UPDATE ON PRODUCTION FROM SARVISUO LODES AT THE ORIVESI GOLD MINE, FINLAND

Dragon Mining provides an update of production from the Sarvisuo lodes at the Orivesi Gold Mine which is processed through the Vammala Process Plant in Finland.

Mining of the second stope at Sarvisuo commenced in mid April with the ore processed throughout May. As at the close of business on Thursday, 22 May 2008 a total of 14,477 tonnes of ore had been mined and trucked to stockpiles at the surface. 13,200 tonnes had been trucked from Orivesi to the Vammala Process Plant.

A total of 11,046 tonnes of ore with an average grade of 6.1 gpt and recovery of 85.8 percent has yielded 322 tonnes of concentrate with an average grade of 179 gpt including a total of 1,853 ounces of gold.

Mining of the Sarvisuo lodes commenced in early April with the first stope, of approximately 5,000 tonnes, mined hauled and processed. The remaining ore for the April production was development ore and remnant ore from Kutema. In April 15,084 tonnes of ore was processed with an average grade of 4.3 gpt, 83.8 percent recovery yielding 583 tonnes of concentrate which contained 1,746 ounces of gold.

Since the commencement of the Sarvisuo development a total of 77,640 tonnes of ore has been produced at an average grade of 5.2 gpt with 10,610 ounces of gold recovered.

For and on behalf of
Dragon Mining Limited

Peter G Cordin
Managing Director