Kaapelinkulma.

- 119,849 tonnes of ore from Jokisivu at an average grade of 2.4 g/t gold; and
- 32,483 tonnes of ore from Kaapelinkulma at an average grade of 3.4 g/t gold.

| | | | |
|------------------------|----------------|---------|---------|
| Ore mined (tonnes) | 採礦量(噸) | 211,963 | 177,540 |
| Mined grade (g/t gold) | 所採礦石的黃金品位(克/噸) | 2.6 | 2.6 |
| Ore milled (tonnes) | 選礦量(噸) | 152,332 | 160,342 |
| Head grade (g/t gold) | 原礦品位(克/噸) | 2.7 | 2.8 |
| Process recovery (%) | 加工回收率(%) | 85.2% | 85.3% |
| Gold production (oz) | 黃金產量(盎司) | 11,080 | 12,102 |

Jokisivu Gold Mine

Production tonnes from Jokisivu were sourced from the Main Zone of the Kujankallio deposit and from the Arpola deposit. Total ore mined from Jokisivu was 189,018 tonnes at 2.5 g/t gold; 71,810 tonnes of ore came from ore stopes (30 June 2020: 63,496 tonnes) and the remaining 117,208 tonnes of ore came from ore development (30 June 2020: 83,175 tonnes).

| | | | |
|------------------------|----------------|---------|---------|
| Ore mined (tonnes) | 採礦量(噸) | 189,018 | 146,671 |
| Mined grade (g/t gold) | 所採礦石的黃金品位(克/噸) | 2.5 | 2.6 |
| Ore milled (tonnes) | 選礦量(噸) | 119,849 | 137,558 |

Development of the Jokisivu decline progressed a total of 15 meters in January 2021 from the 570m level to the 571m level.

業務回顧(續)

芬蘭業務

Vammala工廠

由於停止從Orivesi開採更高品位礦石噸位，芬蘭的黃金產量較截至2020年6月30日止期間減少8.4%，乃由於碾磨機的吞吐量限制、原礦品位及回收率較低所致。Vammala工廠已處理平均黃金品位為2.6克/噸的152,332噸礦石，其加工回收率達到85.2%，生產出11,080盎司金精礦。

於期內，Vammala供礦來自Jokisivu及Kaapelinkulma。

- 119,849噸礦石來自Jokisivu，平均黃金品位為2.4克/噸；及
- 32,483噸礦石來自Kaapelinkulma，平均黃金品位為3.4克/噸。

Vammala Production Centre

Vammala生產中心

| 30 Jun 2021 2021年 6月30日 | 30 Jun 2020 2020年 6月30日 |
|----------------------------------|----------------------------------|
| 211,963 | 177,540 |
| 2.6 | 2.6 |
| 152,332 | 160,342 |
| 2.7 | 2.8 |
| 85.2% | 85.3% |
| 11,080 | 12,102 |

Jokisivu金礦

Jokisivu的生產噸位來自Kujankallio礦床及Arpola礦床主區。Jokisivu的採礦總量為189,018噸，黃金品位為2.5克/噸。71,810噸礦石來自礦石回採(2020年6月30日：63,496噸)，餘下117,208噸(2020年6月30日：83,175噸)來自礦石開發。

Jokisivu Gold Mine

Jokisivu金礦

| 30 Jun 2021 2021年 6月30日 | 30 Jun 2020 2020年 6月30日 |
|----------------------------------|----------------------------------|
| 189,018 | 146,671 |
| 2.5 | 2.6 |
| 119,849 | 137,558 |

期間內Jokisivu開發的斜坡深度側面於2021年1月由570米水平推進合共15米至571米水平。

BUSINESS REVIEW (CONT'D)**Finland Operations (Cont'd)***Kaapelinkulma Gold Mine*

Production at Kaapelinkulma came from open-pit mining with 22,795 tonnes of ore grading 3.6 g/t gold mined and the removal of 29,495 tonnes of waste rock. Mining activities ceased in April 2021, and all stripping costs incurred during the development phase as part of the depreciable cost of building, developing, and constructing the mine have been fully amortised.

| | |
|------------------------|----------------|
| Ore mined (tonnes) | 採礦量(噸) |
| Waste rock (tonnes) | 廢石(噸) |
| Strip ratio | 剝離率 |
| Mined grade (g/t gold) | 所採礦石的黃金品位(克/噸) |

The Group maintains valid exploration tenure at Kaapelinkulma with exploration and evaluation activities in the area continuing. Further details are provided later in the Exploration Review on page 67.

Orivesi Gold Mine

The Company is awaiting approval of its Orivesi Closure Plan since the cessation of mining activities in June 2019. Further details are provided later in the Environmental Review on pages 71 and 72. The Group maintains valid exploration tenure at Orivesi with exploration and evaluation activities in the area continuing.

業務回顧(續)**芬蘭業務(續)***Kaapelinkulma金礦*

Kaapelinkulma的產量來自露天採礦，已開採22,795噸黃金品位為3.6克/噸的礦石，並移除29,495噸廢石。開採活動於2021年4月停止，所有於開發階段產生的剝離成本作為興建、開發及建設礦場的可折舊成本的一部分已全部攤銷。

Kaapelinkulma Gold Mine
Kaapelinkulma金礦

| 30 Jun | 30 Jun |
|---------------|---------------|
| 2021 | 2020 |
| 2021年 | 2020年 |
| 6月30日 | 6月30日 |
| 22,795 | 30,869 |
| 29,495 | 282,435 |
| 1.3:1 | 9.1:1 |
| 3.6 | 2.6 |

本集團維持Kaapelinkulma有效的勘探權，區域內的勘探及評估活動仍會繼續。進一步詳情載於下文第67頁的勘探回顧。

Orivesi金礦

2019年6月終止採礦活動後，本公司正等待其Orivesi關閉計劃的審批。進一步詳情載於下文第71及72頁的環境回顧。本集團維持Orivesi有效的勘探權，區域內的勘探及評估活動仍會繼續。

BUSINESS REVIEW (CONT'D)**Sweden Operations***Svartliden Production Centre*

Svartliden is located in northern Sweden, approximately 750 kilometres by road north of Stockholm. It was established as part of an integrated operation comprising the Svartliden Plant and the Svartliden open-pit and underground gold mining operation ("Svartliden Gold Mine"). Brought into production in March 2005, Svartliden produced a total of 391,610 ounces of gold from Svartliden Gold Mine ore and external concentrates up to the end of 2016.

During the period, the Svartliden Plant continued to process concentrate from Vammala at below break-even to ensure the retention of staff and operational facilities in readiness for the resumption of ore processing when full-scale mining at Fäboliden is achieved.

業務回顧(續)**瑞典業務***Svartliden生產中心*

Svartliden位於瑞典北部，車程距斯德哥爾摩以北約750公里。成立該工廠乃為綜合作業的一部分，包括Svartliden工廠及Svartliden一個露天礦場及地下黃金開採作業(「Svartliden金礦」)。自2005年3月投產以來，Svartliden直至2016年底為止已自Svartliden金礦及外來精礦合共生產391,610盎司黃金。

於期內，Svartliden工廠繼續在盈虧平衡點以下水平加工來自Vammala的精礦，以確保保留員工及營運設施，為Fäboliden取得全面採礦活動後恢復礦石加工做好準備。

Svartliden Production Centre**Svartliden生產中心**

| | | 30 Jun | 30 Jun |
|---|----------------|---------------|--------|
| | | 2021 | 2020 |
| | | 2021年 | 2020年 |
| | | 6月30日 | 6月30日 |
| Ore milled (tonnes) | 採礦量(噸) | – | 1,296 |
| Head grade (g/t gold) | 原礦品位(克/噸黃金) | – | 2.9 |
| Ore process recovery (%) | 礦石加工回收率(%) | – | 82.0% |
| Vammala flotation concentrate milled (tonnes) | Vammala浮選精礦(噸) | 2,721 | 2,439 |
| Concentrate process recovery (%) | 精礦加工回收率(%) | 94.5 | 94.6% |
| Head grade (g/t gold) | 原礦品位(克/噸黃金) | 112.9 | 141.0 |
| Total gold production (oz) | 總黃金產量(盎司) | 9,333 | 10,544 |

BUSINESS REVIEW (CONT'D)**Sweden Operations (Cont'd)***Fäboliden Gold Mine*

Fäboliden is located in northern Sweden, approximately 30 kilometres by road southeast of the Svartliden Plant. The Company conducted test-mining activities at the Fäboliden mine from May to September 2019 and June to September 2020. The Svartliden Plant processed 99,974 ore tonnes from Fäboliden with an average grade of 2.6 g/t gold and process recovery of 78.4% to produce 6,806 ounces of gold. The processing of Fäboliden ore at the Svartliden Plant was completed in November 2020.

Capitalised overburden and pre-stripping costs incurred during the development phase of the mine have been capitalised as part of the depreciable cost of building, developing, and constructing the mine. These capitalised costs will be depreciated over the life of the mine based on units of production. All capitalised costs that relate solely to test mining have been fully written off.

業務回顧(續)**瑞典業務(續)***Fäboliden金礦*

Fäboliden位於瑞典北部，車程距離Svartliden工廠東南約30公里。本公司由2019年5月至9月以及2020年6月至9月於Fäboliden礦場進行試採活動。Svartliden工廠加工來自Fäboliden的99,974噸礦石，平均品位2.6克／噸的黃金，並加工回收78.4%，產出6,806盎司黃金。Svartliden工廠的Fäboliden礦石加工於2020年11月完成。

已變現所產生的覆蓋岩層及預剝離成本作為興建、開發和建設礦場的可折舊成本的一部分予以資本化。該等資本化成本將於礦場的年期間內按產量折舊。所有僅與試採相關的已變現成本均已撤銷。

Fäboliden Gold Mine**Fäboliden金礦**

| 30 Jun | 30 Jun |
|---------------|---------------|
| 2021 | 2020 |
| 2021年 | 2020年 |
| 6月30日 | 6月30日 |

| | | | |
|------------------------|----------------|---|--------|
| Ore mined (tonnes) | 採礦量(噸) | - | 10,322 |
| Waste rock (tonnes) | 廢岩(噸) | - | 2,652 |
| Strip ratio | 剝離率 | - | 0.03:1 |
| Mined grade (g/t gold) | 所採礦石的品位(克／噸黃金) | - | 2.5 |

The Company has continued to advance its application for an environmental permit to commence full scale mining activities at Fäboliden. Refer to the Environmental Review on page 76 for further information.

本公司繼續推動其關於在Fäboliden進行全面採礦活動的環境許可證申請。進一步資料請參閱第76頁的環境回顧。

BUSINESS REVIEW (CONT'D)**Employees**

The total number of employees and contractors of the Group as at 30 June 2021 was 88 (30 June 2020: 82). Total staff costs including Directors' emoluments amounted to AU\$4.0 million (30 June 2020: AU\$4.2 million). The Group periodically reviews remuneration packages from time to time. The stipends of Directors were reviewed and approved by the Remuneration Committee on 21 November 2020. The remuneration packages for our employees generally include a basic salary component and a productive incentive payment. We determine employee remuneration based on factors such as qualifications and years of experience, whilst the amount of annual incentive payment will be assessed and determined by the Remuneration Committee and the Board against the key performance indicators achieved. We also provide our employees with welfare benefits, including pension and healthcare benefits, as well as other miscellaneous items. We provide training to our employees to improve the skills and professional knowledge they need for our operations and their personal development, including an initial training induction on work safety and environmental protection upon entering the Company, and prior to each exploration or operational activity. The Group's responses to the COVID-19 pandemic are set out on page 47 of this Interim Report.

