THIS DOCUMENT IS IN DRAFT FORM, INCOMPLETE AND SUBJECT TO CHANGE AND THE INFORMATION MUST BE READ IN CONJUNCTION WITH THE SECTION HEADED "WARNING, ON THE COVER OF THIS DOCUMENT.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this document or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in the Company, you should at once hand this document and the accompanying Proxy Forms to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

This document does not constitute an offer or invitation to, nor is it intended to invite offers by, the public to subscribe for or to purchase shares or other securities of the Company and/or the New Holdco and it must not be used for the purposes of offering or inviting offers for any securities.

龍資源有限公司
DRAGON MINING
LIMITED

DRAGON MINING LIMITED

龍資源有限公司*

(Incorporated in Western Australia with limited liability ACN 009 450 051)

(Stock Code: 1712)

REORGANISATION PROPOSAL — CHANGE OF THE HOLDING COMPANY OF THE GROUP FROM DRAGON MINING LIMITED (DOMICILED IN AUSTRALIA) TO DRAGON GOLD MINING LIMITED (DOMICILED IN HONG KONG), THE SHARES OF WHICH ARE PROPOSED TO BE LISTED ON THE MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED BY WAY OF INTRODUCTION PURSUANT TO A SCHEME OF ARRANGEMENT (UNDER PART 5.1 OF THE CORPORATIONS ACT 2001 (CTH))

The Board unanimously recommends that you **VOTE IN FAVOUR** of the Scheme, in the absence of a superior proposal and subject to the Independent Expert maintaining its conclusion that the Scheme is in the best interests of Shareholders.

[The Independent Expert has concluded that the Scheme is in the best interests of Shareholders as a whole, in the absence of a superior proposal or any further information.]

This is an important document and requires your immediate attention. You should read this document in its entirety before deciding how to vote on the Scheme. If you are in any doubt as to what you should do, you should consult your legal, financial, tax or other professional adviser immediately.

This document includes the explanatory statement for the Scheme required by subsection 412(1) of the Corporations Act. A letter from the Board is set out in Section 4 of this document. The actions to be taken by the Shareholders are set out in Section 2.21 of this document. A notice convening the Scheme Meeting to be held on [REDACTED] at [REDACTED] is set out in Appendix XIII of this document. A notice convening the Extraordinary General Meeting to be held on [REDACTED] at [REDACTED] is set out in Appendix XIV of this document.

Whether or not you are able to attend the Scheme Meeting and/or the Extraordinary General Meeting, you are requested to complete the accompanying Proxy Forms in accordance with the respective instructions printed thereon and return the same to the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited of 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not later than 48 hours before the specified time for the holding of the Scheme Meeting and the Extraordinary General Meeting (as applicable) or any adjournment thereof. Completion and return of the Proxy Form will not preclude you from attending and voting in person at the Scheme Meeting and/or the Extraordinary General Meeting (as applicable) or any adjournment thereof if they so wish.

Subject to the Stock Exchange granting the approval for the listing of, and permission to deal in, the New Holdco Shares on the Main Board and compliance with the stock admission requirements of HKSCC, those shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in such shares on the Main Board or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

The New Holdco Shares to be issued in connection with the Scheme will not be, and are not required to be, registered with the SEC under the Securities Act, in reliance on the exemption from the registration requirements of the Securities Act provided by section 3(a)(10) of the Securities Act. **Neither the SEC nor any other US federal or state securities commission or regulatory authority has approved or disapproved of the New Holdco Shares or passed an opinion on the adequacy of this document. Any representation to the contrary is a criminal offense in the United States.** Overseas Shareholders, including but not limited to US Shareholders, are advised to read the important notices in Section 2.20 of this document, titled "Overview of the Reorganisation Proposal".

* *For identification purposes only*