

AMENDMENT TO HANHIMAA EARN-IN AGREEMENT WITH AGNICO EAGLE

Dragon Mining (ASX:DRA) announces that it has reached agreement with Agnico Eagle Mines Limited (NYSE:AEM)(TSX:AEM) (“Agnico Eagle”) to amend the Hanhima Gold Project (“Agreement”), whereby the Stage 1 Earn-In Period and the period to expend the minimum expenditure commitment have both been extended by periods of twelve months.

In February 2013, Dragon Mining and Agnico Eagle executed the Agreement whereby Agnico Eagle could earn up to 70% interest in the Hanhima Gold Project in northern Finland, with the staged expenditure of €9 million.

Under the amended terms of the Agreement, Agnico Eagle can expend €5 million within 4 years (up from 3 years) of the commencement date to earn a 51% interest in the Hanhima Gold Project. Upon earning the 51% interest Agnico Eagle can then elect to earn an additional 19% by expending a further €4 million within 3 years of completion of the Stage 1 Earn-In Period. Agnico Eagle will be the manager during the earn-in and can withdraw at any time following expenditure of €1.5 million within 24 months (up from 12 months) of the commencement date.

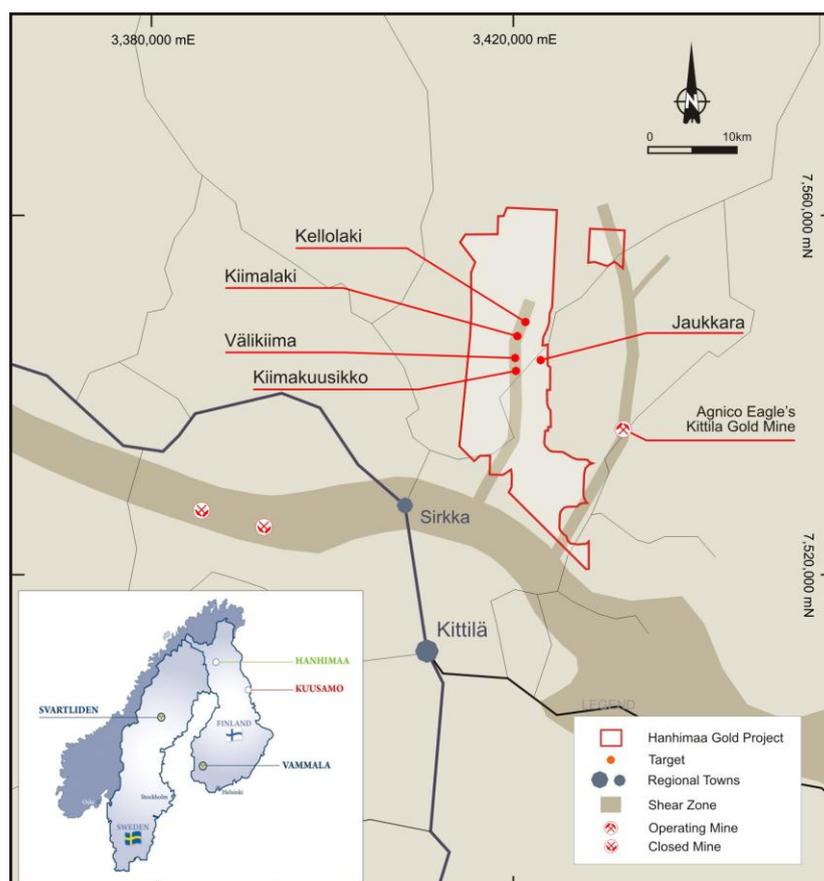
The Hanhima Gold Project covers portion of the highly prospective Central Lapland Greenstone Belt. The near contiguous tenement holding principally encompasses the 20 kilometre long north-south trending Hanhima Shear Zone, 10 kilometres west of Agnico Eagles’s Kittilä Gold Mine.

Agnico Eagle have completed two phases of drilling totalling twenty-three holes (5,614.10 metres) since commencing activities. These programs have targeted the Kiimalaki, Kellolaki, Kiimakuusikko, Välikiima and Jaukkara areas.

All available results from analysis have previously been released in Dragon Mining’s June 2013 Quarterly Activities Report (Released: 31 July 2013) and September 2013 Quarterly Activities Report (Released: 29 October 2013).

**For and on behalf of
Dragon Mining Limited**

**Kjell E Larsson
Managing Director**



Competent Persons Statement

The information in this announcement that relates to Exploration Results is based on information compiled by Mr Neale Edwards BSc (Hons), a Fellow of the Australian Institute of Geoscientists and Mr Matti Talikka MSc (Geology), a Member of the Australasian Institute of Mining and Metallurgy, who are full time employees of the company and have sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves. Mr Neale Edwards and Mr Matti Talikka consent to the inclusion in the announcement of the matters based on their information in the form and context in which it appears.