Environment, and Social and Governance

At Dragon Mining we value responsible environmental management, seek to continually improve environmental performance, and aspire to be effective environmental stewards. The Company is very clear on the need to earn the respect and support of the community by operating in a socially responsible manner, and by demonstrating a tangible commitment to environmental sustainability.

業務回顧(續)**僱員**

本集團於2021年6月30日的僱員及承包商數量為88人(2020年6月30日：82人)。總員工成本包括董事酬金4.0百萬澳元(2020年6月30日：4.2百萬澳元)。本集團會定期不時檢討薪酬待遇。董事的薪酬由薪酬委員會於2020年11月21日審閱及批准。我們僱員的薪酬待遇一般包括基礎薪金及基於生產情況的激勵獎金。我們基於資歷及經驗年限等因素釐定僱員薪酬，而年度激勵獎金則由薪酬委員會及董事會對照所達成的主要績效指標評估釐定。我們還向僱員提供福利，包括養老金和醫療福利以及其他項目。我們為僱員提供培訓，以改善其在經營和個人發展中所需具備的技能和專業知識，包括加入本公司及每次勘探或經營活動開始之前，有關工作安全和環境保護的入職培訓。本集團就COVID-19疫情作出的應對措施載於本中期報告第47頁。

環境、社會及管治

龍資源重視負責的環境保護，尋求持續改善環境表現，以冀成為高效的環保衛士。本公司清楚了解，本公司需通過以對社會負責的方式營運以及切實履行維護環境可持續性的承諾，來贏得社區的尊重及支持。

BUSINESS REVIEW (CONT'D)**Environment, and Social and Governance (Cont'd)**

The Company operates in four national regulatory environments and the supra-national regime of the European Union. While compliance with these regulatory environments and specific operational licence conditions are the basis of the Company's environmental management procedures, the Company is committed to the principle of developing and implementing best applicable practices in environmental design and management and will actively work to:

- (i) operate within the legal permitting framework and in accordance within the Company's carefully designed environmental management systems;
- (ii) identify, monitor, measure, evaluate and minimise the Company's impact on the surrounding environment;
- (iii) give environmental aspects due consideration in all phases of the Groups mining projects, from exploration through to development, operation, production, and final closure; and
- (iv) act systematically to improve the planning, execution, and monitoring, of its environmental performance.

The Board retains the overall responsibility for the Group's Environmental, Social and Governance ("ESG") management and is committed to operating in a manner that contributes to the sustainable development of mineral resources through efficient, balanced, long-term management, while showing due consideration for the wellbeing of people; protection of the environment; and development of the local and national economies in the countries in which the Group operates. The Group is very clear on the need to work closely with the local communities in each jurisdiction in which it operates, and places great importance on earning the respect and support of those communities.

The Group's performance is reported annually and reviewed by the Audit and Risk Management Committee and Board, details of which are outlined in our "Risk Management and Internal Control" section contained in the Corporate Governance Report included in the Company's published 2020 Annual Report. For further information on the Company's corporate governance please refer to the Corporate Governance Report in the Company's published 2020 Annual Report or by accessing the Company's website at www.dragonmining.com/governance. The Company's 2020 ESG Report is available on the Company's website at <http://www.irasia.com/listco/hk/dragonmining/index.htm> and www.dragonmining.com.

業務回顧(續)**環境、社會及管治(續)**

本公司在四個國家的監管環境及歐盟的超國家機制下運營。遵守該等監管環境及特定營運許可證條件為本公司環保管理程序的基礎，與此同時，本公司致力於堅持在環保設計及管理方面制定及實施最佳適用慣例，並將積極努力：

- (i) 在法律許可範圍內，遵循本公司精心制定的環境管理系統營運；
- (ii) 識別、監控、計量、評估及降低本公司對周遭環境的影響；
- (iii) 在本集團採礦項目由勘探到開發、作業、生產及閉礦等所有階段充分考慮環境事宜；及
- (iv) 採取系統性行動改善其環境表現的規劃、執行及監控。

董事會對本集團的環境、社會及管治(「環境、社會及管治」)管理整體負責及致力於以有助於礦產資源可持續發展的方式，透過均衡、富有遠見的管理經營業務；同時關懷民眾福祉、保護環境、發展本集團營運所在國家的本地及國家經濟。本集團深明與其經營所在的各司法權區的當地社區密切合作的需要，且十分重視贏取該等社區的尊重和支持。

本集團的表現由審核及風險管理委員會及董事會每年呈報及審閱，有關詳情概述於本公司的已刊發2020年年報內企業管治報告所載「風險管理及內部監控」一節。有關本公司企業管治的更多資料，請參閱本公司已刊發的2020年年報內的企業管治報告或瀏覽本公司網站 www.dragonmining.com/governance。本公司的2020年環境、社會及管治報告可於本公司網站 <http://www.irasia.com/listco/hk/dragonmining/index.htm> 及 www.dragonmining.com 閱覽。

BUSINESS REVIEW (CONT'D)**Operational Risks**

The Group's response to the COVID-19 pandemic is included under the Business Review on page 47.

The Company faces operational risks on a continual basis. The Company has adopted policies and procedures designed to manage and mitigate those risks wherever possible. However, it is not possible to avoid or even manage all possible risks. Some of the operational risks are outlined below but the total risk profile, both known and unknown, is more extensive.

Safety

LTI, serious workplace accidents or significant equipment failures may lead to harm to the Company's employees or other persons; temporary stoppage or closure of an operating mine; delays to production schedules and disruption to operations; with material adverse impact on the business.

Dragon Mining continues to work closely with all stakeholders to promote continuous safety improvements and Occupational Health and Safety ("OH&S") considering evolving scientific knowledge and technology, management practices and community expectations.

Dragon Mining ensures it maintains compliance with the applicable laws, regulations, and standards of the countries, it operates in by:

- (i) improving and monitoring OH&S performance;
- (ii) training and ensuring its employees and contractors understand their obligations and are held accountable for their responsibilities;
- (iii) communicating and openly consulting with employees, contractors, government, and community on OH&S issues; and
- (iv) developing risk management systems to appropriately identify, assess, monitor, and control hazards in the workplace.

業務回顧(續)**營運風險**

本集團應對COVID-19疫情的措施載於第47頁的業務回顧。

本公司持續面對營運風險。本公司已採取旨在管理及盡量降低該等風險的政策及程序。然而，任何企業均無法避免甚至管理所有潛在風險。部分營運風險概述如下，但已知及未知的全部風險狀況要更為廣泛得多。

安全

失時工傷、嚴重的工作場所事故或重大設備故障可能令本公司的僱員或其他人士受傷、導致暫停或關閉生產礦，因而生產計劃出現延誤及干擾營運，並對業務造成重大不利影響。

龍資源繼續與所有利益相關者密切合作，以通過應用不斷進步的科學知識及技術及管理慣例以及考慮社區期望，持續改善安全表現以及職業健康及安全(「職業健康及安全」)。

龍資源通過以下措施確保持續遵守其營運所在國家的適用法律、法規及標準：

- (i) 改善及監控職業健康及安全表現；
- (ii) 培訓僱員及承包商並確保其了解各自的義務並對各自的職責負責；
- (iii) 就職業健康及安全事宜與僱員、承包商、政府及社區進行溝通及公開協商；及
- (iv) 建立風險管理系統以妥善識別、評估、監控及控制工作場所內的安全隱患。

BUSINESS REVIEW (CONT'D)**Operational Risks (Cont'd)***Production*

During the period, most of the Group's ore production came from Jokisivu with some ore production from Kaapelinkulma before the completion of open-pit mining activities in April 2021. Further delays in the Company's application for an environmental permit to commence full scale mining activities at Fäboliden may adversely impact the Company's full year results for 2021 and 2022.

The process recovery rate and production costs are dependent on many technical assumptions and factors, including geological, physical, and metallurgical characteristics of ores. Any change in these assumptions and factors may have an adverse effect on the Group's production volume or profitability. Actual production may vary from expectation for a variety of reasons, including grade, tonnage, dilution, and mining recovery.

Plant breakdown or availability and throughput restraints may also affect the operation.

Permitting

The Group may encounter difficulties in obtaining all permits necessary for its exploration, evaluation, and production activities at its existing operations or for pre-production assets. It may also be subject to ongoing obligations to comply with permit requirements which can incur additional time and costs.

The application for an environmental permit to commence full-scale mining at Fäboliden was submitted to the Land and Environmental Court in July 2018. The Company's application continues to face significant delay in obtaining environmental approval which could materially and adversely affect the Company's profitability. Further delays would likely require the Company to re-evaluate the continued operation of Svartliden. At the date of this Interim Report, the Company is not aware of any reason for any delay caused because of the COVID-19 pandemic. The Environmental Review from page 69 provides updates on rehabilitation and status of permitting at the Company's Finnish and Swedish operations.

業務回顧(續)**營運風險(續)***生產*

於期內，於2021年4月完成露天開採活動前，本集團的大部分礦石產量來自Jokisivu，部分礦石產量來自Kaapelinkulma。倘本公司關於在Fäboliden開始全面開採活動的環境許可證申請進一步延後，則可能會對本公司於2021年及2022年的全年業績產生不利影響。

加工回收率及生產成本取決於多項技術假設及因素，包括礦石的地質、物理及冶金特性。該等假設及因素的任何變化均可能對本集團的產量或盈利能力產生不利影響。實際產量可能因各種原因而與預期不符，包括品位、噸位、稀釋及採礦回收率。

工廠故障或可開工時數以及吞吐量限制會對營運產生影響。

許可

本集團可能會在就其現有業務營運的勘探、評估及生產活動或就預生產資產取得所有必要許可時遇到困難，亦可能須持續履行有關義務以遵守許可要求，進而須付出額外的時間及成本。

關於開始Fäboliden全面採礦的環境許可證的申請已於2018年7月提交予土地與環境法院。本公司的申請在取得環保批准方面繼續面臨重大延誤，這可能會對本公司的盈利能力產生重大不利影響。如進一步延誤，本公司可能須重新評估Svartliden業務能否持續營運。截至本中期報告日期，本公司並不知悉由於COVID-19疫情而造成任何延誤的任何原因。從第69頁起的环境回顧載有關於本公司芬蘭及瑞典業務的復墾及許可狀況的最新資料。

BUSINESS REVIEW (CONT'D)**Operational Risks (Cont'd)***Social and Political*

The Group has faced and may continue to face activist opposition from groups or individuals opposed to mining generally, or to specific projects, resulting in delays or increased costs. Such opposition may also have adverse effects on the political climate generally.

The Group is exposed to other risks which include, but are not limited to, cyber-attack, political and economic instability, and natural disaster, all of which could have varying degrees of impact on the Group and its operating activities. Where available and appropriate to do so, the Board will seek to minimise exposure using insurance, while actively monitoring the Group's ongoing exposure.

FINANCIAL REVIEW

The Group's operations for the period returned a net loss of AU\$0.3 million (30 June 2020: net profit of AU\$6.3 million). As previously announced, such net loss was the impact of throughput restraints in the crushing and milling circuit and lower head grade and recoveries resulting in a decrease in the quantity of gold concentrate produced at the Vammala Plant. The Group's operations in Sweden continued to be carried at below break-even to maintain operational readiness for the anticipated commencement of full-scale mining activities at Fäboliden upon approval of the Company's environmental permit application.

