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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)

**ANNOUNCEMENT OF THE INTERIM RESULTS
FOR THE 6 MONTHS ENDED 30 JUNE 2025**

The Board of Directors (the “**Board**”) of Dragon Mining Limited (the “**Company**” or “**Dragon**”) announces the consolidated interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the period ended 30 June 2025 together with comparative figures for the corresponding period ended 30 June 2024 are as follows:

CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE 6 MONTHS ENDED 30 JUNE 2025

		6 months to 30 Jun 2025	6 months to 30 Jun 2024
		<i>AU\$'000</i>	<i>AU\$'000</i>
	<i>Note</i>	(Unaudited)	(Unaudited)
Revenue from customers	2(a)	54,460	30,678
Cost of sales	2(b)	(27,839)	(26,800)
Gross profit		26,621	3,878
Other revenue	2(c)	724	330
Other income	2(d)	418	2,025
Mineral exploration expenditure		(433)	(88)
Management and administration expenses	2(e)	(4,009)	(2,621)
Other operating expense	2(e)	(592)	(598)
Finance costs	2(f)	(648)	(616)
Fair value (loss)/gain on financial assets	2(g)	(49)	310
Foreign exchange (loss)/gain		(3,988)	329
Profit before tax		18,044	2,949
Income tax expense	3	(5,352)	(978)
Profit after income tax		12,692	1,971
Basic and diluted earnings per share attributable to ordinary equity holders of the parent (cents per share)			
Basic and diluted earnings per share	14	8.03	1.25

The notes on pages 7 to 24 form part of this interim results announcement.

CONSOLIDATED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE 6 MONTHS ENDED 30 JUNE 2025

	6 months to 30 Jun 2025 AU\$'000 (Unaudited)	6 months to 30 Jun 2024 AU\$'000 (Unaudited)
Profit after income tax (brought forward)	<u>12,692</u>	<u>1,971</u>
Other comprehensive income/(loss)		
<i>Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:</i>		
Exchange differences on translation of foreign operations	<u>7,110</u>	<u>(1,298)</u>
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods (net of tax)	<u>7,110</u>	<u>(1,298)</u>
Total comprehensive income for the period	<u>19,802</u>	<u>673</u>
Profit attributable to:		
Members of Dragon Mining Limited	<u>12,692</u>	<u>1,971</u>
	<u>12,692</u>	<u>1,971</u>
Total comprehensive income attributable to:		
Members of Dragon Mining Limited	<u>19,802</u>	<u>673</u>
	<u>19,802</u>	<u>673</u>

The notes on pages 7 to 24 form part of this interim results announcement.

CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
FOR THE 6 MONTHS ENDED 30 JUNE 2025

		At 30 Jun 2025 AU\$'000 (Unaudited)	At 31 Dec 2024 AU\$'000 (Audited)
	Note		
CURRENT ASSETS			
Cash and cash equivalents		30,721	40,313
Trade and other receivables	4	4,259	2,570
Inventories	5	25,557	19,257
Financial assets	6	2,053	1,826
Other assets	7	1,869	866
TOTAL CURRENT ASSETS		64,459	64,832
NON-CURRENT ASSETS			
Property, plant and equipment	8	57,569	53,306
Mineral exploration and evaluation costs	9	2,603	1,436
Right-of-use assets		416	411
Other assets	7	40,580	12,587
TOTAL NON-CURRENT ASSETS		101,168	67,740
TOTAL ASSETS		165,627	132,572
CURRENT LIABILITIES			
Trade and other payables	10	14,395	8,318
Provisions	11	3,548	3,624
Interest bearing liabilities		192	180
Other liabilities		113	80
Current tax liability		4,467	3,122
TOTAL CURRENT LIABILITIES		22,715	15,324
NON-CURRENT LIABILITIES			
Provisions	11	40,125	34,257
Interest bearing liabilities		221	227
TOTAL NON-CURRENT LIABILITIES		40,346	34,484
TOTAL LIABILITIES		63,061	49,808
NET ASSETS		102,566	82,764
EQUITY			
Contributed equity	12	140,408	140,408
Reserves		8,637	1,527
Accumulated losses		(46,479)	(59,171)
TOTAL EQUITY		102,566	82,764

The notes on pages 7 to 24 form part of this interim results announcement.

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE 6 MONTHS ENDED 30 JUNE 2025

	Contributed Equity AU\$'000	Accumulated Losses AU\$'000	Foreign Currency Reserve AU\$'000	Convertible Note Premium Reserve AU\$'000	Equity Reserve Purchase of Non- controlling Interest AU\$'000	Treasury Shares AU\$'000	Total Equity AU\$'000
At 1 January 2024	<u>140,408</u>	<u>(72,047)</u>	<u>(2,740)</u>	<u>2,068</u>	<u>1,069</u>	<u>-</u>	<u>68,758</u>
Profit after income tax for the period	-	1,971	-	-	-	-	1,971
Other comprehensive loss	<u>-</u>	<u>-</u>	<u>(1,298)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,298)</u>
Total comprehensive income/ (loss) for the period	<u>-</u>	<u>1,971</u>	<u>(1,298)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>673</u>
At 30 June 2024 (Unaudited)	<u>140,408</u>	<u>(70,076)</u>	<u>(4,038)</u>	<u>2,068</u>	<u>1,069</u>	<u>-</u>	<u>69,431</u>
At 1 January 2025	<u>140,408</u>	<u>(59,171)</u>	<u>(1,610)</u>	<u>2,068</u>	<u>1,069</u>	<u>-</u>	<u>82,764</u>
Profit after income tax for the period	-	12,692	-	-	-	-	12,692
Other comprehensive income	<u>-</u>	<u>-</u>	<u>7,110</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,110</u>
Total comprehensive income for the period	<u>-</u>	<u>12,692</u>	<u>7,110</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,802</u>
30 June 2025 (Unaudited)	<u>140,408</u>	<u>(46,479)</u>	<u>5,500</u>	<u>2,068</u>	<u>1,069</u>	<u>-</u>	<u>102,566</u>

The notes on pages 7 to 24 form part of this interim results announcement.

CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
FOR THE 6 MONTHS ENDED 30 JUNE 2025

	6 months to 30 Jun 2025 AU\$'000 (Unaudited)	6 months to 30 Jun 2024 AU\$'000 (Unaudited)
Cash flows from operating activities		
Receipts from customers	54,141	31,488
Payments to suppliers and employees	(28,461)	(28,113)
Payments for mineral exploration	(266)	(183)
Interest received	724	330
Interest paid	(144)	(44)
Income taxes paid	(4,007)	(1,336)
Net cash from operating activities	21,987	2,142
Cash flows from investing activities		
Payments for property, plant and equipment	(1,930)	(835)
Payments for development activities	(478)	(1,148)
Payments for exploration and evaluation	(1,024)	(514)
Payment for rehabilitation bonds	(29,904)	–
Return of rehabilitation bonds	2,513	–
Net cash used in investing activities	(30,823)	(2,497)
Cash flows from financing activities		
Lease liability payments	(97)	(88)
Net cash used in financing activities	(97)	(88)
Net decrease in cash and cash equivalents	(8,933)	(443)
Cash and cash equivalents at the beginning of the period	40,313	22,168
Effects of exchange rate changes on cash and cash equivalents	(659)	106
Cash and cash equivalents at the end of the period	30,721	21,831

The notes on pages 7 to 24 form part of this interim results announcement.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE 6 MONTHS ENDED 30 JUNE 2025

1. CORPORATE INFORMATION AND SUMMARY OF MATERIAL ACCOUNTING INFORMATION

a) Reporting entity

Dragon Mining Limited (“**Company**” or “**Parent Entity**”) was incorporated as an Australian Public Company, limited by shares on 23 April 1990, and is subject to the requirements of the Australian Corporations Act 2001 as governed by the Australian Securities and Investments Commission. The Company is domiciled in Australia and its registered office is located at the Echelon Building, Unit 202, Level 2, 39 Mends Street, South Perth, Western Australia 6151, Australia.

The Company’s announcement of the consolidated interim results for the period ended 30 June 2025 was authorised for issue at the meeting of the Board of Directors held on 20 August 2025.

The announcement of the consolidated interim results of the Company for the period ended 30 June 2025, comprise the Company and its subsidiaries (together referred to as the “**Group**”). The Group is a for profit entity, primarily involved in gold mining operations and gold mineral exploration. The Company has direct and indirect interests in its subsidiaries, all of which have similar characteristics to a private company incorporated in Hong Kong, the particulars of which are set out below:

Name	Place and date of incorporation/ registration and place of operations	Nominal value of issued ordinary share capital	Percentage of equity attributable to the Company	Principal activities
Dragon Mining (Sweden) AB	Sweden 27 April 1993	SEK 100,000	100%	Gold Production
Viking Gold & Prospecting AB	Sweden 3 April 1996	SEK 100,000	100%	Dormant
Dragon Mining Oy	Finland 24 March 1993	EUR 100,000	100%	Gold Production
龍資源有限公司 (Dragon Mining Limited) ⁽¹⁾	Hong Kong 17 May 2017	HK\$1.00	100%	Inactive
Dragon Gold Mining Limited	Hong Kong 28 November 2024	HK\$1.00	100%	Dormant

⁽¹⁾ For translation purposes

b) Basis of preparation

Statement of compliance

The consolidated interim results set out in this announcement do not constitute the consolidated interim financial statements of the Group as at and for the period ended 30 June 2025 but are extracted from those consolidated interim financial statements.

