



ASX ANNOUNCEMENT

4 December 2012

REVISED ENVIRONMENTAL PERMIT RECEIVED FOR SVARTLIDEN PRODUCTION CENTRE

In the September quarterly report, the company stated that a ruling in respect of the Environmental Permit for Svartliden was expected during December. Dragon Mining is pleased to announce that the Umeå District Court has granted a revised Environmental Permit covering annual mining and processing of 500,000 tonnes of ore at the Svartliden Production Centre in Sweden. The revised permit was issued following Environmental court proceedings over 30 months.

In the revised permit, a number of environmental conditions have been adjusted to more relevant levels. These adjusted conditions are broadly in line with those sought by Dragon Mining.

The receipt of the revised permit means also that underground production mining can commence as scheduled during December.

Managing Director, Kjell Larsson commented, "Having the Environmental Permit finally issued is a very positive step for Dragon Mining and furthers our strategy to develop Dragon Mining's mining operations in Sweden."

"The outcomes achieved from the Environment Permit reflect Dragon's willingness to engage with both the Country Administration Board and affected stakeholders."

"Dragon Mining is committed to ensuring that the impact of mining activities on the environment is minimised while building a sustainable and profitable business for its shareholders."

For and on behalf of
Dragon Mining Limited

Kjell E Larsson
Managing Director

About Dragon Mining Limited

Dragon Mining Limited (ASX: DRA) is an Australian Securities Exchange listed Nordic gold producer with current production around 55,000 ounces of gold per annum from operations in Sweden and Finland. The main exploration focus is the highly prospective Kuusamo Gold Project in northern Finland.