

ASX ANNOUNCEMENT

7 FEBRUARY 2014

TAKEOVERS PANEL DECLINES TO CONDUCT PROCEEDINGS AND RESIGNATION OF CHAIRMAN

Further to its announcement on 3 February 2014, Dragon Mining Limited (ASX:DRA) advises that the Takeovers Panel has declined to conduct proceedings with respect to its application seeking a declaration of unacceptable circumstances in relation to the nature of the relationship between two of the Company's substantial shareholders, COL Capital Limited and Eurogold Limited.

The Panel considered that there was not a sufficient body of evidence to justify the Panel making further enquiries. The Panel also considered that, in the circumstances, the application was not timely.

The Panel concluded there was no reasonable prospect that it would make a declaration of unacceptable circumstances. Accordingly, the Panel declined to conduct proceedings.

Dragon Mining further advises that Chairman, Mr Peter Cordin, has today tendered his resignation from the Board of Dragon Mining, effective immediately. Consequently, Resolution 3 proposed to be put to shareholders at the Company's general meeting scheduled for 10.00am today will be withdrawn and not put to shareholders.

An Appendix 3Z "Director's Final Interest Notice" for Mr Cordin will follow in due course.

For and on behalf of
Dragon Mining Limited

Shannon Coates
Company Secretary