The consolidated interim financial statements are condensed general purpose financial statements prepared in accordance with the applicable disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”), and with International Accounting Standard (“**IAS**”), 34 *Interim Financial Reporting*.

The consolidated interim financial statements do not include all notes of the type normally included within the consolidated annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the consolidated annual financial report.

The consolidated interim financial statements should be read in conjunction with the consolidated annual financial report for the year ended 31 December 2024 and considered together with any public announcements made by the Company during the period ended 30 June 2025.

The consolidated interim financial statements have been prepared under the historical cost convention, except for certain financial instruments which are measured at fair value. These consolidated interim financial statements are presented in Australian dollars (“**AUD**”) and all values are rounded to the nearest thousand except when otherwise specified.

The Group has adopted the going concern basis for the preparation of this these consolidated interim financial statements.

c) Changes in accounting policies and disclosures

Except as disclosed below, the accounting policies adopted in the preparation of the consolidated interim financial statements are consistent with those followed in the preparation of the Group’s consolidated annual financial statements for the year ended 31 December 2024.

d) New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the consolidated interim financial statements are consistent with those followed in the preparation of the consolidated annual financial statements for the year ended 31 December 2024. All relevant new and amended Accounting Standards and Interpretations which became applicable on 1 January 2025 have been adopted by the Group.

As a result of this review, the Directors have determined that there is no material impact from the new and revised Accounting Standards and Interpretations on the Company and, therefore, no material change is necessary to the Company’s accounting policies.

2. OTHER REVENUE, INCOME AND EXPENSES

	6 months to 30 Jun 2025 AU\$'000 (Unaudited)	6 months to 30 Jun 2024 AU\$'000 (Unaudited)
(a) Revenue from customers		
Revenue from gold sales	50,105	30,678
Revenue from toll milling services ⁽¹⁾	4,355	–
	54,460	30,678
(b) Cost of sales		
Cost of production net of inventory movements	22,780	23,629
Depreciation of mine properties, plant and equipment	5,059	3,171
	27,839	26,800
<i>Cost of production net of inventory movements</i>		
Mining costs	14,120	12,877
Processing costs	12,383	9,486
Other production costs	399	350
Gold inventory movements	(4,122)	916
Cost of production net of inventory movements	22,780	23,629
(c) Other revenue		
Finance revenue and interest	724	330
	724	330
(d) Other income		
Net gain from cancellation of Crusher agreement	–	1,550
Service income	405	447
Other income	13	28
	418	2,025
(e) Operating expenses		
Management and administration expenses	4,009	2,621
Depreciation of non-mine site assets	127	110
Rehabilitation costs	465	488
	4,601	3,219

⁽¹⁾ Toll milling revenue consists of a fixed fee per ore tonne delivered for treatment at the Group's Svartliden Plant and a production fee based on a tiered percentage of the sale proceeds, dependent on head grade.

	6 months to 30 Jun 2025 AU\$'000 (Unaudited)	6 months to 30 Jun 2024 AU\$'000 (Unaudited)
(f) Finance costs		
Rehabilitation unwinding of discount	504	572
Interest expense	106	5
Other finance costs	38	39
	648	616
(g) Fair value change in financial assets		
Gain on investments at fair value through profit or loss	49	310
(h) Total employee benefits including Directors' remuneration		
Wages and salaries	4,127	3,976
Defined contribution superannuation expense	817	843
	4,944	4,819

3. INCOME TAX

The Company is subject to income tax on profits arising in or derived from the jurisdiction in which the Company is domiciled and operates.

Income tax expense is recognised based on management's estimate of the weighted average income tax rate expected for the full financial year. No provision for Hong Kong profits tax has been made, as the Company had no assessable profits derived from or earned in Hong Kong during the period ended 30 June 2025 (30 June 2024: nil).

The Group has fully utilised its tax losses in Finland. For the period ended 30 June 2025, the Company has recognised an income tax expense of AU\$5,352,000 (30 June 2024: AU\$978,000) and tax liability of AU\$4,467,000 (30 June 2024: AU\$968,000).

	6 months to 30 June 2025 AU\$'000 (Unaudited)	2024 AU\$'000 (Unaudited)
<i>Income tax expense</i>		
The major components of income tax expense are:		
<i>Current income tax</i>		
Current income tax expense	5,352	978
Income tax expense reported in the consolidated interim statement of profit or loss	5,352	978

4. TRADE AND OTHER RECEIVABLES

	At 30 Jun 2025 AU\$'000 (Unaudited)	At 31 Dec 2024 AU\$'000 (Audited)
Trade receivables – amortised cost (i)	3,019	657
Other receivables (ii)	1,240	1,913
	<u>4,259</u>	<u>2,570</u>

- (i) The Company receives toll milling revenue consisting of a fixed fee per ore tonne delivered for treatment at the Svartliden Plant and a production fee based on a tiered percentage of the sale proceeds. The Company has recognised trade receivables for toll milling services provided during the period and gold sold on market, which is settled within two days. The probability of default is considered to be insignificant. All amounts have been collected subsequent to period end.
- (ii) Includes a AU\$1.5 million receivable from the cancellation of a Crusher agreement in Finland following successful completion of arbitration proceedings. An impairment loss of AU\$0.8 million has previously been recognised against the carrying value of the Crusher receivable and thus the impaired receivable recognised is AU\$0.7 million. Other receivables include bank guarantees held on deposit with National Australia Bank for the lease of the corporate premises. These deposits are rolled over every three months in accordance with the lease terms. Due to the short-term nature and credit rating of the counterparty, the probability of default is insignificant.

Trade receivables aging analysis

An aged analysis of the trade receivables as at the end of the reporting year, based on invoice date, is as follows:

	At 30 Jun 2025 AU\$'000 (Unaudited)	At 31 Dec 2024 AU\$'000 (Audited)
Amounts not yet due	–	–
Within 1 month	3,019	657
1 to 2 months	–	–
2 to 3 months	–	–
Over 3 months	–	–
	<u>3,019</u>	<u>657</u>
Trade receivables	<u>3,019</u>	<u>657</u>

5. INVENTORIES

	At 30 Jun 2025 <i>AU\$'000</i> (Unaudited)	At 31 Dec 2024 <i>AU\$'000</i> (Audited)
Ore and concentrate stockpiles – at cost	17,253	12,470
Gold in circuit valued – at cost	6,708	4,236
Gold on hand – at cost	–	1,492
Raw materials and stores – at cost	1,596	1,059
	<u>25,557</u>	<u>19,257</u>

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	At 30 Jun 2025 <i>AU\$'000</i> (Unaudited)	At 31 Dec 2024 <i>AU\$'000</i> (Audited)
Investments at fair value through profit or loss	<u>2,053</u>	<u>1,826</u>

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets comprise equity securities. The fair value of investments in quoted equity securities is determined by reference to their quoted closing bid price at the reporting date.

Following initial recognition, equity shares are measured at fair value being the published price quotation in an active market. Changes therein are recognised in the consolidated statement of profit or loss and presented as an unrealised gain/(loss).

Investment in Aurion Resources Limited

At 30 June 2025, the Group continues to hold 2,452,910 shares in Aurion Resources Limited (TSXV: AU) (“**Aurion Resources**”) representing approximately 1.89% of the number of issued common shares of Aurion Resources. The fair value movement in the shares during the period was a loss of AU\$0.05 million (30 June 2024: gain of AU\$0.31 million). There have been no share sales as at the date of this announcement.

7. OTHER ASSETS

	At 30 Jun 2025 AU\$'000 (Unaudited)	At 31 Dec 2024 AU\$'000 (Audited)
Current		
Prepayments	962	398
Other receivables	907	468
	<u>1,869</u>	<u>866</u>
Non-current		
Environmental and other bonds at amortised cost	<u>40,580</u>	<u>12,587</u>

The environmental bonds relate to cash and guarantees that have been deposited with Finnish and Swedish government authorities. During the period, the Group placed additional collateral security of 32.0 million SEK (approximately AU\$5.2 million) for Svartliden in Sweden, bringing the total collateral security to 65.0 million SEK (approximately AU\$10.5 million). The Group also placed a new environmental bond by way of a bank guarantee of €11.9 million (approximately AU\$20.6 million) to replace the existing bond of €1.4 million (approximately AU\$2.5 million) for Vammala in Finland. The rehabilitation costs for Vammala are denominated in EUR. To protect against EUR/AUD forex fluctuations, the Group has secured an additional term deposit of US\$2.7 million (approximately AU\$4.1 million) to provide a 20% buffer. The remaining AU\$0.6 million movement for the period relates to FX. The deposits are held in interest bearing accounts that can only be drawn down after the respective rehabilitation programs have been completed and authorised by the relevant government authority. The Company can apply for progressive release of the environmental bond from the Regional State Administration Agency (“AVI”) in Finland upon completion of the rehabilitation work.