As noted earlier, no adjustments have been made to the Group's result as at 30 June 2021 for the impacts of COVID-19.

Revenue from Customers

The Group sold 10,860 ounces of gold (30 June 2020: 14,488 ounces of gold) to deliver revenue from operations of AU\$25.6 million (30 June 2020: AU\$35.9 million). The 28.8% decrease in revenue is driven by a 25.0% decrease in actual gold sold during the period. Stronger USD gold prices during the period provided some offset to the decreases in gold sales.

The Group sold gold at an average spot price of US\$1,805 per ounce during the period compared to US\$1,671 per ounce in 6-months ending 30 June 2020.

業務回顧(續)**營運風險(續)***社會及政治*

本集團已經並可能會繼續面對反對採礦整體或反對特定項目的激進團體或個人進行的抗議活動，從而導致延誤或成本增加。有關抗議亦可能對整體政治局面產生不利影響。

本集團還面對其他風險，包括但不限於網絡攻擊、政治及經濟波動以及自然災害，該等風險可能對本集團及其營運活動產生不同程度的影響。當情況允許及適當時，董事會將通過投購保險盡可能縮小風險敞口，同時持續積極監控本集團風險。

財務回顧

期內，本集團的業務錄得淨虧損0.3百萬澳元（2020年6月30日：純利6.3百萬澳元）。誠如先前所公佈，有關淨虧損源自碾磨機吞吐量限制及原礦品位及回收率下降導致Vammala工廠產出的金精礦數量減少。本集團的瑞典業務繼續在盈虧平衡點以下經營，以維持營運，為本公司的環境許可證申請獲批後，預期開始Fäboliden的全面採礦活動時恢復礦石加工做好準備。

如前文所述，故並無因COVID-19的影響而對本集團於2021年6月30日的業績作出調整。

客戶收益

本集團出售10,860盎司黃金（2020年6月30日：14,488盎司黃金），產生營運所得收益25.6百萬澳元（2020年6月30日：35.9百萬澳元）。收益減少28.8%乃由於期內實際出售黃金減少25.0%。期內美元金價變強為黃金銷售下降提供了部分緩衝。

期內，本集團按平均現貨價格每盎司1,805美元出售黃金，而截至2020年6月30日止6個月則為每盎司1,671美元。

FINANCIAL REVIEW (CONT'D)

Cost of Sales

Cost of sales for the period were AU\$22.7 million representing a 15% decrease compared to the previous period (30 June 2020: AU\$26.7 million). Cost of sales includes mining, processing, other production activities, changes in inventory, and depreciation as follows:

| | | 30 Jun 2021 2021年 6月30日 | 30 Jun 2020 2020年 6月30日 | % change 變動 百分比 |
|---|-------------|---|--|--------------------------|
| Total gold sold (oz) | 已售黃金總量(盎司) | 10,860 | 14,488 | (25.0%) |
| Total gold produced (oz) | 已生產黃金總量(盎司) | 11,080 | 12,102 | (8.4%) |
| | | 30 Jun 2021 2021年 6月30日 AU\$'000 千澳元 | * 30 Jun 2020 *2020年 6月30日 AU\$'000 千澳元 | % change 變動 百分比 |
| Cost of sales | 銷售成本 | | | |
| Mining | 採礦 | 13,063 | 14,346 | (8.9%) |
| Processing | 加工 | 6,639 | 6,318 | 5.1% |
| Other production activities | 其他生產活動 | 699 | 625 | 11.8% |
| Gold inventory movements | 黃金存貨變動 | (256) | 1,969 | (113.0%) |
| Depreciation | 折舊 | 2,570 | 3,481 | (26.2%) |
| Cost of production net of inventory movements | 生產成本減存貨變動 | 22,715 | 26,739 | (15.0%) |

* Comparative figures have been presented net of inventory movements

* 所呈列比較數字已扣除存貨變動

FINANCIAL REVIEW (CONT'D)

財務回顧(續)

Cost of Sales (Cont'd)

銷售成本(續)

- a) Group mining costs for the 6-month period decreased by 8.9% and total ore tonnes mined increased by 12.8%. Ore was sourced from both Kaapelinkulma and Jokisivu, the latter producing 13.1% more tonnes from ore stoping activities and 40.9% more tonnes from ore development activities for the period. The Group mined 211,963 ore tonnes (30 June 2020: 187,862 ore tonnes) at an average cost per ore tonne of AU\$61.63 which represents a decrease of 19.3% against the previous period (30 June 2020: AU\$76.36 per ore tonne). An increase in the Jokisivu ore stockpile has resulted in the associated mining costs being transferred to inventory. These costs will be expensed during the period in which the related revenue is recognised.
- b) Group processing costs for the 6-month period increased by 5.1% despite 5.0% lower production at the Vammala Plant which, as noted previously, was impacted by throughput and crushing constraints. As a result, Vammala processing cost per tonne of \$22.45 represents an increase of 8.5% compared against the previous period (30 June 2020: AU\$20.12 per ore tonne processed). In Sweden, the Svartliden Plant processed 2,721 tonnes of concentrate from Vammala (30 June 2020: 2,439 tonnes) representing an increase of 11.6%. A net drawdown of gold-in-circuit inventory from the Svartliden Plant resulted in additional processing costs previously transferred to inventory being expensed during the period.
- c) When inventories are sold the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. During the 6-month period, the net inventory movement resulted in costs of \$0.26 million being transferred to inventory.
- d) Depreciation is incurred on a unit of production basis and is aligned to mined or milled tonnes dependent on the class of asset. The asset carrying values for those operations that have ceased (Orivesi in June 2019, Kaapelinkulma in April 2021, and Fäboliden test mining in September 2020) have reduced depreciation by 26.2% in 2021.
- a) 本集團6個月期間的開採成本減少8.9%及總採礦噸數增加12.8%。礦石來自Kaapelinkulma及Jokisivu，後者於期內通過採礦活動增加13.1%產量及通過礦石開發活動增加40.9%產量。本集團開採211,963噸礦石(2020年6月30日：187,862噸礦石)，平均成本每噸礦石61.63澳元，較上一期間減少19.3%(2020年6月30日：每噸礦石76.36澳元)。Jokisivu的庫存礦石增加，導致相關開採成本轉撥至存貨。該等成本將於確認相關收益的期間內支銷。
- b) 本集團於6個月期間的加工成本增加5.1%，惟Vammala工廠產量下降5.0%，如先前所述，其乃受吞吐量及碾磨限制影響所致。因此，Vammala的加工成本每噸22.45澳元較上一期間增加8.5%(2020年6月30日：每噸已加工礦石20.12澳元)。瑞典的Svartliden工廠加工來自Vammala的精礦2,721噸(2020年6月30日：2,439噸)，增幅為11.6%。Svartliden工廠流通中的黃金庫存淨減少導致導致先前轉撥至存貨的額外加工成本於期內支銷。
- c) 存貨出售時，該等存貨的賬面值於確認相關收益的期間確認為開支。於6個月期間內，存貨淨變動導致0.26百萬元成本轉撥至存貨。
- d) 折舊按單位產量基準產生及視乎資產類別調整至開採噸數或碾磨噸數。已終止的業務(於2019年6月終止的Orivesi，於2021年4月終止的Kaapelinkulma，及於2020年9月終止試採的Fäboliden)的資產賬面值於2021年折舊減少26.2%。

FINANCIAL REVIEW (CONT'D)**Gross Profit**

The 28.8% decrease in revenue compared to the 15.0% decrease in cost of sales delivered a gross profit for the period of AU\$2.9 million (30 June 2020: AU\$9.2 million) and gross profit ratio of 11.2% (30 June 2020: 25.6%).

Management and Administration and Other Expenses

Other expenses include the cost of evaluation assets written off as part of the Group's regular review of capitalised exploration and evaluation costs.

Working Capital, Liquidity and Gearing Ratio

At 30 June 2021, the Group had net assets of AU\$59.8 million (31 Dec 2020: AU\$53.5 million); a working capital surplus of AU\$30.3 million (31 Dec 2020: surplus AU\$27.6 million); and a closing market capitalisation of AU\$46.8 million or HK\$273.2 million (31 Dec 2020: AU\$56.3 million or HK\$336.0 million). The market capitalisation deficiency compared to net assets is an indication of possible impairment. The Group has performed impairment testing which did not result in any asset impairment write downs for the Group.

At 30 June 2021, the Group had AU\$17.6 million in cash and cash equivalents (31 Dec 2020: AU\$14.4 million) and funded its activities with positive cash inflows from operations.

At 30 June 2021, the Company's gearing ratio was 0.5% (31 Dec 2020: 6.3%), calculated by dividing total borrowings by total equity.

Interest Bearing Liabilities – AU\$12 million Unsecured Loan Facility with AP Finance Limited

The Company has an unsecured AU\$12.0 million Loan Facility with AP Finance Limited ("Loan Facility").

On 6 January 2021, the Company made a voluntary repayment of the outstanding balance of its Loan Facility of AU\$3.0 million (including interest payable to that date).

On 30 July 2021, the Company extended the Loan Facility availability period from 30 June 2022 to 31 December 2022. At the date of this Interim Report, the Company has AU\$12.0 million in undrawn funds available. There have been no drawdowns since balance date.

財務回顧(續)**毛利**

收益減少28.8%與銷售成本減少15.0%導致期內錄得毛利2.9百萬澳元(2020年6月30日: 9.2百萬澳元)及毛利率為11.2%(2020年6月30日: 25.6%)。

管理及行政以及其他開支

其他開支包括作為本集團對資本化勘探及評估成本定期審閱的一部分而撇銷的評估資產成本。

營運資金、流動資金及資產負債比率

於2021年6月30日,本集團擁有資產淨值59.8百萬澳元(2020年12月31日: 53.5百萬澳元)、營運資金盈餘30.3百萬澳元(2020年12月31日: 盈餘27.6百萬澳元)及期末市值46.8百萬澳元或273.2百萬港元(2020年12月31日: 56.3百萬澳元或336.0百萬港元)。市值虧絀與資產淨值之比較顯示可能減值。本集團已進行減值測試,並無導致本集團任何資產減值撇減。

於2021年6月30日,本集團擁有17.6百萬澳元的現金及現金等價物(2020年12月31日: 14.4百萬澳元),並以經營所得正現金流入為其活動提供資金。

於2021年6月30日,本公司的資產負債比率(按借款總額除以權益總額計算)為0.5%(2020年12月31日: 6.3%)。

計息負債 – 與AP Finance Limited的12百萬澳元無抵押貸款融資

本公司擁有來自AP Finance Limited的無抵押貸款融資12.0百萬澳元(「貸款融資」)。

於2021年1月6日,本公司自願償還其貸款融資的尚未償還餘額3.0百萬澳元(包括截至該日的應付利息)。

於2021年7月30日,本公司將可獲得貸款融資的期限由2022年6月30日延長至2022年12月31日。於本中期報告日期,本公司有12.0百萬澳元的未提取可動用資金。自結算日起概無提款。

FINANCIAL REVIEW (CONT'D)

財務回顧(續)

Placement of Shares

配售股份

On 22 January 2021, the Company issued a total of 20,000,000 ordinary shares ("Placing Shares") in the share capital of the Company at HK\$2.05 per share ("Placing Price") pursuant to the placing agreement ("Placing Agreement") entered into between the Company and Morton Securities Limited ("Placing Agent") dated 7 January 2021 ("Placement"). Pursuant to the Australian Corporations Act, the shares do not have a nominal or par value, and as such, there is no maximum aggregate nominal value of the Placing Shares.

