



11 August, 2005

Companies Announcement Office  
Australian Stock Exchange  
20 Bridge Street  
SYDNEY NSW 2000

**NOTICE OF GENERAL MEETING & EXPLANATORY MEMORANDUM**

We attach a Notice of Meeting and Explanatory Memorandum in respect of a General Meeting which is to be held on Thursday 8 September 2005 at the Celtic Club, 48 Ord Street, West Perth, Western Australia commencing at 12.30 pm.

**DRAGON MINING NL**  
**DW WILKINS**  
Company Secretary

**DRAGON MINING NL**  
**ABN 19 009 450 051**

**NOTICE OF GENERAL MEETING**

**PROXY FORM**

**AND**

**EXPLANATORY MEMORANDUM**

**Date of Meeting**

Thursday  
8 September 2005

**Time of Meeting**

12:30 pm

**Place of Meeting**

The Celtic Club  
48 Ord Street  
WEST PERTH WA

**DRAGON MINING NL**  
**ABN 19 009 450 051**  
**NOTICE OF GENERAL MEETING**

Notice is hereby given that a General Meeting of shareholders of Dragon Mining NL ("**Company**") will be held at The Celtic Club, 48 Ord Street, West Perth WA, on Thursday 8 September 2005 at 12:30 pm for the purpose of transacting the following Business.

**ORDINARY BUSINESS**

**Resolution 1 – Approval of issue of shares to clients of RBC Capital Markets.**

To consider and if thought fit to pass the following resolution as an **ordinary resolution**:

*“That for the purpose of Listing Rule 7.4 of Australian Stock Exchange Limited the issue of 31,818,812 ordinary fully paid shares at an issue price of 22 cents to clients of RBC Capital Markets on 9 March 2005 be and is hereby approved.”*

Notes:

The Company will disregard any votes on Resolution 1 cast by any person who participated in the issue and any of their associates. However the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form and vote as the proxy decides.

**Resolution 2 – Approval of issue of shares to clients of Paterson Securities Limited.**

To consider and if thought fit to pass the following resolution as an **ordinary resolution**:

*“That for the purpose of Listing Rule 7.4 of Australian Stock Exchange Limited the issue of 23,149,999 ordinary fully paid shares at an issue price of 16.5 cents per share to clients of Paterson Securities Limited be and is hereby approved.”*

Notes:

The Company will disregard any votes on Resolution 2 cast by any person who participated in the issue and any of their associates. However the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form and vote as the proxy decides.

**Resolution 3 – Approval of issue of shares to clients of Paterson Securities Limited.**

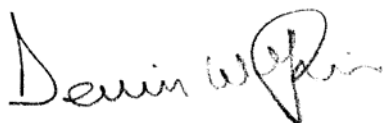
To consider and if thought fit to pass the following resolution as an **ordinary resolution**:

*“That for the purpose of Listing Rule 7.1 of Australian Stock Exchange Limited the issue of 8,365,146 ordinary fully paid shares at an issue price of 16.5 cents per share with such shares to be issued to clients of Paterson Securities Limited be and is hereby approved.”*

Notes:

The Company will disregard any votes on Resolution 3 cast by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and any of their associates. However the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form and vote as the proxy decides.

By order of the Board



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**Dennis Wilkins**

Company Secretary

Date: 8 August 2005

## EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide shareholders in Dragon Mining NL ABN 19 009 450 051 (“**Company**”) with sufficient information to assess the merits of Resolutions 1, 2 and 3 contained in the Notice of General Meeting of the Company.

The Directors recommend that shareholders read this Explanatory Memorandum in full before making any decision in relation to Resolutions.

The following information should be noted in respect of the various matters contained in the Notice of General Meeting:

### **RESOLUTION 1 and 2 – APPROVAL OF ISSUE OF SHARES TO CLIENTS OF RBC CAPITAL MARKETS AND APPROVAL OF ISSUE OF SHARES TO CLIENTS OF PATERSON SECURITIES LIMITED.**

Listing Rule 7.1 provides that a listed company may not issue securities in any 12 month period where the total number of securities to be issued exceeds 15% of the number of fully paid ordinary securities on issue 12 months before the date of issue, except with the prior approval of members of the company in general meeting of the terms and conditions of the proposed issue.

Listing Rule 7.4 provides that an issue of securities made without approval under Listing Rule 7.1 is treated as having been made with approval for the purpose of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and shareholders subsequently approve the issue.

Resolution 1 seeks shareholders approval for the purpose of Listing Rule 7.4 to the issue of 31,818,182 ordinary fully paid shares at a price of 22 cents to clients of RBC Capital Markets Australia. The shares were issued to overseas institutional and sophisticated clients of RBC Capital Markets to raise approximately \$7 million. The shares rank equally in all respects with existing ordinary fully paid shares. Funds raised from the issue have been used for additional working capital for the Company, primarily in relation to development of the Company’s mineral interests in Scandinavia

Resolution 2 seeks shareholders approval for the purpose of Listing Rule 7.4 to the issue of 23,149,999 ordinary fully paid shares to clients of Paterson Securities Limited. The shares were issued to institutional and sophisticated clients of Paterson Securities Limited at a price of 16.5 cents to raise approximately \$3.8 million. The shares rank equally in all respects with existing ordinary fully paid shares. Funds raised by the issue of the shares are being used for additional working capital for the Company, primarily in relation to development of the Company’s mineral interests in Scandinavia.