8. PROPERTY, PLANT AND EQUIPMENT

	At 30 Jun 2025 AU\$'000 (Unaudited)	At 31 Dec 2024 AU\$'000 (Audited)
Land		
Gross carrying amount – at cost	<u>1,490</u>	<u>1,379</u>
Buildings		
Gross carrying amount – at cost	2,885	2,612
Less accumulated depreciation and impairment	<u>(2,591)</u>	<u>(2,496)</u>
Net carrying amount	<u>294</u>	<u>116</u>
Property, plant and equipment		
Gross carrying amount – at cost	47,338	43,836
Less accumulated depreciation and impairment	<u>(41,891)</u>	<u>(39,316)</u>
Net carrying amount	<u>5,447</u>	<u>4,520</u>

	At 30 Jun 2025 AU\$'000 (Unaudited)	At 31 Dec 2024 AU\$'000 (Audited)
Mine properties		
Gross carrying amount – at cost	176,553	171,116
Less accumulated amortisation and impairment	<u>(126,215)</u>	<u>(123,825)</u>
Net carrying amount	<u>50,338</u>	<u>47,291</u>
Total property, plant and equipment		
Gross carrying amount – at cost	228,266	218,943
Less accumulated amortisation and impairment	<u>(170,697)</u>	<u>(165,637)</u>
Net carrying amount	<u>57,569</u>	<u>53,306</u>

The Group has considered whether any impairment triggers are present in the current period. No triggers were identified during the current period and no impairment was recognised during the period ended 30 June 2025. Included within property, plant and equipment and mine properties are AU\$19.2 million of capitalised costs (31 December 2024: AU\$19.2 million) relating to Fäboliden mine properties.

9. MINERAL EXPLORATION AND EVALUATION COSTS

	At 30 Jun 2025 AU\$'000 (Unaudited)	At 31 Dec 2024 AU\$'000 (Audited)
Balance at beginning of year	1,436	1,848
Additions	1,565	3,103
Reclassification to mine properties	(587)	(3,547)
Net foreign exchange movement	<u>189</u>	<u>32</u>
Total mineral exploration and evaluation expenditure	<u>2,603</u>	<u>1,436</u>

The recoverability of the carrying amount of exploration and evaluation is dependent on the successful development and commercial exploitation, or alternatively through the sale of the respective area of interest.

10. TRADE AND OTHER PAYABLES

	At 30 Jun 2025 <i>AU\$'000</i> (Unaudited)	At 31 Dec 2024 <i>AU\$'000</i> (Audited)
Trade payables and accruals	<u>14,395</u>	<u>8,318</u>

Ageing Analysis

An aged analysis of the trade creditors and accruals as at the end of the year, based on invoice date, is as follows:

Within 1 month	14,395	8,318
1 to 2 months	–	–
2 to 3 months	–	–
Over 3 months	<u>–</u>	<u>–</u>
Trade payables and accruals	<u>14,395</u>	<u>8,318</u>

11. PROVISIONS

	At 30 Jun 2025 <i>AU\$'000</i> (Unaudited)	At 31 Dec 2024 <i>AU\$'000</i> (Audited)
Current		
Employee entitlements	1,600	1,810
Rehabilitation	<u>1,948</u>	<u>1,814</u>
	3,548	3,624
Non-current		
Employee entitlements	37	28
Rehabilitation	<u>40,088</u>	<u>34,229</u>
	40,125	34,257
<i>Rehabilitation movement</i>		
Balance at 1 January	36,043	26,961
Net increase in rehabilitation provision	2,184	6,724
Rehabilitation expenditure	465	573
Discount unwinding	504	1,159
Net foreign exchange movement	<u>2,840</u>	<u>626</u>
Balance at 31 December	<u>42,036</u>	<u>36,043</u>

The provisions for rehabilitation are recorded in relation to the gold mining operations for the rehabilitation of the disturbed mining area to a state acceptable to the various Swedish and Finnish authorities. While rehabilitation is performed progressively where possible, final rehabilitation of the disturbed mining area is not expected until the cessation of production. Accordingly, the provisions are expected to be settled primarily at the end of the mine life, although some amounts will be settled during the mine life.

Rehabilitation provisions are estimated based on survey data, external contracted rates, and the timing of the current mining schedule. Provisions are discounted based on rates that reflect current market assessments of the time value of money and the risks specific to that liability. The discount rate utilised for Finland at 30 June 2025 was 2.2% (31 December 2024: 3.2%) and in Sweden 2.0% (31 December 2024: 2.5%). Additions during the relevant periods to the rehabilitation provision include obligations that do not have an associated mining asset recognised at the end of the reporting date. The long-term inflation rates are 1.5% and 1.6% in Finland and Sweden, respectively (31 December 2024: 1.8% and 1.8%).

Svartliden closure plan

The Land and Environment Court (“**Environment Court**”) previously ruled that the entire waste rock dump is acid forming/potentially acid forming, requiring a hard cover. In its ruling, the court ordered the Company to place an additional collateral security of 32.0 million SEK (approximately AU\$5.2 million), bringing the total collateral security to 65.0 million SEK (approximately AU\$10.5 million). The ruling gained legal force on 18 February 2025. The Company submitted the additional bond to the Swedish government authority on 18 May 2025.

Vammala environmental permit

The Regional State Administration Agency (“**AVI**”) in Finland previously set an additional bond security of €11.9 million (approximately AU\$20.6 million). The Company placed the new environmental bond during May 2025. The existing €1.4 million bond (approximately AU\$2.5 million) was returned to the Company in June 2025. The Company can apply for progressive release of its Finnish environmental bonds from AVI upon completion of the rehabilitation work.

The Company continues to complete progressive rehabilitation at all its sites. Rehabilitation expected to be undertaken in the subsequent reporting period has been recognised as a current liability.

12. CONTRIBUTED EQUITY

	At 30 Jun 2025	At 31 Dec 2024	At 30 Jun 2025	At 31 Dec 2024
	<i>Number of shares</i>		<i>AU\$'000</i>	<i>AU\$'000</i>
Ordinary shares paid in full	<u>158,096,613</u>	<u>158,096,613</u>	<u>140,408</u>	<u>140,408</u>

	At 30 Jun 2025		At 31 Dec 2024	
	<i>AU\$'000</i>	<i>No. of shares</i>	<i>AU\$'000</i>	<i>No. of shares</i>
Movements in issued capital				
Balance at 1 January	140,408	158,096,613	140,408	158,096,613
Balance at 31 December	<u>140,408</u>	<u>158,096,613</u>	<u>140,408</u>	<u>158,096,613</u>

13. DIVIDENDS

No dividend has been paid or declared since the commencement of the period and no dividend has been recommended by the Directors for the period ended 30 June 2025 (31 December 2024: nil).

14. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the Parent by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the profit after tax attributable to ordinary shareholders of the parent by the weighted average number of ordinary shares outstanding during the period (adjusted for the effects of dilutive options and dilutive convertible notes). There have been no post balance sheet movements impacting the diluted earnings per share.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	At 30 Jun 2025 <i>AU\$</i>	At 30 Jun 2024 <i>AU\$</i>
Basic and diluted earnings per share		
Profit after tax used in calculation of basic and diluted earnings per share (AU\$'000)	12,692	1,971
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic and diluted earnings per share	<u>158,096,613</u>	<u>158,096,613</u>
Basic and diluted earnings per share (cents)	<u>8.03</u>	<u>1.25</u>

15. RELATED PARTY TRANSACTIONS

(a) Subsidiaries

The consolidated financial statements include the financial statements of Dragon Mining Limited and the subsidiaries listed in the following table:

Name of Entity	Incorporation	Class	Equity	
			At 30 Jun 2025	At 31 Dec 2024
Dragon Mining (Sweden) AB	Sweden	Ordinary	100%	100%
Viking Gold & Prospecting AB	Sweden	Ordinary	100%	100%
Dragon Mining Oy	Finland	Ordinary	100%	100%
龍資源有限公司 (Dragon Mining Limited) ⁽¹⁾	Hong Kong	Ordinary	100%	100%
Dragon Gold Mining Limited	Hong Kong	Ordinary	100%	100%

⁽¹⁾ For translation purposes

(b) Transactions with related parties

Except as disclosed elsewhere in the notes to the consolidated financial statements, the Company has the following transactions with related parties that are also exempted from the continuing connected transactions disclosures according to Rules 14A.73(6) and 14A.73(8) of the Listing Rules.

- (i) The Company has effected Directors' and Officers' Liability Insurance.
- (ii) In addition to his role as the Company's Chief Financial Officer, Mr Daniel Broughton provides Chief Financial Officer services ("**CFO Services**") and the Company also provides administrative services ("**Administrative Services**") including offering the use of certain space in the Company office premises located in Perth, Australia as its registered office to ASX listed gold explorer, Tanami Gold NL (ASX: TAM) ("**Tanami Gold**") and ASX listed base metals mining and exploration company Metals X Limited (ASX: MLX) ("**Metals X**"). Tanami Gold is an associate of APAC Resources Limited, a substantial shareholder of the Company, and hence a connected person of Dragon Mining pursuant to Rule 14A.07 of Chapter 14A of the Listing Rules. Tanami Gold is a Company of which Messrs Dew, Smith and Procter, the Company's Non- Executive Chairman, Executive Director, and Independent Non-Executive Director are also Non-Executive Directors. Metals X is a Company of which Mr. Brett Smith is also Executive Director.