於2021年1月22日，本公司根據本公司與萬基證券有限公司(「配售代理」)所訂立日期為2021年1月7日的配售協議(「配售協議」)按每股2.05港元(「配售價」)發行本公司股本中共合20,000,000股普通股(「配售股份」)(「配售事項」)。根據澳洲公司法，股份並無面值或票面價值，因此，配售股份並無最高面值總額。

The Placing Shares have been successfully placed to not less than six independent placees who are individuals, professionals, institutional or other investors whom the Placing Agent has procured to subscribe for any of the Placing Shares pursuant to its obligations under the Placing Agreement who (including its ultimate beneficial owners) are (i) third party(ies) independent of and not connected with the Company and its connected persons (as defined in the Listing Rules) and regarded as public (as defined in the Listing Rules); and (ii) not regarded as a related party (as defined under section 228 of the Australian Corporations Act) of the Company.

配售股份已成功配售予不少於六名獨立承配人，彼等為配售代理根據其於配售協議的責任所促成認購任何配售股份的個人、專業、機構或其他投資者，彼等(包括其最終實益擁有人)為(i)獨立於本公司及其關連人士(定義見上市規則)及與彼等並無關連的第三方且被視為公眾人士(定義見上市規則)；及(ii)不會被視為本公司的關聯方(定義見澳洲公司法第228條)。

The Placing Price represented a premium of approximately 2.50% over the closing price of HK\$2.00 per share as quoted on the Stock Exchange on 7 January 2021; being the date on which the terms of the Placement was fixed.

配售價較股份於2021年1月7日(即釐定配售條款日期)在聯交所所報收市價每股2.00港元溢價約2.50%。

As disclosed in the announcement of the Company dated 7 January 2021, it is expected that the Group requires significant additional funds for the payment of additional environmental bonds for its mines in Finland and Sweden, which are initially expected to be demanded by the relevant authorities in early 2021 due to change of local regulatory policies requiring more upfront cash down payments. Having considered the existing financial resources available to the Group, the Directors are of the view that the Group requires additional funding for such payment, and that the Placement will strengthen the financial position and liquidity of the Group and provide financial resources to the Group without incurring interest costs. The Directors also believe that the Placement represents an opportunity to raise capital for the Company while broadening its Shareholder and capital base.

誠如本公司日期為2021年1月7日的公告所披露，預期本集團將需要大量額外資金支付其於芬蘭及瑞典礦山的額外環保債券，而由於當地監管政策變動需要更多預付現金頭期款，初步預期有關部門會於2021年初提出有關要求。經考慮本集團現有的財務資源後，董事認為本集團需要額外資金支付有關款項，而配售事項將可鞏固本集團的財務狀況及流動性，並可在毋須產生利息成本的情況下為本集團提供財務資源。董事亦認為配售事項為本公司籌集資本的機會，並可擴大其股東基礎及資本基礎。

The net proceeds of the Placement were AU\$6.6 million (or approximately HK\$39.6 million), the entire amount will be used to contribute to the funding of a part of the various environmental bonds relating to the Company's operations in Finland and Sweden.

配售事項所得款項淨額為6.6百萬澳元(或約39.6百萬港元)，全數金額將用於支付與本公司芬蘭及瑞典業務有關的多項環境債券。

The net placing price, after deducting such fees, costs, and expenses, is approximately AU\$0.33 per share (HK\$1.99 per share) under the Placement.

經扣除有關費用、成本及開支後，配售事項的淨配售價約為每股股份0.33澳元(每股股份1.99港元)。

FINANCIAL REVIEW (CONT'D)

財務回顧(續)

Use of Net Proceeds from the Company's Placement

本公司配售事項所得款項淨額用途

As at 30 June 2021, 100% of the net proceeds remain available to fund the Group's environmental bond obligations for its operations in Finland and Sweden.

於2021年6月30日，所得款項淨額仍全部可供用於支付本集團芬蘭及瑞典業務的環保債券責任。

| Purpose | 目的 | Proposed use of proceeds | Purpose of proceeds expressed as % of net proceeds | Actual amount utilised from 22 Jan 2021 to 30 Jun 2021 由2021年1月22日至2021年6月30日的實際已動用金額 | Unutilised as at 30 Jun 2021 於2021年6月30日的未動用金額 | Revised expected timeline for the unutilised amount 未動用金額的經修訂預期時間表 |
|-------------------------------------|----------|--------------------------|--|--|---|---|
| | | AU\$ million 百萬澳元 | % 百分比 | AU\$ million 百萬澳元 | AU\$ million 百萬澳元 | |
| Fund environmental bond obligations | 支付環境債券責任 | \$6.63 | 100% | - | \$6.63 | To be utilised by end of 2022 將於2022年底前動用 |

The Company operates a number of assets in both Finland and Sweden each with its own requirement for environmental bonds.

本公司在芬蘭及瑞典經營多個資產，兩地各自有不同的環保債券要求。

The net proceeds were initially expected to be used within 12-months from the Placement completion date. The reason for revising the expected timeline for the unutilised amount is that the Company has appealed each of the bonding requirements for the reduction of the quantum of the environmental bonds, while certain third parties have also appealed some of the bonding requirements but arguing the quantum should be increased instead. As at 30 June 2021, the various appeal proceedings were on-going and therefore the net proceeds were not yet utilised to fund the Group's environmental bond obligations.

所得款項淨額初步預料將於自配售事項完成日期起計12個月內使用。修訂未動用金額的預期時間表的理由是，本公司已對每項債券要求提出上訴，以減少環保債券數量，而若干第三方亦已對若干債券要求提出上訴，但認為環保債券數量反而應該增加。於2021年6月30日，各項上訴程序仍在進行中，因此，所得款項淨額尚未用於支付本集團的環保債券責任。

To the best estimates of the Company based on its experience with the time to process appeals in the environmental courts in Finland and Sweden, it expects the majority of the appeals would have proceeded with at least a first hearing by such courts in the first half of 2022. Based on the above and subject to any subsequent further appeals to be made by the Company and/or third parties, it is anticipated that the net proceeds of AU\$6.6 million will be utilised by the end of 2022.

根據本公司對芬蘭及瑞典環境法院處理上訴所需時間的經驗而作出的最佳估計，預計該等法院應在2022年上半年已為大部分上訴至少進行了首次聆訊。根據上文所述及視乎本公司及／或第三方其後是否作出任何進一步的上訴，預計所得款項淨額6.6百萬澳元將於2022年底前動用。

The revised expected timeline for the unutilised amount is subject to the actual time taken for the appeals to be processed, as well as the final adjudication by the courts on the deadline for the Group to settle the payment for the environmental bonds. On receipt of confirmation from the relevant environmental courts in Finland and Sweden, the Company will update its shareholders as and when appropriate if there are material developments on the usage of the proceeds of the Placement.

未動用金額的經修訂預期時間表取決於處理上訴所花費的實際時間，以及法院對本集團結算環保債券的最後期限的最終裁決。在收到芬蘭及瑞典相關環境法院的確認後，倘配售事項所得款項用途有重大進展，本公司將在適當時候向股東提供最新資料。

FINANCIAL REVIEW (CONT'D)**財務回顧(續)****Financial Risks****財務風險**

Details of the Company's Financial Risk exposures are provided as follows:

有關本公司的財務風險詳情載列如下：

*Foreign Exchange**外匯*

The Company sells its bullion and gold concentrate in USD. Most of its costs are denominated in SEK and EUR with an interest-bearing liability denominated in HKD, while the Company's presentation currency is AUD.

本公司以美元銷售金銀錠及金精礦，其大部分成本均以瑞典克朗及歐元計值，一項計息負債以港元計值，然而本公司的呈列貨幣為澳元。

The Company may use foreign exchange forwards from time to time to reduce exposure to unpredictable fluctuations in the foreign exchange rates if considered suitable by the Directors. No hedging of foreign exchange exposure was used during the period.

當董事認為合適時，本公司可能不時利用外匯遠期合約減低外匯匯率的無法預計波動所帶來的風險。期間內並無使用外匯風險對沖。

*Commodity Price**商品價格*

The Company is exposed to movements in the gold price. The Company may use a variety of financial instruments (such as gold forwards and gold call options) from time to time to reduce exposure to unpredictable fluctuations in the project life revenue streams if considered suitable by the Directors. At present the Company has no plans to hedge commodity price risk.

本公司面臨黃金價格變動的風險。當董事認為合適時，本公司可能不時利用各種金融工具（如黃金遠期合約及黃金認沽期權）減低項目年期收益來源的不可預計波動所帶來的風險。目前，本公司並無計劃對沖商品價格風險。

*Liquidity**流動資金*

The Company is exposed to liquidity risk through its financial liabilities and its obligations to make payment on its financial liabilities as and when they fall due. The Company maintains a balance in its approach to funding using debt and or equity raisings.

本公司因金融負債及其償還到期應付金融負債責任而面臨流動資金風險。本公司通過使用債務及或股權融資提供資金的方法維持平衡。

*Credit**信貸*

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. The Company's maximum exposures to credit risk at reporting date in relation to each class of financial asset is the carrying amount of those assets as indicated in the Consolidated Interim Statement of Financial Position.

信貸風險指當對手方未能按合約履行責任所確認的虧損。本公司於報告日期就各類金融資產所面對的最高信貸風險為綜合中期財務狀況表所示該等資產的賬面值。

Credit risk is managed on a group basis and predominantly arises from cash and cash equivalents deposited with banks and financial institutions, trade and other receivables and environmental and other bonds. While the Company has policies in place to ensure that sales are made to customers with an appropriate credit history, the Company is exposed to a concentration of credit risk in relation to its gold concentrate sales to a nearby smelter in Finland.

信貸風險以組合形式管理，主要產生自存放於銀行及金融機構的現金及現金等價物、貿易及其他應收款項以及環境及其他保證金。儘管本公司已制定政策，以確保產品銷售予具有合適信貸記錄的客戶，惟本公司因向芬蘭附近的一家冶煉廠銷售金精礦而面臨信貸風險集中。

FINANCIAL REVIEW (CONT'D)**財務回顧(續)****Financial Risks (Cont'd)****財務風險(續)***Interest Rate**利率*

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. Cash flow interest rate risk is the risk that the future cash flow from a financial instrument will fluctuate because of changes in market interest rates. The Company's policy is to manage its exposure to interest rate risk by holding cash in short term, fixed and variable rate deposits with reputable high credit quality financial institutions. The Company constantly analyses its interest rate exposure. Consideration is given to potential renewals of existing positions, alternative financing and or the mix of fixed and variable interest rates.

公平值利率風險指金融工具的價值因市場利率變動而波動的風險。現金流量利率風險指金融工具的未來現金流量將因市場利率變動而波動的風險。本公司的政策是透過由信譽良好的高信貸質素金融機構以短期、固定及可變利率存款持有現金，以管理其面對的利率風險。本公司持續分析利率風險。考慮因素包括現有狀況的潛在更新、替代融資及／或固定及可變利率的組合。

*Costs**成本*

Fuel, power, labour, and all other costs can vary from existing rates and assumptions.

燃料、電力、勞工及所有其他成本可能有別於現有費率及假設。

Charges on Company Assets**公司資產抵押**

There were no charges on the Company's assets as at 30 June 2021 or 31 December 2020.

