

ASX ANNOUNCEMENT

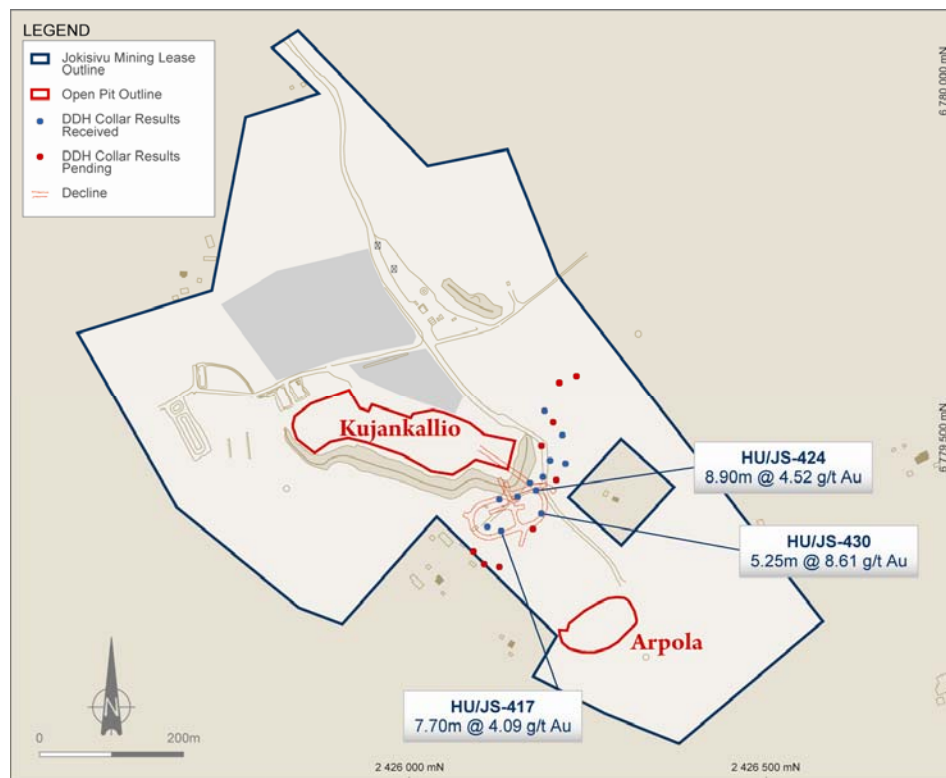
11 MARCH 2011

**FURTHER PROMISING DRILL RESULTS AT JOKISIVU GOLD MINE, FINLAND**

Dragon Mining is pleased to announce the receipt of a series of intercepts, including **7.70m @ 4.09 g/t gold**, **5.25m @ 8.61 g/t gold** and **8.90m @ 4.52 g/t gold** from the initial 13 holes of a 24 hole diamond core drilling program that was designed to further test the decline area located between the Kujankallio and Arpola gold deposits at the Jokisivu Gold Mine in southern Finland (Refer Table 1).

The intercepts are located close to the decline development, providing indication that the newly identified zones of gold mineralisation could be amenable to underground extraction. Results from the remaining 11 holes expected to be available in the coming weeks. A further program of diamond core drilling will target the down plunge extensions of the newly identified zones of mineralisation.

Executive Chairman Peter Cordin stated, "The results provide evidence that the potential of the Jokisivu area is yet to be fully realised. Continual success from the areas below, along strike and adjacent to existing mineralisation leads to the prospect of significantly growing the Jokisivu resource."



**Jokisivu Gold Mine Site Layout – Displaying Highlight Intercepts**

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

**Peter G Cordin**  
Executive Chairman

Table 1 – Results from Diamond Core Drilling, Jokisivu Gold Mine.

Hole	North	East	Azimuth (°)	Dip (°)	From (m)	Interval (m)	Gold (g/t)
<b>Profile 15</b>							
HU/JS-412	6779369.84	2426107.21	206.0	-54.0	10.50	1.50	11.85
HU/JS-413	6779406.68	2426125.13	206.0	-66.0	137.00	1.50	1.21
					164.55	0.55	1.25
HU/JS-414	6779532.02	2426186.40	206.0	-61.0	No significant intercepts		
<b>Profile 16</b>							
HU/JS-417	6779363.16	2426125.65	206.0	-52.0	31.20	1.00	1.67
					43.80	7.70	4.09
					56.45	3.65	3.22
HU/JS-418	6779409.17	2426148.00	206.0	-52.0	51.35	1.00	10.35
					114.00	1.00	1.64
					140.60	0.95	1.46
HU/JS-419	6779431.09	2426167.79	209.0	-55.0	42.15	1.05	1.43
					154.50	1.00	1.53
					181.80	1.05	1.70
<b>Profile 17</b>							
HU/JS-424	6779419.30	2426175.11	206	-45	24.00	1.50	1.04
					51.00	1.50	1.51
					64.50	1.50	2.50
					87.00	1.00	2.08
					96.85	0.65	1.55
					104.30	8.90	4.52
					117.50	6.00	2.25
					131.00	1.00	1.04
					158.20	1.00	1.07
HU/JS-425	6779439.28	2426184.13	206.0	-58.0	3.90	1.40	1.93
					131.50	1.00	1.40
					164.55	2.75	5.16
HU/JS-426	6779460.55	2426194.53	206.0	-68.0	No significant intercepts		
HU/JS-427	6779498.13	2426212.25	206.0	-69.0	66.90	1.50	4.52
					72.25	1.20	1.03
<b>Profile 18</b>							
HU/JS-430	6779388.74	2426180.89	206.0	-63.0	17.50	1.00	1.21
					48.50	1.05	1.64
					53.65	1.00	3.56
					57.60	1.00	1.62
					97.00	1.00	1.36
					99.50	1.00	1.13
					102.50	1.10	1.19
					113.00	1.00	1.64
					121.00	5.25	8.61
					Including 1.30m @ 31.34 g/t gold from 121.00 metres		
					133.25	0.70	1.43
					138.40	1.60	1.77
					168.25	0.70	2.23
HU/JS-431A	6779434.21	2426203.02	206.0	-62.0	9.00	1.50	4.71
					30.00	1.00	1.03
HU/JS-432	6779457.70	2426214.46	206.0	-68.0	98.40	1.00	1.84
					123.50	1.35	2.03
					199.15	0.95	1.18