- (iii) The provision of services to Tanami Gold commenced from 8 September 2014. For the period ending 30 June 2025, the Company charged Tanami Gold AU\$55,500 (30 June 2024: AU\$55,500) for CFO Services of which AU\$9,250 was outstanding at 30 June 2025 (30 June 2024: AU\$9,250) and AU\$63,598 (30 June 2024: AU\$63,313) for Administration Services of which AU\$10,600 was outstanding at 30 June 2025 (30 June 2024: AU\$10,552).
- (iv) The provision of services to Metals X commenced from 1 December 2020. For the period ending 30 June 2025, the Company charged Metals X AU\$86,233 (30 June 2024: AU\$86,233) for CFO Services of which AU\$10,672 was outstanding at 30 June 2025 (30 June 2024: AU\$10,672) and AU\$210,549 (30 June 2024: AU\$210,549) for Administration Services of which AU\$31,392 was outstanding at 30 June 2025 (30 June 2024: AU\$31,392).
- (v) The Company and AGL have a sharing of administrative and management services agreement (“**Agreement**”) pursuant to which, the Company agrees to engage AGL and AGL agrees to provide or procure its agents or nominees to provide administrative and management services as set out in the Agreement to the Company and its subsidiaries. As at 30 June 2025, AGL owns 47.32% (30 June 2024: 43.50%) interest in APAC, an entity with significant influence over the Group, for an indirect interests of 29.65% (30 June 2024: 28.84%). The Agreement commenced on 1 January 2023 for a term of three years ending 31 December 2025. For the period ending 30 June 2025, AGL charged the Company HK\$72,048 or AU\$18,095 (30 June 2024: HK\$123,000 or AU\$23,795) for administrative and management services of which HK\$4,048, or AU\$865 was outstanding at 30 June 2025 (30 June 2024: HK\$30,000, or AU\$5,801).
- (vi) The Company has an unsecured AU\$27.0 million loan facility with AP Finance Limited (“**Lender**”). The Lender is a wholly owned subsidiary of AGL. As at 30 June 2025, AGL owns 47.32% (31 December 2024: 45.36%) interest in APAC, an entity with significant influence over the Group, for an indirect interests of 29.65% (31 December 2024: 29.65%).

Entities with significant influence over the Group

As at 30 June 2025, the following entities have significant influence over the Group:

- (i) Allied Properties Resources Limited (“**APRL**”), a wholly-owned subsidiary of Genuine Legend Limited, a wholly owned subsidiary of APAC, owns 46,877,727 (31 December 2024: 46,877,727) ordinary shares of the Company for an interest of 29.65% (31 December 2024: 29.65%).
- (ii) Sincere View International Limited owns 21,716,899 (31 December 2024: 31,111,899) ordinary shares of the Company for an interest of 13.74% (31 December 2024: 19.59%).

16. SEGMENT INFORMATION

(a) Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are used by the chief operating decision makers in assessing performance and determining the allocation of resources.

The Group has identified its operating segments to be Sweden and Finland, based on geographical location, different national regulatory environments, and different end products. Dragon Mining (Sweden) AB, the primary entity operating in Sweden, produces gold bullion from the processing of Vammala flotation concentrate and a toll treatment arrangement at the Svartliden Production Centre. Dragon Mining Oy in Finland produces gold concentrate from the Vammala Production Centre.

Discrete financial information about each of these operating segments is reported to the Board and executive management team (the chief operating decision makers) on at least a monthly basis.

(b) Accounting policies and inter-segment transactions

The accounting policies used by the Group in reporting segments internally are the same as those contained in note 1 to the consolidated financial statements.

Segment results include management fees and interest charged on intercompany loans, both of which are eliminated in the Group result. They also include foreign exchange movements on intercompany loans denominated in AUD, and external finance costs that relate directly to segment operations. Segment results also include intercompany sales of concentrate which occur at rates that reflect market value.

Unallocated corporate costs are non-segmental expenses such as head office expenses and finance costs that do not relate directly to segment operations.

(c) Disaggregation of revenue and major customers

External sales in Finland relate to concentrate from the Vammala Production Centre in Finland. These sales are all made under an ongoing arrangement to one customer and the quantity of concentrate sales is agreed by the parties in advance of delivery.

Inter-segment sales in Finland relate to concentrate on-sold to the Svartliden Processing Centre for further processing.

External sales in Sweden relate to gold bullion sold on-market through National Australia Bank. The Group's segments reflect the disaggregation of revenue by geography and product types as described above.

	Sweden 30 Jun 2025 AU\$'000	Finland 30 Jun 2025 AU\$'000	Unlocated 30 Jun 2025 AU\$'000	Total 30 Jun 2025 AU\$'000
Segment revenue				
Gold sales to external customers	50,105	–	–	50,105
Inter-segment sales	–	52,508	–	52,508
Elimination of inter-segment revenue	(52,508)	–	–	(52,508)
Toll milling revenue	4,355	–	–	4,355
Total revenue from customers	1,952	52,508	–	54,460
Other income/(expense)				
Other revenue	12	491	221	724
Other income	–	13	405	418
Cost of sales	(7,035)	(20,804)	–	(27,839)
Management and administration expenses	(535)	(1,239)	(2,235)	(4,009)
Other operating (expense)/benefit	(313)	(1,306)	1,027	(592)
Finance costs	(894)	(389)	635	(648)
Foreign exchange gain/(loss)	496	(4,159)	(325)	(3,988)
Other (expense)/income	(13)	(472)	3	(482)
	(8,282)	(27,865)	(269)	(36,416)
Pre-tax segment (loss)/profit	(6,330)	24,643	(269)	18,044
Income tax expense	–	(5,352)	–	(5,352)
Post-tax segment (loss)/profit	(6,330)	19,291	(269)	12,692
	Sweden 30 Jun 2025 AU\$'000	Finland 30 Jun 2025 AU\$'000	Australia 30 Jun 2025 AU\$'000	Total 30 Jun 2025 AU\$'000
Total assets	65,722	73,362	26,543	165,627
Total liabilities	30,566	31,057	1,438	63,061

	Sweden 30 Jun 2024 AU\$'000	Finland 30 Jun 2024 AU\$'000	Unallocate 30 Jun 2024 AU\$'000	Total 30 Jun 2024 AU\$'000
Segment revenue				
Gold sales to external customers	30,678	–	–	30,678
Inter-segment sales	–	25,125	–	25,125
Elimination of inter-segment revenue	<u>(25,125)</u>	<u>–</u>	<u>–</u>	<u>(25,125)</u>
Total revenue from customers	<u>5,553</u>	<u>25,125</u>	<u>–</u>	<u>30,678</u>
Other income/(expense)				
Other revenue	5	241	84	330
Other income	–	1,578	447	2,025
Cost of sales	(5,462)	(21,338)	–	(26,800)
Management and administration expenses	(49)	(832)	(1,740)	(2,621)
Other operating (expense)/benefit	(445)	(1,072)	919	(598)
Finance costs	(113)	(494)	(9)	(616)
Foreign exchange gain/(loss)	(119)	212	236	329
Other (expense)/income	<u>(12)</u>	<u>234</u>	<u>–</u>	<u>222</u>
	<u>(6,195)</u>	<u>(21,471)</u>	<u>(63)</u>	<u>(27,729)</u>
Pre-tax segment (loss)/profit	<u>(642)</u>	<u>3,654</u>	<u>(63)</u>	<u>2,949</u>
Income tax expense	<u>–</u>	<u>(978)</u>	<u>–</u>	<u>(978)</u>
Post-tax segment (loss)/profit	<u>(642)</u>	<u>2,676</u>	<u>(63)</u>	<u>1,971</u>
	Sweden At 31 Dec 2024 AU\$'000	Finland At 31 Dec 2024 AU\$'000	Australia At 31 Dec 2024 AU\$'000	Total At 31 Dec 2024 AU\$'000
Total assets	66,759	54,404	11,409	132,572
Total liabilities	<u>15,464</u>	<u>33,318</u>	<u>1,026</u>	<u>49,808</u>

17. EXPENDITURE COMMITMENTS

(a) Exploration commitments

Due to the nature of the Group's operations in exploring and evaluating areas of interest, it is very difficult to accurately forecast the nature or amount of future expenditure, although it will be necessary to incur expenditure to retain present interests in mineral tenements. Expenditure commitments on mineral tenure for the Group can be reduced by selective relinquishment of exploration tenure or by the renegotiation of expenditure commitments. The approximate minimum level of exploration requirements to retain current tenements in good standing is detailed below.