於2021年6月30日或2020年12月31日，本公司的資產概無抵押。

Contingent Liabilities**或然負債**

As at 30 June 2021, there are no material updates to the contingent liabilities contained in Company's 2020 Annual Report.

於2021年6月30日，本公司2020年報所載或然負債並無重大變動。

Company Strategy**公司策略**

The Company is principally engaged in gold exploration, mining, and processing in the Nordic region. The Company's objective is to focus on the development of existing and new mining assets in reasonable proximity to our process plants in Vammala, Finland and Svartliden, Sweden. The Company operates with a long-term business strategy to operate responsibly considering the interests of all stakeholders including its staff, contractors, and the public including civic groups, together with the environment and the general amenity of its areas of operation. It aims to produce positive financial outcomes through (i) the economic operations of its operating mines and process plants; (ii) development of new projects consistent with the Company's objective, such as the Group's newest operations at Fäboliden; and (iii) attention to the Company's corporate and social responsibilities, including a focus on ongoing safety and environmental compliance, and ongoing positive interaction with the communities within which it operates.

本公司主要在北歐地區從事黃金勘探、開採及加工。本公司的目標是專注於發展在我們於芬蘭Vammala及瑞典Svartliden的兩個加工廠合理距離內的現有及新採礦資產。本公司採取長期經營策略，在顧及所有利益相關者(包括其員工、承包商、民間團體等公眾)利益、環境及其營運所在區域的整體便利的前提下，以負責任的方式營運。其旨在通過(i)經濟運營我們的採礦及加工廠；(ii)開發符合本公司目標的新項目(如本集團於Fäboliden的最新營運)；及(iii)關注本公司的企業及社會責任(包括專注於持續的安全和環境合規及持續與其經營所在的社區積極互動)，實現可觀的財務業績。

FINANCIAL REVIEW (CONT'D)**財務回顧(續)****Significant Investments Held, Material Acquisitions and Disposal of Subsidiaries, and Future Plans for Material Investments or Capital Assets****所持重大投資、重大附屬公司收購及處置以及有關重大投資或資本資產的未來計劃**

Save for those disclosed in this Interim Report, there were no other significant investments held, nor were there material acquisitions or disposals of subsidiaries during the period. Apart from those disclosed in this Interim Report, there was no plan authorised by the Board for other material investments or additions of capital assets at the date of this Interim Report.

除本中期報告所披露者外，期間內並無持有其他重大投資，亦無任何重大附屬公司收購或處置事項。除本中期報告所披露者外，董事會於本中期報告日期並無批准有關其他重大投資或資本資產添置之任何計劃。

ADVANCED PROJECTS AND EXPLORATION REVIEW**推進項目及勘探回顧**

Dragon Mining continued to advance exploration during the period with activities completed on the Company's key projects in the Nordic Region.

龍資源於期內繼續推進勘探工作，完成了本公司在北歐地區的主要項目活動。



ADVANCED PROJECTS AND EXPLORATION REVIEW (CONT'D)**推進項目及勘探回顧(續)**

A total of 72 diamond core holes were drilled during the period for a total advance of 9,111m (2020 HY – 91 holes, 11,361m).

於期內共鑽探了72個金剛石取芯鑽孔，總進深9,111米(2020年半年度—91個鑽孔，11,361米)。

Drilling was undertaken at the Jokisivu Gold Mine (“Jokisivu”) in southern Finland and the Fäboliden Gold Mine (“Fäboliden”) in northern Sweden to generate additional information to support future mine planning and development. The Company also completed a reconnaissance drilling campaign at the site of the Orivesi Gold Mine (“Orivesi”) in southern Finland. No drilling was undertaken at the Kaapelinkulma Gold Mine (“Kaapelinkulma”) in southern Finland during the period.

在芬蘭南部的Jokisivu金礦(「Jokisivu」)及瑞典北部的Fäboliden金礦(「Fäboliden」)進行鑽探，以獲得更多資料支持未來的礦山規劃及開發。本公司亦在芬蘭南部的Orivesi金礦(「Orivesi」)礦場完成勘察鑽探活動。於期內，概無在芬蘭南部的Kaapelinkulma金礦(「Kaapelinkulma」)進行鑽探。

Results were received during the period for two campaigns that were drilled at Jokisivu prior to the half-year and for two campaigns completed at Jokisivu during the period. Results were also received for a campaign of drilling that was completed at Kaapelinkulma in late 2020 and the drilling campaign completed at Fäboliden during the period.

於期內得到於半年前在Jokisivu進行的兩次鑽探活動及於期內在Jokisivu完成的兩次鑽探活動的結果。此外，亦得到2020年底在Kaapelinkulma完成的鑽探活動及於期內在Fäboliden完成的鑽探活動的結果。

The drilling generated a series of significant intercepts from Jokisivu and Fäboliden that align well with expectations, further defining the extent and geometry of the targeted mineralised zones. The results received from the Kaapelinkulma campaign were lower than expectations.

鑽探過程中發現Jokisivu及Fäboliden的一系列重大樣段，符合預期，需進一步確定目標礦化帶的範圍及幾何形狀。Kaapelinkulma鑽探活動的結果較預期低。

Updates of the Company’s Mineral Resources and Ore Reserves were also completed during the period, yielding an increase in the Company’s Proved and Probable Ore Reserves. The increases obtained are primarily attributable to Jokisivu where the mine life for the underground operation has increased to ca. 6 years (2020 HY – ca. 4 years).

本公司的礦產資源量及礦石儲量的更新亦於期內完成，令本公司的探明及可能礦石儲量增加。增加主要由於Jokisivu的地下作業的礦山壽命已增加至約6年(2020年半年度—約4年)。

Details of the completed activities have previously been released to The Stock Exchange of Hong Kong Limited on:

有關已完成活動的詳情先前已於香港聯合交易所有限公司發佈：

- 6 January 2021 – Drilling Campaigns Advance on Dragon Mining’s Finnish and Swedish Projects;
- 16 March 2021 – Resources and Reserves Updated for Dragon Mining’s Nordic Production Centres; and
- 29 June 2021 – Drilling Returns Encouraging Intercepts from the Company’s Key Nordic Projects.
- 2021年1月6日—龍資源芬蘭及瑞典項目的鑽探活動進展；
- 2021年3月16日—龍資源北歐生產中心資源量及儲量估算更新；及
- 2021年6月29日—本公司主要北歐項目鑽探活動發現優質樣段。

These releases can be found at www.hkexnews.hk (Stock Code: 1712).

該等發佈文件可通過www.hkexnews.hk(股份代號：1712)獲取。

ADVANCED PROJECTS AND EXPLORATION REVIEW (CONT'D)

推進項目及勘探回顧(續)

The Company confirms that it is not aware of any new information or data that materially affects the Mineral Resources and Ore Reserves as reported on the 16 March 2021 or the Exploration Results released from 6 January 2021 to 29 June 2021, and the assumptions and technical parameters underpinning the Mineral Resource and Ore Reserve estimates in the 16 March 2021 release, and that the Exploration Results in the 6 January 2021 and 29 June 2021 releases continue to apply and have not materially changed.

本公司確認，其並不知悉有任何新資料或數據可對2021年3月16日報告的礦產資源量與礦石儲量或於2021年1月6日至2021年6月29日公佈的勘探結果產生重大影響，且2021年3月16日公佈的礦產資源量與礦石儲量估計及2021年1月6日及2021年6月29日公佈的勘探結果所依據的假設及技術參數仍然適用且並無發生重大改變。

Mr. Neale Edwards BSc (Hons), a Fellow of the Australian Institute of Geoscientists, who is a full-time employee of Dragon Mining 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 confirms that the form and context in which the Mineral Resources and Ore Reserves presented in this Interim Report have not been materially modified and are consistent with the 16 March 2021 release. Mr. Edwards also confirms that the form and context in which the Exploration Results presented in this report have not been materially modified and are consistent with the 6 January 2021 and 29 June 2021 releases. Mr. Neale Edwards has provided written consent approving the use of previously reported Mineral Resources, Ore Reserves and Exploration Results in this report in the form and context in which they appear.

龍資源全職僱員Neale Edwards先生(榮譽理學學士、澳洲地質學家協會資深會員)擁有與所討論礦化模式及礦床類型以及其正在進行的活動相關的豐富經驗，因而合資格擔任澳洲勘探結果、礦產資源量與礦石儲量報告規範2012年版所界定的合資格人士，彼確認，本報告所呈列的礦產資源量與礦石儲量並無經重大修訂及與2021年3月16日的公佈相符。Edwards先生進一步確認，本公告內所呈列的勘探結果的格式及內容並無重大修改，並與2021年1月6日及2021年6月29日的發佈文件一致。Neale Edwards先生已出具書面同意書以批准在本報告內按原格式及內容使用先前報告的礦產資源、礦石儲量及勘探結果。

Exploration Finland

勘探芬蘭

Jokisivu Gold Mine

Jokisivu金礦

At Jokisivu, 46 underground diamond core drill holes directed at the Kujankallio Main Zone and Kujankallio Hinge Zone were drilled during the period for an advance of 7,063m (2020 HY – 63 holes, 8,603m). These holes represent part of five completed or still active campaigns that were designed to provide additional information to support future mine planning and development in the Kujankallio area.

於期內，Jokisivu完成針對Kujankallio主區及Kujankallio轉折端的46個地下金剛石取芯鑽孔，推進7,063米(2020年半年度 – 63孔、8,603米)。該等鑽孔是五個已完成或仍在進行中的活動的一部分，該等活動旨在提供更多資料，以支持Kujankallio地區的日後礦場規劃及發展。

Results were received during the period for two campaigns completed in late 2020, a 12-hole campaign that targeted the Arpola Footwall Zone from the 205m level, spanning from the flying squirrel area to, and including the Osmo Zone (“Campaign 9”). The second campaign represented a 12-hole campaign that targeted the Arpola Footwall Zone in the flying squirrel area between the 100m and 145m levels (“Campaign 10”). These campaigns returned a series of significant intercepts greater than 1 g/t gold including the high-grade highlights 9.30m @ 21.31 g/t gold, 2.9 @ 28.65 g/t gold and 4.10m @ 14.61 g/t gold. The results from these campaigns improved the definition of the extent and geometry of the Arpola Footwall Zones in the targeted areas.

於期內收穫2020年底完成的兩次活動的結果，一個是由205米水平開始向Arpola下盤區進行的12孔活動，跨越飛鼠區至Osmo區(包括該區)(「活動9」)。第二次活動是針對100米與145米水平之間的飛鼠區的Arpola下盤區進行的12孔活動(「活動10」)。該等活動返回一系列高於1克/噸黃金的重要樣段，包括高品位亮點9.30米長21.31克/噸黃金、2.9米長28.65克/噸黃金及4.10米長14.61克/噸黃金。該等活動的結果改善了對目標區域Arpola下盤區的範圍和幾何形狀的定義。

ADVANCED PROJECTS AND EXPLORATION REVIEW (CONT'D)**推進項目及勘探回顧(續)****Exploration Finland (Cont'd)****勘探芬蘭(續)***Jokisivu Gold Mine (Cont'd)**Jokisivu金礦(續)*

During the period results were received for the initial drilling campaign of 2021, a 10-hole campaign that targeted the Kujankallio Hinge Zone ("Campaign 1") below the 560m level. Results have also been received for the second campaign ("Campaign 2") of drilling undertaken in 2021, a 7-hole campaign that targeted the Kujankallio Main Zone below the 560m level. The results from both campaigns align with expectations and provide additional information to improve confidence in the definition of the resources in the targeted areas.

