

**ASX ANNOUNCEMENT**

**7 JANUARY 2008**

**MINOR INTERRUPTION TO MINING AT SARVISUO GOLD MINE, ORIVESI, FINLAND**

Following a transformer fire at the Orivesi gold mine on Friday evening 4 January 2008 mining works in the Sarvisuo area will be suspended until a replacement transformer is sourced and electrical power is reinstated.

Mining activities in the Kutema area at Orivesi are unaffected and continue as normal. As limited quantities of ore are currently being mined from the Sarvisuo area, the impact on the Vammala Production Centre will be minor.

The fire was discovered on Saturday morning 5 January 2008 and all miners in the area were evacuated in accordance with the safety procedures in place.

Local fire authorities who undertook final extinguishment of the fire advised the mine response was well organised and all the proper actions taken.

The imminent delivery of a new transformer being manufactured for the Kutema Deeps is expected to minimise interruption to mining at Sarvisuo.

In the meantime a rental unit is being sought although the availability is expected to be limited due to the specific specifications of the unit required.

Although the incident will cause a minor interruption to the delivery of ore from the Sarvisuo area of the Orivesi gold mine the manner in which both employees and authorities responded is seen by management as a positive outcome.

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

**Peter G Cordin**  
Managing Director