

ASX ANNOUNCEMENT

30 JUNE 2011

FURTHER HIGH GRADE GOLD RESULTS RECEIVED FROM ORIVESI GOLD MINE, FINLAND

Dragon Mining announces further high grade gold intercepts from the Sarvisuo West area at the Orivesi Gold Mine in southern Finland, including **1.75m @ 27.16 g/t gold**, **1.80m @ 9.26 g/t gold** and **8.35m @ 4.67 g/t gold** (Table 1). The results from drill holes KU 1211, KU 1214 and KU 1223 are in close proximity to existing underground development.

The planned 45 hole, 8,100 metre program is on-going, and is being undertaken from drill stations located on the 525m and 710m drives. A total of 38 holes have been completed to date, analysis for gold received for 35 holes (previous 32 holes released to ASX on 14 June 2011).

Table 1 – New results from diamond core drilling at Sarvisuo West

Hole	North	East	Azimuth (°)	Dip (°)	From (m)	Interval (m)	Gold (g/t)
710m level Drill Holes							
KU-1211	6833195.30	2497619.52	0.9*	-3.0*	39.50	1.50	1.83
					126.00	1.00	3.08
KU-1214	6838464.05	2508706.06	1.2	21.8	33.00	1.45	6.32
					131.25	1.05	1.63
KU-1223	6833195.30	2497619.52	0.9*	3.5*	35.75	1.75	27.16
					39.05	0.45	7.94
					92.80	1.80	9.26
					138.15	1.35	1.44
					147.75	8.35	4.67
				<i>includes</i>	142.55	1.45	16.70
					192.25	0.65	34.00

Preparation of half core samples was completed at the ALS Chemex facility in Outokumpu, Finland, and analysis completed at ALS Chemex Laboratories in Rosia Montana, Romania, using procedures Au-AA25/Au-AA26 (30g/50g FA with AAS finish) and Au-GRA22 (FA + gravimetric finish). Intercepts reported at a 1 g/t gold cut-off.

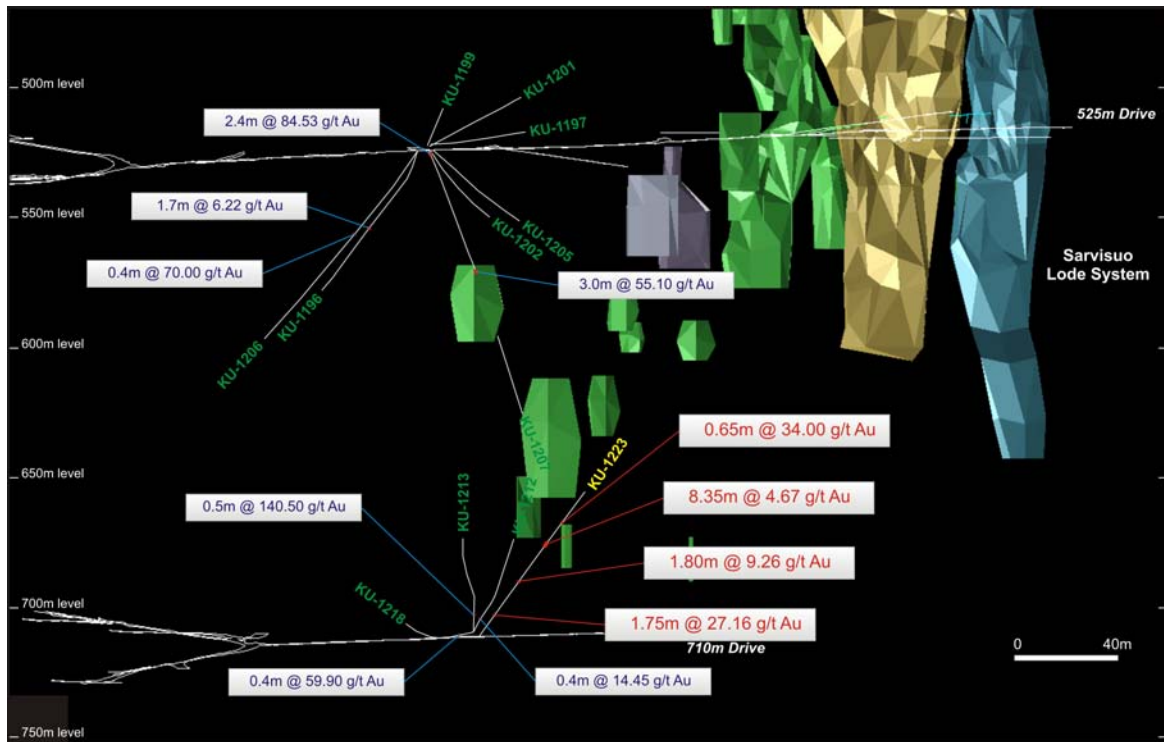
** Final collar survey pending*

For and on behalf of
Dragon Mining Limited

Peter G Cordin
Executive Chairman

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 Fellow 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.

Sarvisuo West Intercept Highlights



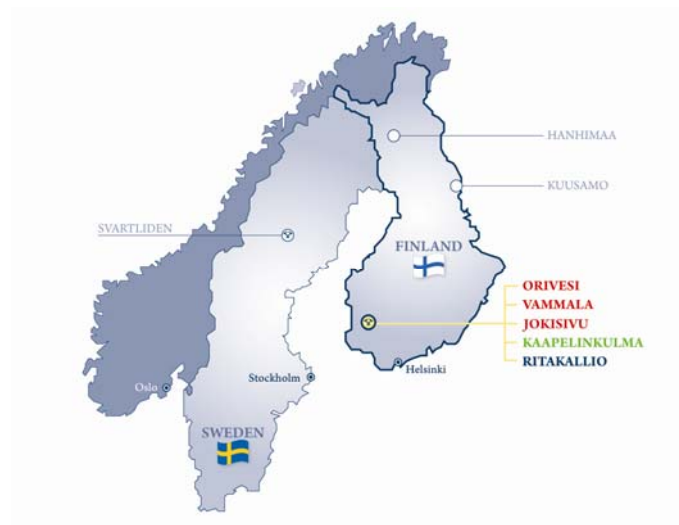
Background – Orivesi Gold Mine

The Orivesi Gold Mine is located 80 kilometres northeast of the Vammala Production Centre.

The mine was initially in operation between 1992 and 2003 and produced 422,000 ounces of gold from a series of near vertical pipe-like lodes at Kutema, with the ore processed at the Vammala Production Centre, 80 kilometres to the southwest.

Two of the five principal lodes at Kutema continue beyond the historical extent of the decline at the 720m level into the Kutema Deeps area. This area is now subject to a program of staged development, the initial stage extending from the 720m to the 800m level.

Mining from the Sarvisuo lodes, 300 metres east of Kutema commenced in April 2008 and has been conducted from the 285m to the 540m level with the decline now extended to the 620m level.



Project Location