

**ASX ANNOUNCEMENT**

**10 MARCH 2008**

**FURTHER GOLD RESULTS FROM TRENCHING AT HANHIMAA**

Dragon Mining Limited announces that all results from the trenching program completed at the Hanhimaa Project in northern Finland have now been received.

Trenching and shallow open-hole percussion drilling were undertaken in the Kiimalaki-Kellolaki area during August/September 2007 to gain a better understanding of geological controls on gold mineralisation identified from earlier exploration activities. All results from the shallow percussion drilling grading over 1,000ppb (1.00g/t) gold, including those results previously released, are provided in Table 1 and displayed in Figure 1.

A 2,000 metre diamond core drilling campaign to test the identified gold bearing zones in this area is now in progress with the first results expected in March.

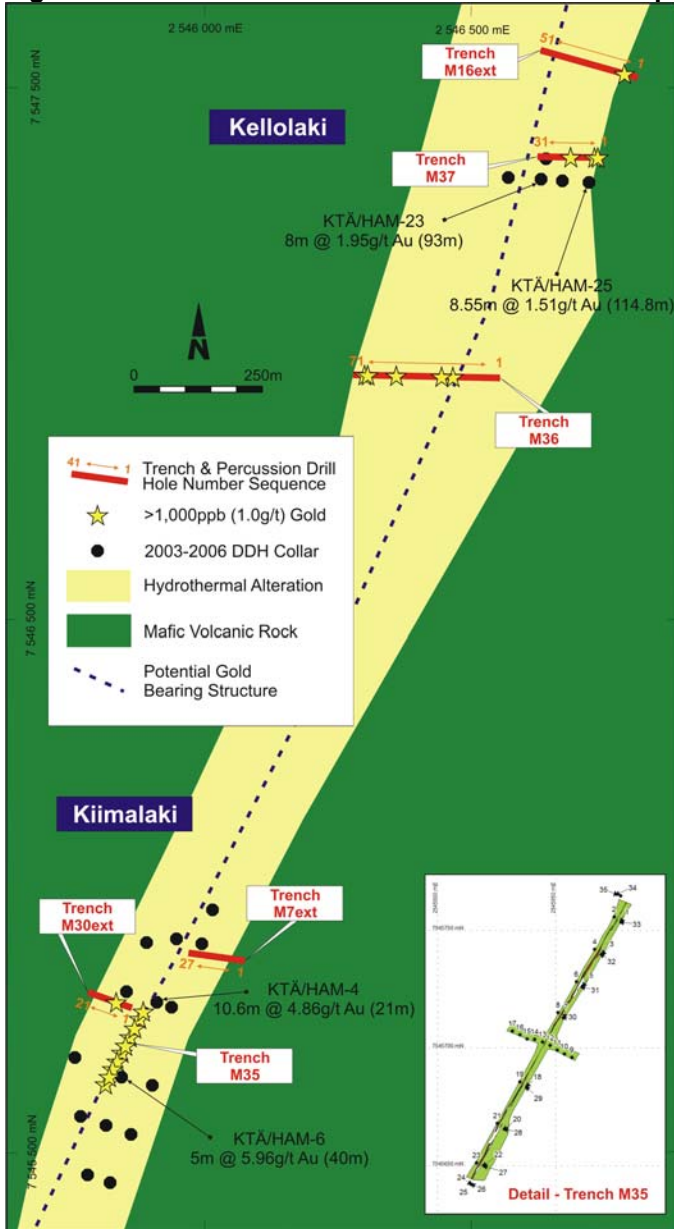
**Table 1 – Significant results from shallow percussion drill holes completed in the Kiimalaki-Kellolaki area (Lower cut-off 1000 ppb (1.00g/t) gold).**

	Northing	Easting	Hole Depth (m)	Interval (m)	Ag (ppb)	As (ppm)	Au (ppb)	From (m)
<i>Analysis completed at ACME Laboratory, Canada using procedure Au 30g FA ICP finish, following sample preparation at Okun Autolahetti Oy facility in Finland.</i>								
<b>Trench - M16ext</b>								
6	7547484.18	2546773.56	5	1	329.0	2870.0	1454.0	0
<b>Trench - M37</b>								
3	7547370.24	2546732.85	5	1	3398.0	4698.0	1128.0	2
5	7547370.93	2546724.47	5	1	461.0	267.1	1305.0	3
18	7547371.85	2546679.60	5	3	215.0	194.0	1357.7	1
<b>Trench - M36</b>								
28	7546952.53	2546427.45	5	1	1891.0	4231.0	1079.0	0
33	7546951.89	2546409.86	5	2	440.0	108.9	1868.0	3
54	7546957.13	2546341.38	5	1	2171.0	3588.0	1081.0	0
66	7546959.01	2546299.74	5	1	207.0	596.4	1469.0	1
67	7546958.48	2546296.01	5	2	199.5	321.0	2943.5	0
<b>Trench - M30ext</b>								
7	7545783.40	2545832.90	5	1	466.0	273.6	1158	0
							<b>Au (ppm)</b>	<b>From (m)</b>
<i>Analysis completed at Vammala Laboratory, Finland using 10g HNO3-HCl digestion with AAS finish, following sample preparation at Okun Autolahetti Oy facility in Finland.</i>								
<b>Trench - M35</b>								
1	7545753.81	2545877.77	5	4			9.33	1
2	7545755.72	2545874.78	7	6			2.88	0
3	7545740.18	2545869.81	5	2			3.90	1
4	7545742.00	2545866.57	7	1			2.00	3
5	7545726.47	2545861.65	5	4			4.58	0
7	7545713.11	2545853.77	5	1			2.60	1
18	7545683.87	2545837.95	5	1			2.40	4
20	7545665.72	2545828.28	5	2			2.65	2
22	7545650.12	2545819.59	5	2			2.85	1
24	7545642.33	2545814.05	5	5			4.48	0
25	7545642.25	2545814.29	5	5			10.00	0
26	7545642.10	2545814.66	5	5			5.34	0
34	7545764.59	2545877.53	5	2			2.80	0
35	7545765.34	2545875.89	5	5			4.64	0

Holes 1-5 and 7-51 in trench M16ext, 1-2, 4, 6-17 and 19-31 in M37, 1-27, 29-32, 34-53, 55-65, 68-71 in M36, 1-6 and 8-21 in M30ext, 1-27 in M7ext and 6, 9-17, 19, 21, 23, 27-33 in M35 failed to return any values above 1g/t gold.

Given the encouragement received from exploration undertaken in the Hanhimaas region during 2007, Dragon has increased its ground holding in this area, with five new Claim Reservations granted during December 2007 totalling 4,339.65 hectares. A total of 25 Claim applications encompassing a further 2,284.6 hectares have also been lodged with Finland's Ministry of Employment and the Economy. Dragon's extensive land package now covers over 20 kilometres strike of the prospective north-south trending Hanhimaas Shear Zone, approximately 10 kilometres west of the 3 million ounce Suurikuusikko gold deposit at the Kittilä Gold Mine.

**Figure 1 – New trenches and the results of shallow percussion drilling in the Kellolaki-Kiimalaki area.**



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

**Peter G Cordin**  
Managing Director

*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.*