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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)**

### VOLUNTARY ANNOUNCEMENT

#### PROGRESS UPDATE ON THE FÄBOLIDEN ENVIRONMENTAL PERMIT APPLICATION

This announcement is made by Dragon Mining Limited 龍資源有限公司\* (“**Dragon Mining**” or the “**Company**”) on a voluntary basis to inform the shareholders of the Company and potential investors of recent developments.

The Company continues to advance the application for the Fäboliden Environmental Permit to allow full scale mining to commence at the Fäboliden Gold Mine (“**Fäboliden**”) in northern Sweden.

On the 30 March 2021, the Swedish Land and Environment Court informed the Company of its plans to hold a Main Court Hearing during the week starting 7 June 2021. On 3 May 2021, the County Administrative Board submitted a statement verifying that they deemed the permit permissible provided their conditions are met.

However, earlier in the year, on 4 March 2021, the European Court of Justice (the “**EU Court**”) had issued a preliminary ruling that rejected then established Swedish case law regarding implementation of the Habitats Directive. The EU Court clarified that the prohibitions regarding the impact of operations on animal species as laid out in the Habitats Directive applied both to the relevant species’ local population generally, and to individual members of that species.

The possible implications of this ruling, for the Company’s specific case were first communicated to the Company in correspondence from the CAB on the 3rd of May 2021. However, there is as yet, no blanket interpretation of the EU Court’s preliminary ruling, meaning that the exact implications for cases ongoing at the Swedish Court are unclear.

The Company's investigations and assessments for Fäboliden to date have been conducted according to accepted practice and are extensive. However, the recent EU Court ruling implies that additional field work and assessments are now necessary. The risk of a negative outcome for the Environmental Permit application in its current form due to this new ruling has forced the Company to prepare additional supplementary information for submission to the Swedish Land and Environment Court prior to the holding of a Main Court Hearing.

The necessary work has been initiated as a priority and the Swedish Land and Environment Court has been fully informed of the situation. The Company's legal firm contacted the Court on behalf of the Company on 14 May 2021 and requested that the main hearing, planned to be held in June 2021, be suspended. The Company has asked the Court for permission to submit its material on October 25, 2021 with the date for a new main hearing to be decided as soon as possible thereafter. The Company has emphasised that it is imperative the Environmental Permit application be processed before the end of 2021.

By Order of the Board  
**Dragon Mining Limited**  
**Arthur George Dew**  
*Chairman*

Hong Kong, 20 May 2021

*As at the date of this announcement, the Board of Directors of the Company comprises Mr. Arthur George Dew as Chairman and Non-Executive Director (with Mr. Wong Tai Chun Mark as his Alternate); Mr. Brett Robert Smith as Chief Executive Officer and Executive Director; Ms. Lam Lai as Non-Executive Director; and Mr. Carlisle Caldwell Procter, Mr. Pak Wai Keung Martin and Mr. Poon Yan Wai as Independent Non-Executive Directors.*

\* *For identification purpose only*