	30 Jun 2025 <i>AU\$'000</i>	30 Jun 2024 <i>AU\$'000</i>
Within one year	53	86
One year or later and no later than five years	291	241
	344	327

(b) Remuneration commitments

Commitments for the payment of salaries and other remuneration under long-term employment contracts in existence at the reporting date but not recognised as liabilities are as follows:

	30 Jun 2025 <i>AU\$'000</i>	30 Jun 2024 <i>AU\$'000</i>
Within one year	684	667
One year or later and no later than five years	3,420	2,667
	4,104	3,334

Amounts disclosed as remuneration commitments include commitments arising from the service contracts of Directors and Executives that are not recognised as liabilities at period end.

18. SIGNIFICANT EVENTS AFTER PERIOD END

On 1 April 2025, the Company announced it received a pre-conditional voluntary cash offer from Allied Properties Resources Limited (“**APRL**”), a wholly-owned subsidiary of APAC Resources Limited (“**APAC**”) for all shares not owned by APRL and its concert parties.

On 19 May 2025, Wah Cheong Development (B.V.I.) Limited (“**Wah Cheong**”), an indirect wholly-owned subsidiary of Allied Group Limited, (“**Offeror**”) announced a conditional voluntary cash offer of HK\$2.60 per share for all issued shares not owned by the Offeror and its concert parties, representing a 23.22% premium to the 14 March 2025 closing price of HK\$2.11. At the latest practicable date, the Offeror and its concert parties held 32.54% of the Company’s issued shares.

On 2 June 2025, the Offer Document was dispatched by the Offeror and the APRL offer was withdrawn.

The Company’s Response Document, issued on 23 June 2025, included the Independent Financial Adviser’s advice and Independent Expert’s report, both concluding the offer was ‘*not fair and not reasonable*’, and the Independent Board Committee recommended shareholders reject the offer. The offer remained open as at 30 June 2025.

On 8 August 2025, the Offer closed at 4:00 p.m. and lapsed with the acceptance condition – acceptances sufficient for the Offeror and its concert parties to hold more than 50% of Dragon Mining’s voting rights – not being satisfied. Valid acceptances totaled 531,564 Offer Shares, representing approximately 0.34% of the Company’s issued share capital at the time.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Nature of Operations and Principal Activities

The Group comprises Dragon Mining Limited (“**Dragon Mining**” or “**Company**”), the parent entity, and its subsidiaries (together referred to as the “**Group**”). Of these subsidiaries, the operating entities are Dragon Mining (Sweden) AB in Sweden and Dragon Mining Oy in Finland. Dragon Mining is an Australian company listed on the Main Board of The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”).

The Group operates gold mines and processing facilities in Finland and Sweden. In Finland, the Vammala Production Centre (“**Vammala**”) consists of a conventional 300,000 tonnes per annum crushing, milling and flotation plant (“**Vammala Plant**”), the Jokisivu Gold Mine (“**Jokisivu**”), the Orivesi Gold Mine (“**Orivesi**”) which ceased production in June 2019, and the Kaapelinkulma Gold Mine (“**Kaapelinkulma**”) which ceased production in April 2021, and the Uunimäki Gold Project (“**Uunimäki**”). Annual production from the Group is in the range of 20,000 to 30,000 ounces of gold in concentrate depending on the grade of ore and gold concentrate feed.

In Sweden, the operation is known as the Svartliden Production Centre (“**Svartliden**”), consisting of a 300,000 tonnes per annum carbon-in-leach processing plant (“**Svartliden Plant**”) together with the closed Svartliden Gold Mine (mining completed in 2013), and the Fäboliden Gold Mine (“**Fäboliden**”) where a campaign of test-mining was completed in September 2020.

The principal activities of the Group during the period were:

- Gold mining, and processing ore in Finland;
- Processing ore and gold concentrate in Sweden; and
- Exploration, evaluation, and development of gold projects in the Nordic region.

There have been no significant changes in those activities during the period.

Health and Safety

Safety is one of the Group’s main priorities, and every effort is made to safeguard the health and wellbeing of the Group’s employees and contractors, together with the people in the communities in which the Group operates. The Group aims to go beyond what is expected to meet local health and safety legislation. This is because the Group cares for the people who work for it, and because safety is fundamental to an operationally sound business. The Group’s Code of Conduct clearly communicates its commitment towards protecting employee health and safety including conflict resolution and fair dealing.

The Group strives to maintain its safety culture through its leadership team, which delivers a clear safety message to all employees, contractors and consultants. The Group has well documented safety procedures and visible safety boards located at its operations. Safety inductions to new employees and service agreements for suppliers of goods and services promote the Group’s safety culture.

The Group maintains a significant number of health and safety measures, which are implemented upon commissioning of new equipment and monitored by way of periodic inspections. Prior to commissioning, each piece of equipment and machinery is subjected to a start-up check to ensure it meets the safety standards.

The Group reports the Lost Time Injury Frequency Rate (“**LTIFR**”) to measure workplace safety and track the Group’s implemented safety scheme. Lost Time Injuries (“**LTIs**”) are injuries that have occurred in the workplace and where an employee requires time off to recover. Calculating the frequency provides a key metric to track over time and compare against peers within the mining industry.

No Lost Time Injuries (“**LTIs**”) were recorded at the Group’s operations during the period.. The Group’s Finnish operations at Vammala and Jokisivu recorded 343 and 921 LTI free days, respectively. In Sweden, Svartliden recorded 203 days LTI free and Fäboliden 2,301 days LTI free.

	30 Jun 2025	31 Dec 2024
Lost Time Injury Frequency Rate ⁽¹⁾	<u>10.6</u>	<u>10.7</u>

⁽¹⁾ The LTIFR calculation is based on the number of injuries resulting in one lost shift sustained over a specific period per 1,000,000 work hours worked by all employees including subcontractors over that period.

The Group has not sustained any work-related fatalities at any of its operations since its incorporation.

OPERATIONS OVERVIEW

Finland Operations

Vammala Plant

During the period, 100% of the Vammala mill feed was sourced from Jokisivu. The Vammala Plant treated 157,047 tonnes of ore (30 June 2024: 140,523 tonnes of ore) at an average grade of 3.06 g/t gold (30 June 2024: 2.17 g/t gold) and achieved a process recovery of 87.2% (30 June 2024: 83.1%) to produce 13,475 ounces of gold in concentrate (30 June 2024: 8,164 ounces of gold in concentrate).

	Vammala Production Centre	
	30 Jun 2025	31 Dec 2024
Ore milled (tonnes)	157,047	140,523
Head grade (g/t gold)	3.06	2.17
Process recovery (%)	87.2%	83.1%
Gold produced (oz)	<u>13,475</u>	<u>8,164</u>

Jokisivu Gold Mine

Production tonnes from Jokisivu were sourced from the Main Zone at Kujankallio deposit and from various lodes at Arpola. Total ore mined from Jokisivu was 203,102 tonnes (30 June 2024: 153,869 tonnes) at 2.50 g/t gold (30 June 2024: 2.43 g/t gold); 92,945 tonnes of ore came from ore stopes (30 June 2024: 98,730 tonnes) and the remaining 110,158 tonnes of ore came from development (30 June 2024: 55,139 tonnes).

Jokisivu Gold Mine
30 Jun 2025 31 Dec 2024

Stope ore (tonnes)	92,945	98,730
Development ore (tonnes)	110,158	55,139
Total ore mined (tonnes)	203,102	153,869
Mined ore grade (g/t gold)	2.50	2.43

Development of the Arpola decline extended from the 287m level to the 290m level before commencing the development of a new decline and incline from the 355m level in April 2025. Total capital development for the period was 123 metres.

Kaapelinkulma Gold Mine

Mining activities ceased in April 2021, and all stripping costs incurred during the development phase as part of the depreciable cost of building, developing, and constructing the mine have been fully amortised.

The Group explored potential uses for waste rock outside the mining area. Despite interest from several companies, proposals were not financially viable. As a result, closure works, and rehabilitation are planned for 2026.

The Group maintains valid exploration tenure at Kaapelinkulma.

Orivesi Gold Mine

Mining activities at Orivesi ceased in June 2019. The Company is awaiting approval of its Orivesi Closure Plan before it can commence rehabilitation work.

The Group maintains valid exploration tenure at Orivesi.

Uunimäki Gold Project

Uunimäki is located 80 kilometres southwest of Tampere in the Satakunta region in southern Finland. The Uunimäki gold occurrence was discovered by the Geological Survey of Finland (“**GTK**”) during 2008. It represents an advanced gold opportunity within trucking distance to the Group’s Vammala Plant.

The Company holds a granted Exploration Licence at Uunimäki covering 89.22 hectares, which fully encompasses the Uunimäki gold occurrence. The Company commenced exploration drilling at Uunimäki during the period.

Sweden Operations

Svartliden Production Centre

Svartliden is located in northern Sweden, approximately 750 kilometres north of Stockholm. It was established as part of an integrated operation comprising the Svartliden Plant and the Svartliden open-pit and underground gold mining operation. Brought into production in March 2005, Svartliden produced a total of 399,676 ounces of gold from the Svartliden Gold Mine, external concentrates, and ore from the test-mining campaign at Fäboliden.

