

ASX ANNOUNCEMENT

1 JUNE 2012

APPOINTMENT OF NORDIC BASED MANAGING DIRECTOR

Dragon Mining Limited is pleased to announce the appointment of Kjell Larsson as Managing Director effective immediately.

With the extensive capital and development expenditure over the past 18 months at the Company's existing gold mines and the recent appointment of a technical team to manage the feasibility and development of the Kuusamo Gold Project the Board considers the appointment of a Nordic based Managing Director essential for the effective management of the business.

Mr Larsson was appointed as Chief Operations Officer in October 2011. His appointment as Managing Director provides the natural transition for the next phase of the Company's growth and allows Peter Cordin to move from the executive role he has fulfilled for the past six years.

Mr Cordin will step down as an executive of the Company, also with immediate effect, but will remain as Chairman of the Board.

For and on behalf of
Dragon Mining Limited

Peter G Cordin
Chairman