於期內收穫2021年針對560米水平以下的Kujankallio轉折端的首次鑽孔活動(10孔活動)「活動1」的結果。亦已收穫2021年進行的第二次活動「活動2」的結果，其為針對560米水平以下的Kujankallio主區的7孔活動。該等活動的結果與預期一致，並提供了額外資訊，以提高對目標區域資源定義的信心。

Final results remain pending for the three other campaigns completed or still active at Jokisivu. The third campaign ("Campaign 3") is a 16-hole campaign directed at both the Kujankallio Main Zone and Kujankallio Hinge Zone below the 560m level, the fourth campaign ("Campaign 4") is a 6-hole campaign targeting the Kujankallio Hinge Zone and the fifth campaign ("Campaign 5") of drilling is a 7-hole campaign targeting the extensions of the Kujankallio Main Zone.

在Jokisivu已完成或仍在進行中的其他三次活動的最終結果仍未得出。第三次活動「活動3」是一個針對560米水平以下的Kujankallio主區及Kujankallio轉折端的16孔活動，第四次活動「活動4」是一個針對Kujankallio轉折端的6孔活動，第五次鑽探活動「活動5」是一個針對Kujankallio主區範圍的7孔活動。

Drilling will continue at Jokisivu during the second half of 2021, initially completing the ongoing campaigns at Kujankallio before moving to the Arpolo area to follow-on from the successful drilling campaigns undertaken in this area during 2020.

2021年下半年將繼續在Jokisivu進行鑽探，首先完成正在進行的Kujankallio的鑽探活動，然後轉移至Arpolo地區，以延續2020年期間在該地區進行的成功鑽探活動。

*Kaapelinkulma Gold Mine**Kaapelinkulma金礦*

During the period, the Company did not undertake drilling at Kaapelinkulma, but did receive results for the 8-hole, diamond core drilling campaign that was carried out between November and December 2020 (2020 HY – 28 holes, 2,757m). This campaign was directed at the down plunge extensions of the Southern and Northern gold deposits at Kaapelinkulma and the lateral extensions of the recently identified lower diorite unit that is located approximately 200m below the Southern deposit.

於期內，本公司並無在Kaapelinkulma進行鑽探，但收到2020年11月至12月進行的8孔金剛石取芯鑽探活動的結果(2020年半年度—28孔、2,757米)。該活動針對Kaapelinkulma南部及北部黃金礦床的垂直向下區域以及最近發現的位於南部礦床下方約200米的下層閃長岩單位的橫向區域。

Results from the campaign were lower than expectations, with a best intercept of 0.8m @ 11.65 g/t gold received.

該活動的結果低於預期，收穫最佳樣段為0.8米長11.65克／噸黃金。

ADVANCED PROJECTS AND EXPLORATION REVIEW (CONT'D)**推進項目及勘探回顧(續)****Exploration Finland (Cont'd)****勘探芬蘭(續)***Orivesi Gold Mine**Orivesi金礦*

The Company completed drilling at Orivesi during the period. The 15-hole, 679.30 metre reconnaissance diamond core drilling campaign targeted an area of geochemical anomalism at the western end of the Orivesi Mining Concession and a zone of geophysical anomalism at the eastern end of the Orivesi Mining Concession (2020 HY – 0 holes, 0m).

本公司於期內完成Orivesi的鑽探。15孔、679.30米的勘測金剛石取芯鑽探活動的目標是在Orivesi採礦特許權區西端界定地球化學異常區，以及在Orivesi採礦特許權區東端界定物探區域(2020年半年度—0孔、0米)。

On receipt of the results from this campaign, a review will be undertaken before planning further exploration programs at Orivesi.

收到是次活動的結果後將進行審查，之後再計劃Orivesi的進一步勘探專案。

*Uunimäki Gold Project**Uunimäki黃金項目*

The Company applied for a new Exploration Licence encompassing the Uunimäki gold occurrence in Southern Finland during 2020. It represents an advanced gold opportunity that has previously been subjected to diamond core drilling (36 holes – 3,424m) and other exploratory activities including ground geophysical surveys and geochemical surveys by the Geological Survey of Finland.

本公司於2020年申請新的勘探許可證，涵蓋芬蘭南部的Uunimäki金礦。它是一個先進的黃金機會，曾進行金剛石取芯鑽孔(36孔—3,424米)及其他勘探活動，包括地面地球物理測量及直至芬蘭地質調查為止的地球化學。

The application remains pending at the end of the period, the Company acquiring available geochemical, geophysical, and drilling datasets from the Geological Survey of Finland during the period in preparation for future field activities.

該申請於期末仍未有結果，本公司於期內透過芬蘭地質調查獲得可用的地球化學、地球物理和鑽探資料集，為未來的實地活動做準備。

Exploration Sweden**勘探瑞典***Fäboliden Gold Mine**Fäboliden金礦*

A campaign of diamond core drilling at Fäboliden that commenced in October 2020 was completed with the drilling of the final 13 holes, 1,369m of the 32-hole campaign during the period. Drilling was undertaken to improve the drill density in the northern part of the Fäboliden gold deposit in preparation for the next iteration of resource estimation.

於2020年10月在Fäboliden開始的金剛石取芯鑽探活動已完成，於期內鑽探32孔計劃中的最後13個鑽孔、1,369米。進行鑽探乃為了提高Fäboliden黃金礦床北部的鑽探密度，為下一次礦產資源估算迭代進行準備。

Analytical results from the campaign generated a series of significant intercepts including highlights, 6m @ 21.07 g/t gold, 26m @ 2.46 g/t gold, 23m @ 2.19 g/t gold and 9m @ 5.83 g/t gold. The drilling campaign successfully generated the information required to improve the definition of the extent and geometry of mineralisation in the north part of the Fäboliden gold deposit. It is envisaged that an update of the Fäboliden Mineral Resource incorporating the results from the recent drilling campaign will commence in late 2021.

活動的分析結果產生一系列重大樣段，包括亮點6米長21.07克／噸黃金、26米長2.46克／噸黃金、23米長2.19克／噸黃金及9米長5.83克／噸黃金。鑽探活動成功產生改善Fäboliden黃金礦床北部延伸範圍及礦化帶定義所需的信息。預料納入近期鑽探活動結果的Fäboliden礦產資源將於2021年底開始更新。

ADVANCED PROJECTS AND EXPLORATION REVIEW (CONT'D)

推進項目及勘探回顧(續)

Group Resources and Reserves

本集團資源及儲量

The annual update of the Company's Mineral Resource and Ore Reserve estimates as at 31 December 2020 was completed during the period. The update of the Company's total Measured, Indicated and Inferred Mineral Resource effectively replenished material mined during 2020, returning a 1% decrease in tonnes and 2% increase in ounces when compared to the total Measured, Indicated and Inferred Mineral Resource as at 31 December 2019.

本公司於2020年12月31日的礦產資源及礦石儲量估計的年度更新已於期內完成。與於2019年12月31日的探明、控制及推斷礦產資源總量相比，更新本公司探明、控制及推斷礦產資源總量有效補充2020年開採的礦產，以噸位計減少1%，以盎司計則增加2%。

Updating of the total Proved and Probable Ore Reserve estimate for the Company yielded a 15% increase in tonnes and 7% increase in ounces, when compared to the total Proved and Probable Ore Reserve as at 31 December 2019. The increase in Ore Reserves is primarily attributable to Jokisivu where the mine life for the underground operation has increased to ca. 6 years (2020 HY – ca. 4 years).

與2019年12月31日的總證實及概略礦石儲量總量相比，更新本公司證實及概略礦石儲量總量估計後，以噸位計增加15%，以盎司計則增加7%。礦石儲量的增加主要是由於Jokisivu的地下營運的礦山壽命增加至約6年(2020年半年度：約4年)。

ENVIRONMENTAL REVIEW

環境回顧

The Company is very clear on the need to earn the respect and support of the community by operating in a socially responsible manner, and by demonstrating a tangible commitment to environmental sustainability.

本公司清楚了解，本公司需通過以對社會負責的方式營運以及切實履行維護環境可持續性的承諾，來贏得社區的尊重及支持。

The Company's operations are subject to environmental regulations under statutory legislation in relation to its exploration and mining activities. The Company believes that it has adequate systems in place for the management of the requirements under those regulations and is not aware of any breach of such requirements as they apply to the Company, except as indicated below.

本公司的經營業務須受限於成文法中有關勘探及採礦活動的環境法規。本公司認為，其已落實充足系統以管理相關法規項下的規定，且並不知悉適用於本公司的有關規定遭到違反的行為，惟以下所示者除外。

Finland Review

芬蘭回顧

Vammala Production Centre

Vammala生產中心

Dragon Mining previously advised the Regional State Administration Agencies ("AVI") had issued a new Environmental Permit to process 300,000 TPA, including Kaapelinkulma ore at Vammala. The new permit contains new crushing conditions which the Company appealed to the Administrative Court of Vaasa ("Administrative Court") on 20 April 2020. During the period, the Company provided the Administrative Court with additional crusher noise measurements and noise reduction actions. The Company has agreed to the inclusion of new noise measurements in the permit order and commenced planning the construction of noise barriers. The Company can continue to operate under its existing permit conditions until a decision is handed down.

龍資源先前告知，地區國家行政機關(「AVI」)已頒發新環境許可證，允許Vammala加工300,000噸／年的礦石(包括來自Kaapelinkulma的礦石)。新許可證載有新的破碎條件，本公司已於2020年4月20日向Vaasa行政法院(「行政法院」)提出上訴。於期內，本公司已向行政法院提供額外破碎噪音測量和降噪行動。本公司已同意將新噪音測量納入許可令，並開始計劃建造隔音屏障。本公司可繼續在現有許可條件下營運，直至作出裁決。

ENVIRONMENTAL REVIEW (CONT'D)**環境回顧(續)****Finland Review (Cont'd)****芬蘭回顧(續)***Vammala Production Centre (Cont'd)**Vammala生產中心(續)*

During the half year, dust protection work commenced at the tailings dam area to minimise dusting. On 28 May 2021, the Pirkanmaa Centre for Economic Development, Transport, and the Environment (“PIR ELY”) attended a meeting onsite to inspect the work. During the meeting, Dragon Mining and PIR ELY discussed the importance of considering noise, dust and visibility impacts resulting from the clear-cutting and thinning of local forest. The Company also explained how its plans to pipe mill water from the pumping station to the Horvelo area, included in its Environmental Permit application, reduces the need for run-off of mill drainage waters.

在半年度內，尾礦壩區開始進行防塵工作，以盡量減少揚塵。於2021年5月28日，Pirkanmaa經濟發展、運輸及環境中心(「PIR ELY」)出席實地會議以檢查工作。會議期間，龍資源與PIR ELY討論顧及因砍伐和疏伐當地森林而產生的噪音、灰塵和能見度影響的重要性。本公司亦解釋其環境許可證申請中所載從泵站向Horvelo區輸送磨機水的計劃如何減少磨機排水的需要。

On 15 June 2021, an assessment of the health effects of tailings area dust was received from the Finnish Institute of Occupational Health. The report contains dust monitoring data from a one-year period and dust composition data. Based on the composition data of the tailings dust and the particle measurements made in the area, the dust from the tailings area is not estimated to pose health risks to the residents of the surrounding area.