Svartliden Plant

During the period, the Svartliden Plant processed 100% of the Vammala flotation concentrate producing 11,266 ounces of gold (30 June 2024: 8,650 ounces of gold from concentrate) and 433 ounces of gold from the toll treatment arrangement with Botnia Exploration AB (“**Botnia**”) (30 June 2024: nil).

The Group toll treated 29,530 tonnes of gold bearing ore from Botnia’s Fäbodtjärn Gold Mine under a toll treatment agreement (30 June 2024: nil). The Groups’ performance obligations include the processing of ore, refining services, and selling the produced gold and silver. The Group is paid a fixed fee per dry metric tonne of ore delivered to the Svartliden plant and production fee revenue. Revenue from customers includes AU\$4.4 million from toll milling services provided during the period (30 June 2024: nil).

The positive contribution from the toll treatment of Botnia's gold bearing ore assisted the Company in reducing the cost of operating the Svartliden Plant, which has been operating at below break-even to ensure the retention of staff and operational facilities in readiness for the resumption of ore processing when full-scale mining at Fäboliden is achieved.

	Svartliden Plant	
	30 Jun 2025	31 Dec 2024
Vammala flotation concentrate milled (tonnes)	2,957	2,734
Concentrate process recovery (%)	95.0%	95.8%
Head grade (g/t gold)	124.7	92.4
Gold produced from concentrate (oz)	11,266	8,650

Fäboliden Gold Mine

Fäboliden is located in northern Sweden, approximately 30 kilometres southeast of the Svartliden Plant. The Company conducted test-mining activities at Fäboliden from May to September 2019 and June to September 2020. During October and November 2021, further low-grade stockpiled material remaining on the surface from test-mining, was transported to Svartliden.

The Svartliden Plant has processed 126,238 tonnes of ore from Fäboliden with an average grade of 2.5 g/t gold and a process recovery of 79.9% to produce 8,068 ounces of gold. The processing of Fäboliden ore at the Svartliden Plant was completed in November 2021.

Overburden and pre-stripping costs incurred during the development phase of the test mine have been capitalised as part of the depreciable cost of building, developing, and constructing the mine. These capitalised costs will be depreciated over the life of the mine based on units of production. All capitalised costs that related only to test-mining have been fully written off.

Refer to the Permitting section covered under Operational Risks for further information on the Group's Environmental Permit to commence full-scale mining at Fäboliden.

Employees

The total number of employees and contractors of the Group as at 30 June 2025 was 60 (30 June 2024: 72). Total staff costs, including Directors' emoluments, amounted to AU\$4.9 million (30 June 2024: AU\$4.8 million). The Group periodically reviews remuneration packages. The Directors' service fees were reviewed and approved by the Remuneration Committee on 13 March 2025.

The remuneration packages for our employees generally include a basic salary component and, in certain circumstances, performance-related incentive payments. We determine employee remuneration based on factors such as qualifications and years of experience, whilst the amount of annual incentive payment will be assessed and determined by the Remuneration Committee and the Board against the key performance indicators achieved.

We also provide our employees with welfare benefits, including pension and healthcare, as well as other miscellaneous benefits. We provide training to our employees to improve the skills and professional knowledge they need for our operations and their personal development, including an initial training induction on work safety and environmental protection upon entering the Group, and prior to each exploration or operational activity.

Environment, Social and Governance

Dragon Mining has a robust, comprehensive system of governance. The Company views this as essential to the ongoing operation of the Company, and to balancing the interests of the Company's various stakeholders, including shareholders, customers, suppliers, Governments, and the various communities in which the Company operates.

The Company's performance is reported annually and reviewed by the Audit and Risk Management Committee and the Board. Details are outlined in the Risk Management and Internal Control section in the Corporate Governance Report included in the Company's published 2024 Annual Report.

The Board retains overall responsibility for the Group's Environment, Social and Governance ("ESG") management and is committed to operating in a manner that contributes to the sustainable development of mineral resources through efficient, balanced, long-term management, while showing due consideration for the well-being of people; protection of the environment; and development of the local and national economies in the countries in which the Group operates.

The Group recognises its responsibility for minimising the impact of its activities on, and protecting, the environment. The Group is committed to developing and implementing sound practices in environmental design and management and actively operates to:

- work within the legal permitting framework and operate in accordance with our environmental management systems;
- identify, monitor, measure, evaluate and minimise our impact on the surrounding environment;
- give environmental aspects due consideration in all phases of the Group's mining projects, from exploration through to development, operation, production, and final closure; and
- act systematically to improve the planning, execution, and monitoring of its environmental performance.

Refer to the Environmental Review on pages 59 to 79 for discussion on the Group's compliance with relevant laws and regulations that have a significant impact on the Group. The Company's approach to ESG Governance and Reporting is in accordance with Appendix C2, Environmental, Social and Governance Reporting Guide of the Listing Rules.

In Finland, Dragon Mining is committed to the Towards Sustainable Mining ("TSM") initiative. Dragon Mining's social responsibility report was published on the TSM network website at <https://kaivosvastuu.fi/kaivostoiminta/2023-dragon-mining-oy/> on 30 September 2024.

The Company's 2024 ESG Report is available on the Company's website at www.dragonmining.com (under the section Investor and Sustainability respectively) and <https://www.irasia.com/listco/hk/dragonmining/esg/index.htm>.

Operational Risks

The Group faces operational risks on a continuing basis. The Company has adopted policies and procedures designed to manage and mitigate those risks wherever possible. However, it is not possible to avoid or even manage all possible risks. Some of the operational risks are outlined below but the total risk profile, both known and unknown, is more extensive.

Safety

LTI, serious workplace accidents or significant equipment failures may lead to harm to the Company's employees or other persons; temporary stoppage or closure of an operating mine; delays to production schedules and disruption to operations; with material adverse impact on the business.

The Company continues to work closely with all stakeholders to promote continuous safety improvements and Occupational Health and Safety (“**OH&S**”), with due consideration to evolving scientific knowledge and technology, management practices and community expectations. The Group maintains compliance with laws, regulations, and standards in its operating countries by:

- improving and monitoring OH&S performance;
- training and ensuring its employees and contractors understand their obligations and are held accountable for their responsibilities;
- communicating and openly consulting with employees, contractors, government, and the community on OH&S issues; and
- developing risk management systems to appropriately identify, assess, monitor, and control hazards in the workplace.

Production

All of the Group's ore production for the period came from Jokisivu. The Company intends to submit a new application for an Environmental Permit to commence full-scale mining activities at Fäboliden to the Swedish Land and Environment Court (“**Environment Court**”), which will include additional measures to mitigate the concerns of the Environment Court. Any delays in the Company's new application for an Environmental Permit may adversely impact the Company's future full year results.

The process recovery rate and production costs are dependent on many technical assumptions and factors, including the geological and metallurgical characteristics of ores. Any change in these assumptions and factors may have an adverse effect on the Group's production volume or profitability. Actual production may vary from expectation for a variety of reasons, including grade and tonnage. Plant breakdown or availability and throughput restraints may also affect the operation.

Permitting

The Group may encounter difficulties in obtaining all permits necessary for its exploration, evaluation, and production activities at its existing operations or for pre-production assets. It may also be subject to ongoing obligations to comply with permit requirements, which can incur additional time and costs.

Fäboliden Environmental Permit Application

The Company submitted its Environmental Permit application for full-scale mining activities at Fäboliden to the Swedish Land and Environment Court (“**Environment Court**”) in July 2018. The main hearing was held during April 2022. No material problems were indicated by the Environment Court, or the County Administration Board (CAB), who stated the permit is permissible on their suggested permit conditions.

On 28 June 2022, the Environment Court issued its ruling, and while the Environmental Impact Assessment (“**EIA**”) was approved, the Environmental Permit application was rejected. The Environment Court cited the impact that ore transport may have on reindeer herding and property owners along the public road and questioned the necessity of gold mining in general. In addition, some species protection issues were raised along with the court finding the water quality and discharge limit investigations difficult to understand.

The Company submitted a detailed appeal to Land and Environment Court of Appeal (“**Court of Appeal**”) on 15 December 2022, which was denied on 14 March 2023. The Court of Appeal did not provide the reasons for its decision. The Company further appealed the Court of Appeal decision to the Supreme Court on 6 April 2023, which was denied on 11 June 2024. The Supreme Court did not provide the reasons for its decision.

Notwithstanding that the EIA has already been approved, and the mining concession remains valid and in place, the path to production for Fäboliden must now be via a revised application to the Environment Court. The revised application will be updated to include the Company’s measures aimed to mitigate the Environment Court concerns issued in its ruling on 28 June 2022.

Further delays in the application process could negatively impact on the Company’s profitability. Such delays would likely require the Company to re-evaluate the continued operation of Svartliden.

Social and Political

The Group has faced, and may continue to face, activist opposition from groups or individuals opposed to mining generally, or to specific projects, resulting in delays or increased costs. Such opposition may also have adverse effects on the political climate generally.

The Group is exposed to other risks which include, but are not limited to, cyber-attack, and natural disasters, that could have varying degrees of impact on the Group and its operating activities. Where available and appropriate to do so, the Board will seek to minimise exposure using insurance, while actively monitoring the Group's ongoing exposure. In addition, the Group's awareness of the risks from political and economic instability have been heightened by ongoing and recent geo-political events, which have contributed to an increase in the costs of some key inputs.

