

ASX ANNOUNCEMENT

24 SEPTEMBER 2010

PROMISING DRILL RESULTS RECEIVED FROM THE RITAKALLIO PROJECT, SOUTHERN FINLAND

Dragon Mining Limited (Dragon) is pleased to announce the receipt of results from a diamond core drill program completed at the Ritakallio Gold Project in southern Finland.

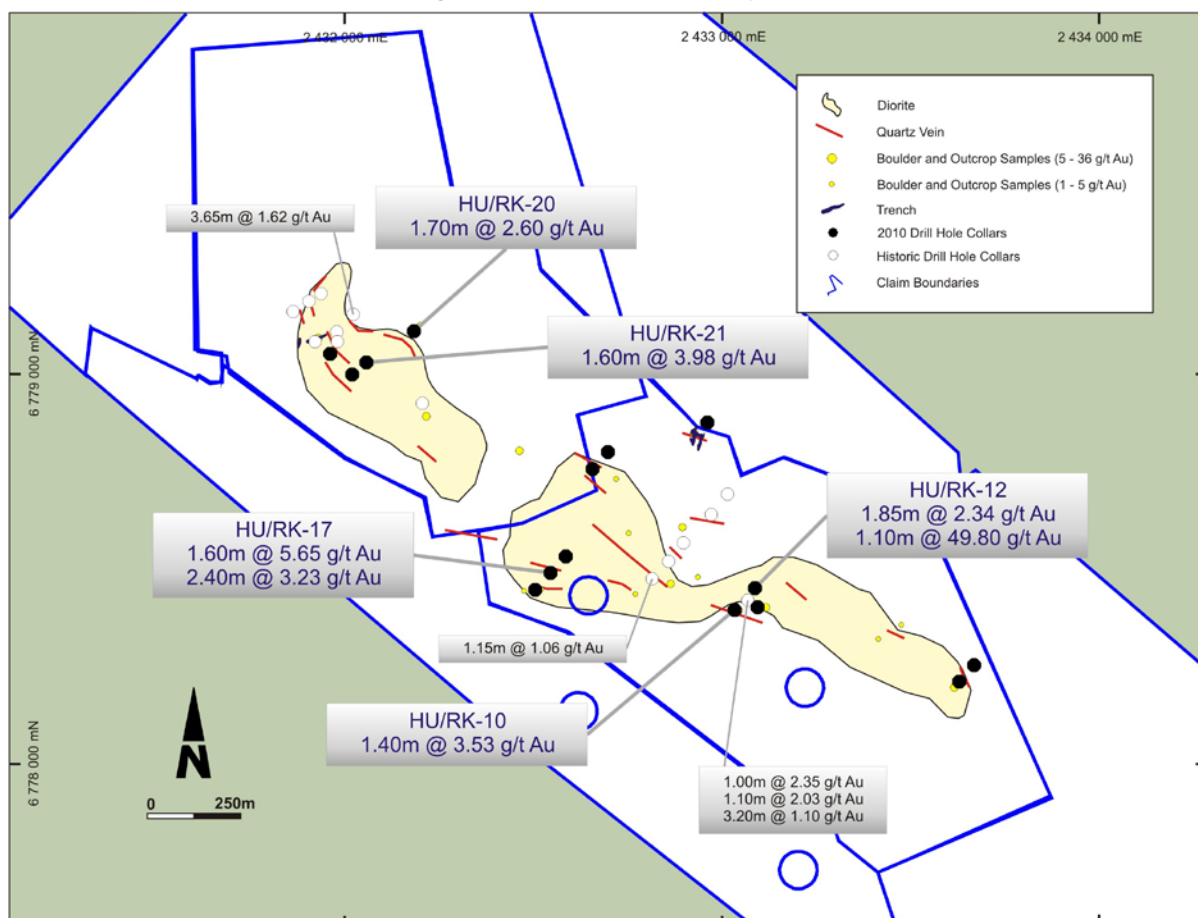
A number of promising intercepts were received from the drilling program, including a narrow high grade intercept of **1.10m @ 49.80 g/t gold**. Results from all holes are provided in Table 1.

The 15 hole, 1,501.6 metre diamond core drill program at Ritakallio was designed to examine seven areas, where previous exploration had identified a number of veins and shears with moderate to high gold contents and or pathfinder elements in bedrock.

The Ritakallio Gold Project is located 5 kilometres east of the Jokisivu Gold Mine, the structural and lithological settings of each being similar. Dragon is earning a 100% interest in the six Claims that encompass the Ritakallio area by undertaking exploration expenditure of €320,000 within four years from September 2006.

Exploration at Ritakallio will recommence in the 2011 field season, when it is envisaged programs of follow-up drilling and trenching will be undertaken.

Highlight intercepts from diamond core drilling on the Ritakallio Gold Project.