於2021年6月15日，收到芬蘭職業健康研究所提交的尾礦區粉塵對健康影響的評估。報告包含一年期的粉塵監測數據和粉塵成分數據。根據尾礦粉塵的成分數據和在該地區進行的顆粒測量，尾礦區的粉塵估計不會對周邊地區的居民構成健康風險。

On 25 February 2021, the Company’s 2020 Annual Water Monitoring Report was delivered to PIR ELY and the City of Sastamala. The report confirmed the mild and rainy winter had caused an increase in the total amount of discharge water. The total nickel and sulphate loads had increased but improvements in seepage water pumping back to the tailings area will reduce the amount of discharge water and loads in the future.

於2021年2月25日，本公司已向PIR ELY及Sastamala市提交2020年度水監測報告。報告證實，溫和多雨的冬季造成排水總量增加。鎳和硫酸鹽的總負荷有所增加，但滲水泵回尾礦區的改進將減少未來的排水量和負荷。

Dragon Mining conducts a triennium sediment and benthic animal monitoring program in the waters downstream of the Vammala Plant. The results are included in the Benthic Animal Report, completed on 26 May 2021, and sent to several authorities including PIR ELY, the Cities of Orivesi and Tampere, and the Lake Näsijärvi Fishing Area Association (together the “Authorities”). Results from monitoring show discharge water from the plant have only a minor impact on water quality at Lake Rautavesi.

龍資源在Vammala工廠的下游水域進行一項為期三年的沉澱物和底棲動物監測計劃。監測結果包括在2021年5月26日完成的《底棲動物報告》中，並發送予多個部門，包括PIR ELY、Orivesi市及Tampere市以及Näsijärvi湖漁區協會(統稱「當局」)。監測結果顯示，工廠排水對Rautavesi湖的水質只有輕微影響。

ENVIRONMENTAL REVIEW (CONT'D)**環境回顧(續)****Finland Review (Cont'd)****芬蘭回顧(續)***Vammala Production Centre (Cont'd)**Vammala生產中心(續)*

Sediment samples taken from the Ekojoki river show elevated nickel content levels. Copper concentrations were quite low at all sample points. Zinc content was slightly elevated from the natural level, especially at the Rautavesi sampling stations. Cadmium content in the Ekojoki was slightly elevated. Mercury and chromium concentrations were low throughout the study area. One sediment sample contains around 20 times higher concentrations of lead compared to earlier years reports. That matter was discussed with PIR ELY and the water protection association, KVVY Tutkimus Oy ("KVVY"). The elevated lead concentration is possibly from lead shots used in duck hunting. New sediment samples were taken during May 2021, the results of which are pending.

從Ekojoki河採集的沉澱物樣本顯示鎳含量水平升高。所有採樣點的銅濃度均相當低。鋅含量略高於自然水平，尤其是在Rautavesi採樣站。Ekojoki的鎘含量略有上升。在整個研究區，汞和鉻的濃度均處於低水平。一個沉澱物樣本的鉛濃度較前幾年的報告高出20倍左右。該問題已與PIR ELY和水保護協會KVVY Tutkimus Oy (「KVVY」)討論。鉛濃度升高可能是源於打鴨子時使用的鉛彈。2021年5月已採集新沉澱物樣本，現正等待有關結果。

The benthic fauna in the Ala-Jalkajärvi and Peräjärvi lakes are very small and as benthic fauna was not studied pre-mining, the effects of mining cannot be determined. The ecological classification of the Ekojoki Myllyyahti was excellent (type-specific taxa and percentage similarity) or good (type-specific EPT tribes). The ecological status of the Rautavesi riparian zone was excellent (type-specific taxa) or satisfactory (percentage similarity).

Ala-Jalkajärvi和Peräjärvi湖的底棲動物非常小，而由於沒有研究採礦前的底棲動物，所以無法確定採礦的影響。Ekojoki Myllyyahti的生態分類優秀(特定類型的分類群和相似度百分比)或良好(特定類型的EPT部落)。Rautavesi河岸區的生態狀況優秀(特定類型的分類群)或滿意(相似度百分比)。

*Orivesi Gold Mine**Orivesi金礦*

The Company has previously advised that its Closure Plan for the Orivesi mine has been submitted to AVI for approval. Supplementary information requested by AVI was submitted on 29 January 2021. Finnish consultants, Envineer Oy ("Envineer"), were engaged to prepare a research plan to clean and remediate any soil contaminated areas, including maintenance and storage areas, fuel tank storage locations, settling ponds and any roads previously exposed to sulphide and containing waste rock. Results of the soil contamination studies have been received and will be included in the final version of the remediation plan to be sent to PIR ELY.

本公司先前已告知，其Orivesi礦的關閉計劃已提交予AVI審批。AVI要求的補充資料已於2021年1月29日提交。芬蘭顧問Envineer Oy (「Envineer」)獲委聘編製研究計劃，以清潔及修復任何土壤污染區域，包括維護及儲存區域、燃料儲罐儲存地點、沉澱池及先前暴露於含硫化物廢石的任何道路。土壤污染研究的結果已收到，將包括在發給PIR ELY的最終版本補救計劃中。

In October 2018, PIR ELY requested further information from the Company on the presence of litter stored between the 66m and 85m levels. The bulk material was deposited before the Company purchased the mine in 2003 and recommenced mining in 2007.

於2018年10月，PIR ELY要求本公司就66米與85米水平之間存放的廢料提供進一步資料。在本公司於2003年購買礦山並於2007年重新開始採礦之前，已存放大量材料。

ENVIRONMENTAL REVIEW (CONT'D)**Finland Review (Cont'd)***Orivesi Gold Mine (Cont'd)*

The Company has previously submitted a risk assessment to PIR ELY advising that safe removal of the non-hazardous material was not possible. On 9 April 2021 and 16 April 2021, the Company sent a geomechanical assessment of the conditions of the stope area to PIR ELY and AVI. The Company has provided supplementary risk assessments and applied for the granting of a retrospective environmental permit from AVI. AVI announced the Company's Environmental Permit application on 21 May 2021, the announcement period ends on 28 June 2021.

On 3 June 2021, PIR ELY issued a letter to Dragon Mining and the previous mine owners, Outokumpu Mining Oy ("Outokumpu") advising of their shared responsibility in the removal of the litter.

On 28 April 2021 TUKES approved the Company's workplan to repair the decline and the 66m level with works to commence in June 2021.

There has been no discharge water from the mine site since mid-2019 resulting in a measurable decrease in nitrogen concentration in nearby Lake Ala-Jalkajärvi. The Ala-Jalkajärvi Lake water is approximately 7pH, which reduces the harmful effects of metals. The metal concentrations in Lake Ala-Jalkajärvi have decreased significantly in recent years and the effect is also gradually reflected in the metal concentrations in the next lake, Lake Peräjärvi.

A Sediment Sampling Report was received from KVVY on 12 May 2021. Sediment samples were taken from two sampling points at Lake Ala-Jalkajärvi to provide information in relation to lime treatments carried out during 2018 and 2019. The report was sent to the respective Authorities and shows a decrease in cobalt and manganese concentrations from one sampling point and no change from the other sampling point, compared to prior reporting.

環境回顧(續)**芬蘭回顧(續)***Orivesi金礦(續)*

本公司先前已向PIR ELY提交風險評估，表示不可能安全清除非危險材料。於2021年4月9日及2021年4月16日，本公司向PIR ELY及AVI發送一份關於礦區條件的地質力學評估。本公司已提供補充風險評估，並向AVI申請授予追溯性的環境許可證。AVI於2021年5月21日公佈本公司的環境許可證申請。公告期於2021年6月28日結束。

於2021年6月3日，PIR ELY向龍資源及前任礦主Outokumpu Mining Oy(「Outokumpu」)發出信函，告知彼等在清除垃圾方面的共同責任。

於2021年4月28日，TUKES批准本公司的工作計劃，以修復斜坡深度和66米水平，工程將於2021年6月開始。

礦區自2019年年中起沒有排放水，導致附近的Ala-Jalkajärvi湖的氮氣濃度明顯下降。Ala-Jalkajärvi湖水的pH值約為7，減少了金屬的有害影響。近年來，Ala-Jalkajärvi湖的金屬濃度大幅下降，而此效果亦逐漸反映在旁邊的Peräjärvi湖的金屬濃度中。

於2021年5月12日收到KVVY的沉澱物採樣報告。沉澱物樣本乃從Ala-Jalkajärvi湖的兩個採樣點採集，以提供有關2018年及2019年進行的石灰處理的資訊。報告已發送予相關當局，內容顯示一個採樣點的鈷和錳濃度較先前報告者有所下降，而另一個採樣點則沒有變化。

ENVIRONMENTAL REVIEW (CONT'D)**環境回顧(續)****Finland Review (Cont'd)****芬蘭回顧(續)***Jokisivu Gold Mine**Jokisivu金礦*

On 15 February 2021, Dragon Mining received the new Environmental Permit from AVI. The permit includes a significant but not unexpected bond increase of 3.4 million EUR (approximately AU\$5.5 million) and a few new conditions, which will be difficult to achieve. On 26 March 2021, the Company submitted an appeal of permit order 16, requiring the waste rock area to be partially landscaped before the completion of mining operations, to the Administrative Court.

於2021年2月15日，龍資源收到AVI簽發的新環境許可證。該許可證包括一項重大但非意料之外的保證金加幅3.4百萬歐元(約5.5百萬澳元)和幾項難以實現的新條件。於2021年3月26日，本公司向行政法院提交對第16號許可令要求在採礦作業完成前對廢石區進行局部景觀美化的上訴。

On 29 April 2021, the Water Monitoring Plan was updated by KVVY and sent to PIR ELY. The plan includes an increase in sampling frequency and analysis of some additional substances required by the new permit conditions.

於2021年4月29日，KVVY更新水監測計劃並發送予PIR ELY。該計劃包括增加採樣頻率和分析新許可證條件所要求的一些額外物質。

On 27 May 2021, the final plan for the settling ponds and water management was received from Envineer and approved by PIR ELY. Pre-work activities commenced in June 2021 with construction planned to commence in August 2021. Samples have been taken to investigate the quality of the soil material in the mine site area to determine whether it is suitable for use in construction.

於2021年5月27日，收到Envineer的最終沉澱池和水管理計劃，並獲PIR ELY批准。前期工作活動於2021年6月開始，並計劃於2021年8月開始施工。已抽取樣本調查礦區土壤材料的品質，以確定其是否適合用於施工。

During May 2021, samples were taken from the waste rock stockpile area and sent for metal solubility and acid base testing to investigate whether the waste rock might be suitable for use outside of mining. Results are pending.

於2021年5月，已從廢石堆放區取樣並送去進行金屬溶解度和酸鹼度測試，以調查廢石是否適合用於採礦以外的用途。現正等待結果。

*Kaapelinkulma Gold Mine**Kaapelinkulma金礦*

An appeal originally received by AVI in June 2017, was rejected in November 2017, and was then appealed and later dismissed by the Administrative Court on 10 June 2019. The Administrative Court found some appellants had failed to demonstrate the suffering of any harm as stated in the Administrative Judicial Procedure Act, therefore determining no legal justification for the appeal. The appellants application for leave to appeal the Administrative Court ruling to the Supreme Administrative Court was also rejected.