FINANCIAL REVIEW

The Group's operations for the period ended 30 June 2025 returned a profit before tax of AU\$18.0 million (30 June 2024: profit before tax AU\$2.9 million) and a profit after income tax of AU\$12.7 million (30 June 2024: profit after income tax AU\$1.9 million).

Such improvement in profit is primarily attributable to the following factors:

- an increase in gold grade and recovery resulting in the Vammala Plant producing 13,475 ounces of gold for the period (30 June 2024: 8,164 ounces of gold);
- higher average gold prices achieved over the period; and
- a positive contribution from the toll treatment of gold bearing ore from nearby operation, Botnia Exploration AB in Sweden.

Revenue from Customers

Revenue from gold sales

During the period, the Group sold 10,370 ounces of gold (30 June 2024: 9,025 ounces of gold) at an average gold price of US\$3,123 per ounce (30 June 2024: US\$2,208 per ounce). The Group's revenue from gold sales increased 63.3% to AU\$50.1 million (30 June 2024: AU\$30.7 million).

Revenue from toll milling services

The Group toll treated 29,530 tonnes of gold bearing ore from the nearby Fäbodtjärn Gold Mine under a toll treatment agreement with Botnia. The Groups' performance obligations include the processing of ore, refining services, and selling the produced gold and silver. The Group is paid a fixed fee per dry metric tonne of ore delivered to the Svartliden plant and production fee revenue. Revenue from customers includes AU\$4.4 million of revenue from toll milling services provided during the period (30 Jun 2024: nil).

Cost of Sales

Cost of sales consist primarily of production costs, net of inventory movements, including; mining costs, processing costs, other production costs and gold inventory movements. The other cost of sales relates to the depreciation of mine properties, plant and equipment.

	30 Jun 2025	31 Dec 2024	% change
Total gold sold (oz)	10,370	9,025	14.9%
Total gold produced (oz)	13,475	8,164	65.1%
Cost of sales summary	30 Jun 2025	31 Dec 2024	% change
	<i>AU\$'000</i>	<i>AU\$'000</i>	
Mining costs	14,120	12,877	9.7%
Processing costs	12,383	9,486	30.5%
Other production costs	399	350	14.0%
Gold inventory movements	(4,122)	916	–
Depreciation of mine properties, plant and equipment	5,059	3,171	59.5%
Cost of sales	27,839	26,800	3.9%

- a) The Group's Finnish operations mined 203,102 ore tonnes (30 June 2024: 153,869 ore tonnes) at an average cost of AU\$69 per ore tonne mined (30 June 2024: AU\$84 per ore tonne mined) representing a decrease of 17.2% per ore tonne mined.
- b) Group processing costs, including the toll treatment of external ore tonnes, increased by a total of 30.5% (30 June 2024: 15.7%). Vammala processed 157,047 ore tonnes (30 June 2024: 140,523 ore tonnes) representing a 11.8% volume increase.

Vammala processing costs of AU\$6.0 million (30 June 2024: AU\$5.8 million) were materially unchanged from the previous period. Vammala milled 157,057 ore tonnes at AU\$38 per tonne (30 June 2024: 140,523 ore tonnes at AU\$38 per tonne).

Svartliden processed 2,957 tonnes of concentrate averaging 124.7 g/t from Vammala (30 June 2024: 2,734 tonnes of concentrate at 92.4 g/t) and toll processed 29,530 tonnes of gold bearing ore from the nearby Fäbodtjärn Gold Mine (30 June 2024: nil). Svartliden processing costs increased by 43.8% to AU\$2,144 per tonne of concentrate (30 June 2024: AU\$1,500 per tonne).

- c) When inventories are sold the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. Fluctuations in inventory levels and value are a normal part of the Group's business operations, which stem from the timing of gold pours, shipments, grade, and ore source impacting leaching and residence times, and inventory valuations.
- d) Depreciation of mine properties, plant and equipment is incurred on a unit of production basis and is aligned to mined or milled tonnes over Ore Reserves, depending on the class of asset.

Gross Profit

Revenue from customers increased by 77.5% (30 June 2024: 7.5% decrease) and includes revenue from both gold sales and toll milling services. Cost of sales increased marginally by 3.9% (30 June 2024: 8.1% decrease) delivering a 586.5% increase in gross profit (30 June 2024: 3.2% decrease) for the period of AU\$26.6 million (30 June 2024: AU\$3.9 million), a gross profit ratio of 48.9% (30 June 2024: 12.6%).

Investment in Aurion Resources Limited

At 30 June 2025, the Company continues to hold 2,452,910 shares in Aurion Resources Limited (“**Aurion**”), a Canadian exploration company listed on the TSX Venture Exchange (TSX-V:AU) (30 June 2024: 2,452,910 Aurion shares). There have been no Aurion shares sold as at the date of this announcement.

Management and Administration and Other Expenses

Management and Administration expenses include corporate costs, and rehabilitation provision changes associated with the Group’s non-producing assets recognised directly in profit or loss and depreciation of non-mining assets. Other expenses include the cost of evaluation assets written off as part of the Group’s regular review of capitalised exploration and evaluation costs and corporate related costs.

Working Capital, Liquidity and Gearing Ratio

At 30 June 2025, the Group had net assets of AU\$102.6 million (30 June 2024: AU\$69.4 million); a working capital surplus of AU\$41.7 million (30 June 2024: surplus AU\$38.3 million); and a closing market capitalisation of AU\$106.7 million or HK\$548.6 million (30 June 2024: AU\$52.3 million or HK\$270.4 million). At the end of each period, the Group assesses whether there is any indication that an asset may be impaired. If such indication exists, the Group must estimate each asset or cash generating unit (“**CGU**”) recoverable amount. The Group has not identified any impairment indicators resulting in no impairment testing being performed for the period.

As at 30 June 2025, the Group had AU\$30.7 million in cash and cash equivalents (30 June 2024: AU\$21.8 million). During the period, the Group has funded its activities with positive cash inflows from its operations. As at 30 June 2025, the Company’s gearing ratio was 0.4% (30 June 2024: 0.3%), calculated by dividing total borrowings by total equity.

Interest Bearing Liabilities – AU\$27.0 million Unsecured Loan Facility with AP Finance Limited

The Company has an unsecured AU\$27.0 million loan facility with AP Finance Limited (Loan Facility) with an expiry date of 31 December 2026. There have been no changes to the terms and conditions of the Loan Facility and The Company has not made any drawdowns at the date of this announcement.

Conditional Voluntary Cash Offer

On 1 April 2025, the Company announced it received a pre-conditional voluntary cash offer from Allied Properties Resources Limited (“**APRL**”), a wholly-owned subsidiary of APAC Resources Limited (“**APAC**”) for all shares not owned by APRL and its concert parties.

On 19 May 2025, Wah Cheong Development (B.V.I.) Limited (“**Wah Cheong**”), an indirect wholly-owned subsidiary of Allied Group Limited, (“**Offeror**”) announced a conditional voluntary cash offer of HK\$2.60 per share for all issued shares not owned by the Offeror and its concert parties, representing a 23.22% premium to the 14 March 2025 closing price of HK\$2.11. At the latest practicable date, the Offeror and its concert parties held 32.54% of the Company’s issued shares.

On 2 June 2025, the Offer Document was dispatched by the Offeror and the APRL offer was withdrawn.

The Company’s Response Document, issued on 23 June 2025, included the Independent Financial Adviser’s advice and Independent Expert’s report, both concluding the offer was ‘not fair and not reasonable’, and the Independent Board Committee recommended shareholders reject the offer. The offer remained open as at 30 June 2025.

On 8 August 2025, the Offer closed at 4:00 p.m. and lapsed with the acceptance condition – acceptances sufficient for the Offeror and its concert parties to hold more than 50% of Dragon Mining’s voting rights – not being satisfied. Valid acceptances totaled 531,564 Offer Shares, representing approximately 0.34% of the Company’s issued share capital at the time.

Use of Net Proceeds from the Company's Placement

The net proceeds from the placement of shares completed in January 2021 amounted to HK\$39.6 million (approximately AU\$7.6 million). During the reporting period, the Group utilised the remaining net proceeds of HK\$2.6 million (approximately AU\$0.5 million) to partially fund environmental bonds for Vammala and Svartliden. The entirety of the net proceeds has now been allocated towards funding the various environmental bonds associated with the Company's operations in Finland and Sweden.

Purpose	Proposed use of proceeds <i>HK\$ million</i>	Purpose of proceeds expressed as % of net proceeds %	Actual amount utilised from 22 Jan 2021 to 30 Jun 2025 <i>HK\$ million</i>	Unutilised as at 30 Jun 2025 <i>HK\$ million</i>
Fund environmental bond obligations	\$39.6	100%	\$39.6	–

The Company can apply for progressive release of the environmental bonds from the Regional State Administration Agency upon completion of the rehabilitation work.