For and on behalf of
Dragon Mining Limited

Peter G Cordin
Executive Chairman

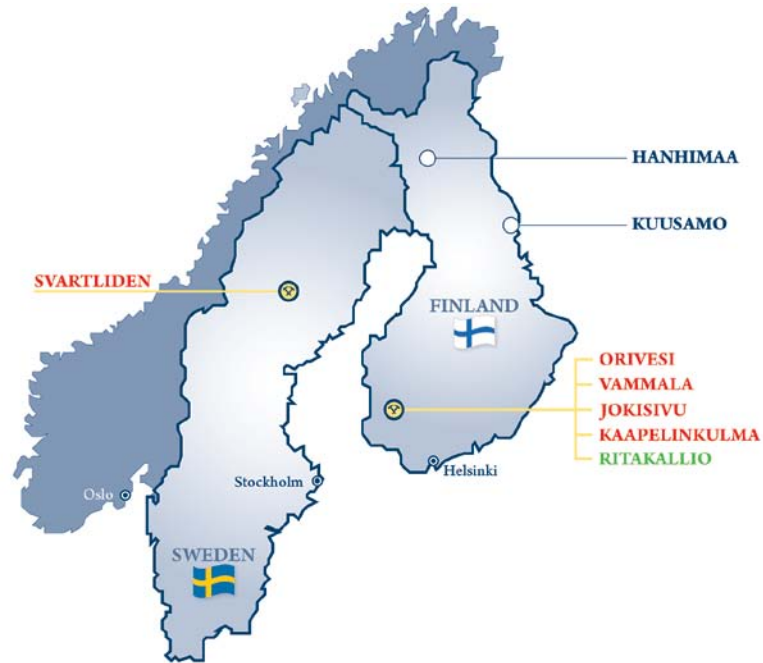
The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Neale Edwards BSc (Hons), a Member of the Australian Institute of Geoscientists and Mr Urpo Kuronen MSc (Geology), a Member of the Australian Institute of Mining 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.

Table 1 – Results from Ritakallio diamond core drilling.

Hole	North	East	Azimuth (°)	Dip (°)	From (m)	Interval (m)	Au (g/t)
HU/RK-8	6778175.42	2433661.74	222.0	45.0	No significant intercepts		
HU/RK-9	6778219.09	2433701.77	222.0	45.0	No significant intercepts		
HU/RK-10	6778367.82	2433058.92	210.0	45.0	13.35	0.85	1.26
					49.40	2.00	1.05
					55.40	0.70	1.07
					63.00	0.80	1.24
					69.30	0.90	1.31
					87.35	1.40	3.53
HU/RK-11	6778375.81	2433119.68	210.0	45.0	No significant intercepts		
HU/RK-12	6778427.37	2433112.42	210.0	45.0	72.70	1.85	2.34
					77.20	1.10	49.80
					80.35	0.95	1.52
HU/RK-13	6778871.97	2432984.48	197.0	45.0	No significant intercepts		
HU/RK-14	6778791.55	2432717.73	222.0	45.0	25.15	0.60	1.11
					91.00	1.00	1.14
HU/RK-15	6778746.79	2432677.33	222.0	45.0	60.00	1.00	1.57
					78.15	2.55	1.37
					88.55	0.85	1.05
HU/RK-16	6778512.23	2432604.36	222.0	45.0	7.50	1.05	1.41
					35.00	1.15	1.40
					56.25	1.05	1.82
					88.65	0.70	1.10
HU/RK-17	6778467.47	2432564.33	222.0	45.0	0.40	1.60	5.65
					4.00	0.55	1.98
					11.00	2.40	3.23
HU/RK-18	6778422.71	2432522.85	222.0	45.0	No significant intercepts		
HU/RK-19	6779077.00	2431899.00	300.0	45.0	15.20	1.00	1.31
					18.30	0.90	2.05
					26.25	1.75	1.50
					41.40	0.95	2.36
HU/RK-20	6779128.00	2432169.00	222.0	45.0	22.50	1.70	2.60
					45.00	1.00	1.32
					49.00	0.60	2.93
					51.70	1.10	1.82
					94.00	0.80	1.22
HU/RK-21	6779027.00	2432058.00	222.0	45.0	4.70	1.90	1.51
					42.85	1.60	3.98
					68.10	3.80	1.69
					84.25	1.15	3.12
					89.50	0.60	10.40
					93.30	0.80	8.28
					97.60	0.50	11.40
HU/RK-22	6778987.00	2432013.00	222.0	45.0	56.25	1.75	1.37
					74.80	1.00	1.23
					76.70	0.80	1.17

Analysis of half core was completed at ALS Chemex Laboratories in Rosia Montana, Romania, using procedure Au-AA25/Au-AA26 (30g/50g FA with AAS finish) and Au-GRA22 (FA+gravimetric finish), following sample preparation at ALS facility in Outokumpu, Finland. Reported at a cut-off grade of 1 g/t gold.

Location of Projects



Project Location – Vammala Production Centre.