AVI最初於2017年6月收到的上訴於2017年11月被駁回，隨後提出上訴，之後於2019年6月10日被行政法院駁回。行政法院裁定若干上訴人未能證明蒙受行政司法程序法所述的任何損害，因此裁定上訴並無法律依據。上訴人向最高行政法院申請上訴行政法院裁決的許可，亦被駁回。

In July 2019, PIR ELY rejected an appeal by the Finnish Nature Conservation Associations of Valkeakoski for the initiation of an administrative coercion related to operations at the Kaapelinkulma mine, in respect to the Nature Conservation Act. During the period, the secondary claims raised and the remainder of the appeal, including a claim for costs, were rejected by the Hämeenlinna Administrative Court.

於2019年7月，PIR ELY駁回Valkeakoski芬蘭自然保護協會就Kaapelinkulma礦場營運提起的與自然保護法有關的行政強制措施的上訴。於期間內，Hämeenlinna行政法院駁回所提出的二次索賠及上訴的其餘部分，包括一項費用索賠。

ENVIRONMENTAL REVIEW (CONT'D)**環境回顧(續)****Finland Review (Cont'd)****芬蘭回顧(續)***Kaapelinkulma Gold Mine (Cont'd)**Kaapelinkulma金礦(續)*

On 29 September 2020, the Company received a letter from the Administrative Court advising that opponents have appealed PIR ELY's decision because PIR ELY did not impose a compulsion order on Kaapelinkulma in 2019. Opponents believe that the noise levels are too high in the Natural area. The Company submitted a response to Administrative Court on 19 October 2020. On 12 February 2021, the Company received two decisions from the Administrative Court rejecting all opponent claims.

於2020年9月29日，本公司收到行政法院的函件，告知由於PIR ELY於2019年並無對Kaapelinkulma施加強制命令，故對手方已就PIR ELY的決定提出上訴。對手方相信，Natura地區的噪音水平過高。本公司於2020年10月19日向行政法院作出回應。於2021年2月12日，本公司收到行政法院兩項裁決，駁回所有對手方的索賠。

On 28 January 2021, the Kaapelinkulma Closure Plan was submitted to ELY. On 4 March 2021, the Company received a statement from PIR ELY requesting supplementary information which was provided by KVVY and Envineer and included in the Company's response to PIR ELY on 28 April 2021. The Company is continuing exploration activities in the area with a view to recommencing mining operations and investigating the possibility of utilising the waste rock outside the mine area. Both would need changes to the current environmental permit. If exploration results are unsuccessful, rehabilitation works are expected to commence in 2024 upon approval of the Closure Plan.

於2021年1月28日，向ELY提交Kaapelinkulma關閉計劃。於2021年3月4日，本公司收到PIR ELY的聲明，要求提供補充資料，該等資料由KVVY及Envineer提供，並包括在本公司於2021年4月28日對PIR ELY的回覆中。本公司正繼續在該地區進行勘探活動，以期重新開始採礦作業，並調查在礦區外利用廢石的可能性。兩者都需要對目前的環境許可證進行修改。如果勘探結果不成功，預計復墾工作將於關閉計劃獲得批准後在2024年展開。

The counting of the woodland brown butterfly in the Kaapelinkulma area was completed on 12 July 2020 and according to calculations, the number of butterflies is approximately the same as the previous year's. Follow up counting will be conducted during June and July 2021.

Kaapelinkulma地區已於2020年7月12日完成對林地棕蝶點算。根據計算，蝴蝶數量與往年大致相同。跟進點算將於2021年6月及7月進行。

Sweden Review**瑞典回顧***Svartliden Rehabilitation Plan (U3)**瑞典Svartliden復墾計劃(U3)*

Work to update the Svartliden Closure Plan was completed in April 2017 and submitted to the Swedish Land and Environmental Court ("Environmental Court"). In May 2018, the Company provided an updated cost assessment and its responses to comments received from the Environmental Protection Agency and the County Administrative Board ("CAB"), both of whom viewed the proposed actions in the Closure Plan and the proposed closure bond as insufficient. From 24 to 26 April 2019, the Closure Plan, U1 and U2 investigations were heard by the Environmental Court. On 3 September 2019, the Environmental Court delivered its rulings on each matter. On 18 November 2019, the Company lodged an appeal in the Environmental Court of Appeal against the following rulings by the Environmental Court:

更新Svartliden封礦計劃的工作已於2017年4月完成，並提交予瑞典土地與環境法院（「環境法院」）。於2018年5月，本公司提供已更新的成本評估及其對從環境保護局及縣行政局（「CAB」）收到的意見的回覆，EPA及CAB均認為封礦計劃中的建議行動及建議封礦保證金不足。於2019年4月24日至26日，環境法院對封礦計劃、U1及U2的調查進行聆訊。於2019年9月3日，環境法院就各個事項作出裁決。於2019年11月18日，本公司就環境法院的以下裁決向環境上訴法院提起上訴：

- (i) the 37.7 million SEK (approximately AU\$5.9 million) additional collateral security being requested by the Environmental Court;

- (i) 環境法院要求的額外附屬抵押37.7百萬瑞典克朗(約5.9百萬澳元)；

ENVIRONMENTAL REVIEW (CONT'D)**環境回顧(續)****Sweden Review (Cont'd)****瑞典回顧(續)***Svartliden Rehabilitation Plan (U3) (Cont'd)**瑞典Svartliden復墾計劃(U3)(續)*

- (ii) the permit conditions during the closure phase; and
- (iii) restrictions that would prevent the CAB from incrementally returning the Company's security bond as rehabilitation work is progressed.

- (ii) 閉礦階段內的許可條件；及
- (iii) 阻止CAB隨著復墾工作的進行而逐步退還本公司的擔保金的限制。

On 21 to 22 September 2021, the Environmental Court of Appeal will hold a main hearing regarding these issues.

於2021年9月21日至22日，環境上訴法院將就該等事宜舉行主法院聆訊。

*Svartliden Conditions of Tailings Depositions (U1)**Svartliden尾礦沉積的條件(U1)*

On 3 September 2019, the Environmental Court approved the Company's permit application to deposit tailings into the Svartliden open pit to +441m above sea level. The approval remains subject to the Company's other permit conditions, which exclude the deposition of tailings from full-scale mining at Fäboliden. The Company has engaged in consultation with stakeholders and submitted its Environmental Impact Assessment to the Environmental Court in June 2021.

於2019年9月3日，環境法院批准本公司將Svartliden露天礦坑的尾礦沉積至海平面以上441米的申請。該批准仍受制於本公司的其他許可證條件，其中不包括在Fäboliden全面採礦的尾礦沉積。本公司已與持份者進行磋商，並於2021年6月向環境法院提交環境影響評估。

*Svartliden Permit Conditions (U2)**Svartliden許可證條件(U2)*

In April 2018, the Company submitted an additional investigation report proposing changes to the final permit conditions for the clarification pond discharge limits to the Environmental Court. In July 2018, the CAB provided its comments which disagreed with the Company's proposals.

於2018年4月，本公司向環境法院另行提交一份調查報告，建議修改澄清池外流限制的最終許可證條件。於2018年7月，CAB提出意見，不同意本公司的建議。

On October 2018, the Company responded with investigations and calculations that showed the proposed changes did not pose any further risk to the environment.

於2018年10月，本公司提供調查及計算作為回應，其顯示擬議的變更不會對環境構成任何進一步的風險。

On 3 September 2019, the Environmental Court provided additional rulings on clarification pond discharge limits that remained consistent with the current permit conditions.

於2019年9月3日，環境法院對澄清池外流限制作出額外裁決，仍與現行許可證條件相符。

On 16 December 2019, the Environmental Court of Appeal granted the Company leave to appeal the Environmental Court's rulings on the clarification pond discharge limits. The Company submitted its appeal on 18 November 2019.

於2019年12月16日，環境上訴法院批准本公司對環境法院關於澄清池外流限制的裁決提出上訴。本公司於2019年11月18日提交其上訴。

On 21 to 22 September 2021, the Environmental Court of Appeal will hold a main hearing regarding these issues.

於2021年9月21日至22日，環境上訴法院將就該等事宜舉行主法院聆訊。

ENVIRONMENTAL REVIEW (CONT'D)**環境回顧(續)****Sweden Review (Cont'd)****瑞典回顧(續)***Fäboliden Environmental Permit**Fäboliden環境許可證*

The Company continues to advance the application for the Fäboliden Environmental Permit to allow full scale mining to commence at Fäboliden. On 30 March 2021, the Environmental Court informed the Company of its plans to hold a Main Court Hearing during the week commencing 7 June 2021. On 3 May 2021, the CAB submitted a statement verifying that they deemed the permit permissible provided their conditions are met.

本公司繼續申請Fäboliden環境許可證，以獲准開始在Fäboliden進行全面開採。於2021年3月30日，環境法院通知本公司其計劃在2021年6月7日開始的該星期內舉行主法院聆訊。於2021年5月3日，CAB提交一份聲明，確認彼等認為由於符合條件，彼等批准發出許可證。

However, on 4 March 2021, the European Court of Justice (the "EU Court") issued a preliminary ruling that rejected then established Swedish case law regarding implementation of the Habitats Directive. The EU Court clarified that the prohibitions regarding the impact of operations on animal species as laid out in the Habitats Directive applied both to the relevant species' local population generally, and to individual members of that species.

然而，歐洲法院(「歐洲法院」)於2021年3月4日發出一項初步裁決，先否定後確立有關實施《棲息地指令》的瑞典案例。歐洲法院已澄清，《棲息地指令》所載有關作業對動物物種影響的禁令均適用於當地廣泛相關物種以及該等物種的個別成員。

The possible implications of this ruling, for the Company's specific case were first communicated to the Company in correspondence from the CAB on 3 May 2021. There is currently no blanket interpretation of the EU Court's preliminary ruling, meaning that the exact implications for ongoing cases in the Swedish courts are unclear.

於2021年5月3日由CAB發出的信函中，本公司已先獲告知對本公司個別案件的裁決的潛在影響。目前並無明確解釋歐洲法院的初步裁決，意味正於瑞典法院審訊的案件的確實影響仍然未明。

The Company's investigations and assessments for Fäboliden to date have been conducted according to accepted practice and are extensive. However, the recent EU Court ruling implies that additional field work and assessments are now necessary. The risk of a negative outcome for the Environmental Permit application in its current form due to this new ruling has forced the Company to prepare additional supplementary information for submission to the Environmental Court prior to the holding of a Main Court Hearing.

本公司至今已根據所接納的慣例對Fäboliden進行調查及作充足評估。然而，歐洲法院近期的裁決表明現在需要進行更多實地工作及評估。由於出現此項新裁決將導致以現時的資料申請環境許可證的結果可能不利的風險，本公司務必於主法院聆訊舉行前編製更多補充資料以提交予環境法院。

The necessary work has been initiated as a priority and the Environmental Court has been fully informed of the situation. The Company's legal firm contacted the Environmental Court on its behalf on 14 May 2021 and requested that the main hearing, planned to be held in June 2021, be suspended. The Company has asked the Environmental Court for permission to submit its material on 25 October 2021 with the date for a new Main Court Hearing anticipated for early 2022.

本公司已優先進行所需工作，環境法院已充分了解情況。本公司的律師事務所已於2021年5月14日聯絡環境法院，要求暫緩擬於2021年6月舉行的主法院聆訊。本公司已向環境法院尋求於2021年10月25日呈交其文件的許可，新主法院聆訊預期將於2022年初進行。

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

代表董事會
龍資源有限公司
主席
狄亞法

Hong Kong, 18 August 2021

香港，2021年8月18日



龍資源有限公司
DRAGON MINING
LIMITED

DRAGON MINING LIMITED
龍 資 源 有 限 公 司*

* For identification purpose only 僅供識別