

**ASX ANNOUNCEMENT**

**6 JUNE 2008**

**DRILLING RETURNS INTERCEPTS FROM HANHIMAA PROJECT IN NORTHERN FINLAND**

Dragon Mining Limited is pleased to announce that encouraging drill results have been obtained from the Kiimalaki prospect at the Hanhima Project in northern Finland, including intercept highlights of **7.50m @ 5.87 g/t gold** and **1.25m @ 6.51 g/t gold**.

A 17 hole (1,797.25m) diamond core drill program was completed on the Hanhima Project in March 2008. Ten of the holes were drilled at the Kiimalaki prospect targeting down-dip and along strike extensions of earlier drill results, including previously released intercepts **10.60m @ 4.86 g/t gold** and **5.00m @ 5.96 g/t gold**. Results from these new drill holes are presented in Table 1, and a longitudinal section highlighting all significant intercepts through the main zone of mineralisation at Kiimalaki is provided in Figure 1.

Results from the seven holes drilled on the Kellolaki prospect, some 2 kilometres northeast of the Kiimalaki prospect are pending.

**Table 1 - Significant intercepts from Kiimalaki.**

Hole	North	East	Azimuth (°)	Dip (°)	From (m)	Interval (m)	Au (g/t)	Ag (g/t)
KTÄ/HAM-28	7545773.16	2546001.82	300.0	-44.5	143.70	2.40 <sup>(1)</sup>	2.23	34.62
					200.43	1.08	2.02	3.40
KTÄ/HAM-29	7545803.26	2545949.22	300.0	-44.9	54.50	3.50 <sup>(2)</sup>	2.45	17.92
KTÄ/HAM-30	7545737.58	2545911.80	300.0	-45.1	56.00	2.80 <sup>(3)</sup>	1.26	3.66
KTÄ/HAM-31	7545703.89	2545892.89	300.0	-44.3	47.15	1.05	1.07	0.11
					56.00	7.50 <sup>(4)</sup>	5.88	11.78
			including 1.50m @ 16.20 g/t gold and 20.29 g/t silver from 57.00m and 1.00m @ 11.84 g/t gold and 5.74 g/t silver from 60.35m.					
KTÄ/HAM-32	7545669.87	2545873.53	300.0	-45.3	59.85	1.25	6.51	5.01
KTÄ/HAM-33	7545600.64	2545833.71	300.0	-45.7	39.00	1.00	3.17	0.41
KTÄ/HAM-34	7545773.00	2545838.00	300.0	-44.5	65.00	1.00	1.88	3.23
KTÄ/HAM-35	7545597.68	2545879.17	300.0	-59.3	146.86	1.54	1.05	1.93
					154.00	1.30	4.84	2.00
					183.70	2.30	1.19	0.31
KTÄ/HAM-36	7545706.32	2545966.47	300.0	-43.7	149.20	1.80	4.40	7.15
KTÄ/HAM-37	7545838.16	2545968.82	300.0	-43.8	53.40	1.15 <sup>(5)</sup>	1.79	1.12

Analysis of half core was completed at ACME Laboratories in Vancouver, Canada, using 30g HCL-HNO3 with ICP/ES & MS finish, following sample preparation at Okun Autolahetti Oy facility in Finland. Results reported at a 1g/t gold cut-off.

<sup>(1)</sup> includes 0.40 metre core loss; <sup>(2)</sup> includes 0.20 metre core loss; <sup>(3)</sup> includes 2.15 metre core loss; <sup>(4)</sup> includes 0.80 metre core loss; <sup>(5)</sup> includes 0.30 metre core loss.

A program of bedrock chip sampling examining untested portions of the 20 kilometre long Hanhima Shear Zone, north and south of the Kiimalaki and Kellolaki prospects is currently in progress, whilst programs to further examine the potential of known mineralisation at Kiimalaki and Kellolaki will be initiated following receipt of all results from the recent drill program.

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.

Figure 1 - Significant intercepts in longitudinal section through the main zone of mineralisation at the Kiimalaki prospect.