Analysis of RC drill cuttings was completed at ALS Chemex Laboratories in Rosia Montana, Romania, using procedure Au-AA25 (30g FA with AAS finish) and Au-GRA21 (FA+gravimetric finish), following sample preparation at ALS facility in Outokumpu, Finland. Reported at 1 g/t gold cut-off.

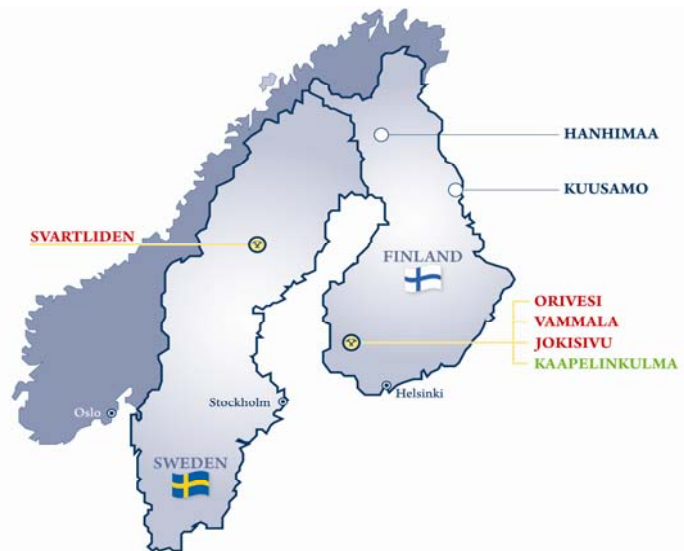
The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Neale Edwards BSc (Hons), a Member of the Australian Institute of Geoscientists and Mr Urpo Kuronen MSc (Geology), a Member of the Australian Institute of Mining 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 2004 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves. Mr Neale Edwards and Mr Urpo Kuronen consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

## Background – Jokisivu Gold Mine

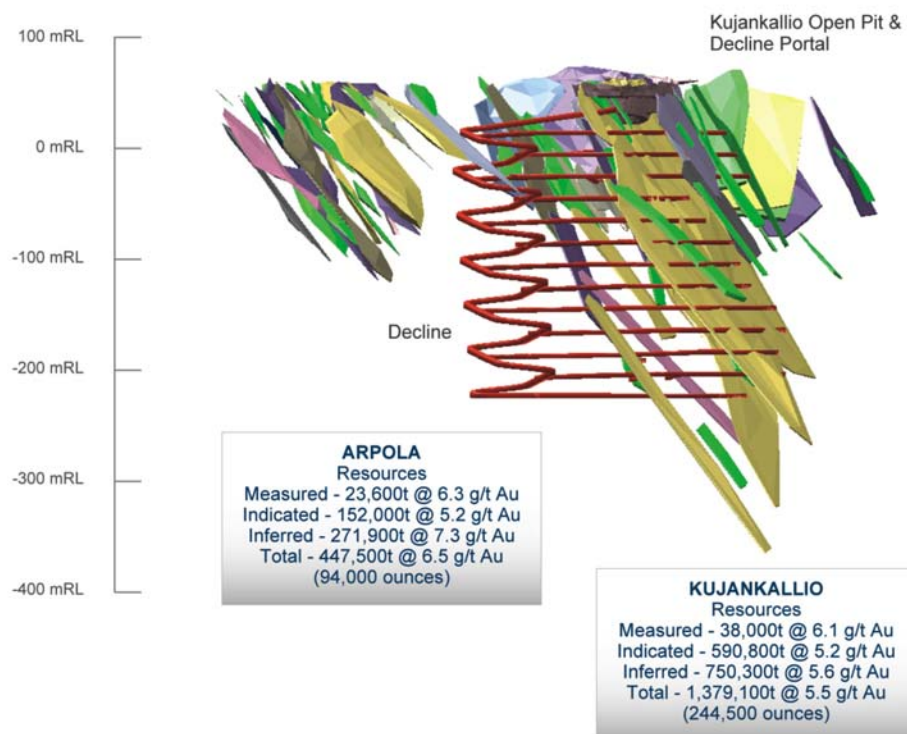
The Jokisivu Gold Mine is located 40 kilometres southwest of the Vammala Production Centre and hosts a Measured, Indicated and Inferred Resource totalling 338,500 ounces from two deposits.

The Kujankallio deposit has been shown by drilling to extend to at least 525 metres in depth, though resource drilling currently extends only down to 440 metres, whilst the Arpola deposit has only been drilled down to 200 metres. Both deposits remain open with depth and partially along strike.

Open cut mining of the Kujankallio deposit was completed in August 2010, yielding 10,176 ounces at an approximate cash cost of US\$620/oz. Development of the decline that will provide underground access to the Kujankallio deposit has commenced.



## Location of Projects



## Jokisivu Gold Mine