**RESOLUTION 3 -****APPROVAL OF ISSUE OF SHARES TO CLIENTS  
OF PATERSON SECURITIES LIMITED.**

Resolution 3 seeks the approval of shareholders for the issue of 8,365,146 ordinary fully paid shares to clients of Paterson Securities Limited. The shares will be issued to

institutional and sophisticated clients of Paterson Securities Limited at a price of 16.5 cents to raise approximately \$1.38 million

ASX Listing Rule 7.1 prohibits a company from issuing shares representing more than 15% of its issued capital in any 12 month period, without the prior approval of its shareholders (subject to certain exceptions). Accordingly, shareholder approval is being sought under Listing Rule 7.1 for the issue of up to 8,365,146 shares in the Company. In accordance with ASX Listing Rule 7.3 the following information is provided to shareholders:

- a) the maximum number of securities that may be issued under Resolution 3 is 8,365,146 fully paid shares.
- b) any shares issued in accordance with Resolution 3 will be issued and allotted on a single date within 3 months from the date of the general meeting (or such later date as approved by ASX).
- c) the shares will be issued at a price of 16.5 cents.
- d) the details of the allottees or proposed allottees will be determined by Paterson Securities and will be existing clients of that firm. No person considered to be a related party will be participating in the placement.
- e) any shares issued pursuant to Resolution 3 will rank equally in all respects with existing ordinary fully paid shares on issue in the Company.
- f) funds raised by the issue of any shares will be used as additional working capital for the Company, primarily in relation to development of the Company's mineral interests in Scandinavia.
- g) The allotment of Shares will be completed within 10 business of the date of the General Meeting.

**DRAGON MINING NL**  
**ABN 19 009 450 051**  
**PROXY FORM**

The Company Secretary  
 Dragon Mining NL  
 PO Box 8048  
 PERTH BC WA 6849  
 Facsimile: (08) 9328 6311

I/We (name of shareholder) .....  
 of (address) .....  
 being a member/members of Dragon Mining NL HEREBY APPOINT  
 (name) .....  
 of (address) .....  
 and/or failing him (name) .....  
 of (address) .....  
 or failing that person then the Chairman of the meeting as my/our proxy to vote for me/us and on  
 my/our behalf at the General Meeting of the Company to be held on 8 September 2005 and at any  
 adjournment of the meeting.

**PROXY INSTRUCTIONS**

If you wish to instruct your proxy how to vote, insert "X" in the appropriate box against the item of business set out below. If you do not wish to direct your proxy how to vote please place a mark in this box.	<input style="width: 30px; height: 20px; border: 1px solid black;" type="checkbox"/>
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By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an  
 interest in the outcome of the resolution and, votes cast by him other than as proxy holder, will be  
 disregarded because of that interest.

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

*Should you so desire to direct the Proxy how to vote, you should place a cross in the appropriate box  
 (es) below:*

I/We direct my/our Proxy to vote in the following manner:

RESOLUTION		FOR	AGAINST	ABSTAIN
1	Issue of Shares to clients of RBC Capital Markets			
2	Issue of Shares to clients of Paterson Securities Ltd			
3	Issue of Shares to clients of Paterson Securities Ltd			

If no directions are given my proxy may vote as the proxy thinks fit or may abstain.

<p><b><i>This Proxy is appointed to represent ___% of my voting right, or if 2 proxies are appointed Proxy 1                  represents ___% and Proxy 2 represents ___% of my total votes                  My total voting right is _____ shares</i></b></p>
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Dated

If the shareholder is an individual:

Signature: \_\_\_\_\_

If the shareholder is a company:

Affix common seal (if required by Constitution)

\_\_\_\_\_  
 Director/Sole Director and Secretary

\_\_\_\_\_  
 Director/Secretary

\_\_\_\_\_  
 Print name

\_\_\_\_\_  
 Print name

## INSTRUCTIONS FOR APPOINTMENT OF PROXY

1. A shareholder entitled to attend and vote is entitled to appoint no more than two proxies to attend and vote at this General Meeting as the shareholder's proxy. A proxy need not be a shareholder of the Company.
2. Where more than one proxy is appointed, each proxy must be appointed to represent a specific proportion of the shareholder's voting rights. If such appointment is not made then each proxy may exercise half of the shareholder's voting rights. Fractions shall be disregarded.
3. The proxy form must be signed personally by the shareholder or his attorney, duly authorised in writing. If a proxy is given by a corporation, the proxy must be executed in accordance with its constitution or its duly authorised attorney. In the case of joint shareholders, this proxy must be signed by each of the joint shareholders, personally or by a duly authorised attorney.
4. If a proxy is executed by an attorney of a shareholder, then the original of the relevant power of attorney or a certified copy of the relevant power of attorney, if it has not already been noted by the Company, must accompany the proxy form.
5. To be effective, forms to appoint proxies must be received by the Company no later than 48 hours before the time appointed for the holding of this General Meeting **that is by 12:30 pm (WST) on 6 September 2005** by post or facsimile to the respective addresses stipulated in this proxy form.
6. If the proxy form specifies a way in which the proxy is to vote on any of the resolutions stated above, then the following applies:
  - (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way; and
  - (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
  - (c) if the proxy is the Chairperson, the proxy must vote on a poll and must vote that way, and
  - (d) if the proxy is not the Chairperson, the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.

If a proxy is also a shareholder, the proxy can cast any votes the proxy holds as a shareholder in any way that the proxy sees fit.