



**ASX ANNOUNCEMENT**

**27 AUGUST 2010**

**FURTHER ON MARKET PURCHASE OF CONVERTIBLE NOTES**

A wholly owned subsidiary of Dragon Mining Limited ("Dragon Mining") has purchased a further 2,000 Dragon Mining Convertible Notes ("Notes") at an average cost of \$1.05 per note for a total of \$2,105 including costs.

Of the 23,645,289 Notes on issue, 18,192,810 Notes are now held by the subsidiary of Dragon Mining. All Notes remain listed on ASX.

On 8 July 2010, Dragon Mining announced the early redemption of all the outstanding Notes in October 2010, being the next interest payment date.

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

**Peter G Cordin**  
Executive Chairman

# Appendix 3E

## Daily share buy-back notice (*except* minimum holding buy-back and selective buy-back)

*Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/9/99. Origin: rule 3.6, Appendix 7C. Amended 30/9/2001.

Name of entity	ABN
Dragon Mining Limited	19 009 450 051

We (the entity) give ASX the following information.

### Information about buy-back

1	Type of buy-back	Purchase by Dragon Mining Limited Subsidiary
2	Date Appendix 3C was given to ASX	09-01-09

### Total of all shares bought back, or in relation to which acceptances have been received, before, and on, previous day

	Before previous day	Previous day
3	Number of shares bought back or if buy-back is an equal access scheme, in relation to which acceptances have been received	18,190,810 2,000
4	Total consideration paid or payable for the shares	15,887,994.08 2,105.78

+ See chapter 19 for defined terms.

**Appendix 3E**  
**Daily share buy-back notice**

		<b>Before previous day</b>	<b>Previous day</b>
5	If buy-back is an on-market buy-back	highest price paid: \$1.05  lowest price paid: \$0.65	highest price paid: \$1.05 26/07/10  lowest price paid: \$1.05 26/07/10 highest price allowed under rule 7.33: \$1.10

**Participation by directors**

6	Deleted 30/9/2001.	NIL
---	--------------------	-----

**How many shares may still be bought back?**

7	If the company has disclosed an intention to buy back a maximum number of shares - the remaining number of shares to be bought back	NA
---	---	----

**Compliance statement**

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here:  Date: 27/08/10  
 (Executive Chairman)

Print name: Peter G. Cordin

+ See chapter 19 for defined terms.