Financial Risks

Details of the Company's financial risk exposures are provided as follows:

Foreign Exchange

The Company sells its bullion and gold concentrate in USD. Most of its costs are denominated in SEK and EUR, while the Company's presentation currency is AUD.

The Company may use foreign exchange forwards from time to time to reduce exposure to unpredictable fluctuations in the foreign exchange rates if considered suitable by the Directors. No hedging of foreign exchange exposure was used during the period.

The Group also holds 2,452,910 shares in Aurion whose shares are quoted in Canadian dollars.

Commodity Price

The Company is exposed to movements in the gold price. The Company may use a variety of financial instruments (such as gold forwards and gold call options) from time to time to reduce exposure to unpredictable fluctuations in the project life revenue streams if considered suitable by the Directors. At present the Company has no plans to hedge commodity price risk.

Liquidity

The Company is exposed to liquidity risk through its financial liabilities and its obligations to make payment on its financial liabilities as and when they fall due. The Company maintains a balance in its approach to funding using debt and/or equity raisings.

Credit

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. The Company's maximum exposure to credit risk at reporting date in relation to each class of financial asset is the carrying amount of those assets as indicated in the consolidated statement of financial position.

Credit risk is managed on a group basis and predominantly arises from cash and cash equivalents deposited with banks and financial institutions, trade and other receivables, environmental and other bonds. While the Company has policies in place to ensure that sales are made to customers with an appropriate credit history, the Company is exposed to a concentration of credit risk in relation to its gold concentrate sales to a nearby smelter in Finland.

Interest Rate

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. Cash flow interest rate risk is the risk that the future cash flow from a financial instrument will fluctuate because of changes in market interest rates. The Company's policy is to manage its exposure to interest rate risk by holding available cash in short term, fixed and variable rate deposits with reputable high credit quality financial institutions. The Company regularly analyses its interest rate exposure. Consideration is given to potential renewals of existing positions, alternative financing and/or the mix of fixed and variable interest rates.

Costs

Fuel, power, labour, and all other costs can vary from existing rates and assumptions.

Charges on Company Assets

Other than the right-of-use assets which are subject to lease, there were no charges on the Company's assets as at 30 June 2025 and 31 December 2024.

Contingent Assets and Liabilities

As at 30 June 2025, the Group does not have any contingent assets or liabilities.

Company Strategy and Future Developments

The Company is principally engaged in gold exploration, mining, and processing in the Nordic region. The Company's objective is to focus on the development of existing and new mining assets in reasonable proximity to our process plants in Vammala, Finland and Svartliden, Sweden. The Company operates with a long-term business strategy to operate responsibly considering the interests of all stakeholders including its staff, contractors, and the public including civic groups, together with the environment and the general amenity of its areas of operation. It aims to produce positive financial outcomes through (i) the economic operations of its operating mines and process plants; (ii) development of new projects consistent with the Company's objective, such as the Group's newest operations at Fäboliden; and (iii) attention to the Company's corporate governance and social responsibilities, including a focus on ongoing safety and environmental compliance, and ongoing positive interaction with the communities within which it operates.

On 11 June 2024, the Swedish Supreme Court denied the Group’s appeal for an Environmental Permit to start full-scale mining at Fäboliden. The Company now plans to resubmit its application to the Environment Court, addressing previous concerns with new mitigation measures.

The Company expects to continue its toll treatment arrangement with Botnia for the duration of 2025.

The Company’s Response Document, issued on 23 June 2025, included the Independent Financial Adviser’s advice and Independent Expert’s report, both concluding the offer was ‘*not fair and not reasonable*’, and the Independent Board Committee recommended shareholders reject the offer. The offer remained open as at 30 June 2025 until 8 August 2025. Refer to Significant Events After Period End for further updates.

The Company has not repurchased any shares in the Company (“**Shares**”) during the period (30 June 2024: nil), pursuant to the Buy-back Mandate granted by shareholders of the Company at the annual general meeting held 23 May 2024. The Buy-back Mandate has been renewed at the annual general meeting held 22 May 2025 (“**AGM**”). Pursuant to the renewed Buy-back Mandate, the Company is allowed to repurchase up to 15,809,661 Shares, being 10% of the total number of issued Shares as at the date of the AGM, in the open market at approximate timing (the “**Share Buy-back**”). The Company will carry out any Share Buy-back in compliance with the constitution of the Company, the Listing Rules, the Codes on Takeovers and Mergers and Share Buy-backs, the Corporations Act 2001 (Cth) in Australia and all other applicable laws and regulations to which the Company is subject.

Dividends

No dividend has been paid or declared since the commencement of the period and no dividend has been recommended by the Directors for the period ended 30 June 2025 (30 June 2024: nil).

Significant Investments Held, Material Acquisitions and Disposal of Subsidiaries, Associates or Joint Ventures and Future Plans for Material Investments or Capital Assets

Other than those disclosed in the announcement, there were no other significant investments held, nor were there material acquisitions or disposals of subsidiaries, associates, or joint ventures during the period. Apart from those disclosed in this announcement, there was no plan authorised by the Board for other material investments or additions of capital assets at the date of this announcement.

Purchase, Sale, or Redemption of the Company's Listed Securities

The Company has not repurchased any shares in the Company during the period, pursuant to the Buy-back Mandate granted by shareholders of the Company at the AGM held 22 May 2025 (30 June 2024: nil shares were repurchased).

Significant Events After Period End

On 1 April 2025, the Company announced it received a pre-conditional voluntary cash offer from Allied Properties Resources Limited (“**APRL**”), a wholly-owned subsidiary of APAC Resources Limited (“**APAC**”) for all shares not owned by APRL and its concert parties.

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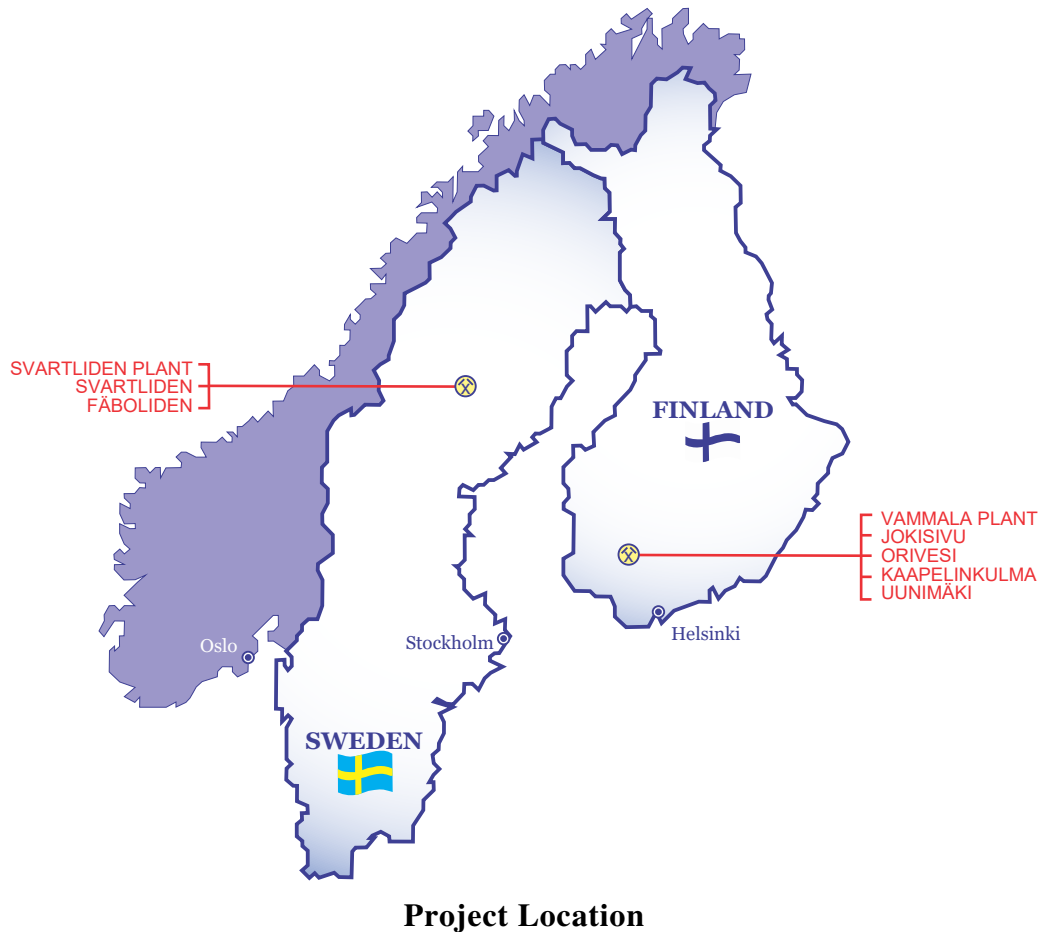
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ADVANCED PROJECTS AND EXPLORATION REVIEW

Dragon Mining is an established gold producer that holds a portfolio of projects in Sweden and Finland. Since first entering the Nordic Region in 2000, the Company has successfully brought into operation several open-cut and underground gold mines, which have collectively produced in excess of 850,000 ounces of gold. This has been achieved through the Company's commitment to actively explore its project portfolio to preserve and grow the Company's production profile.



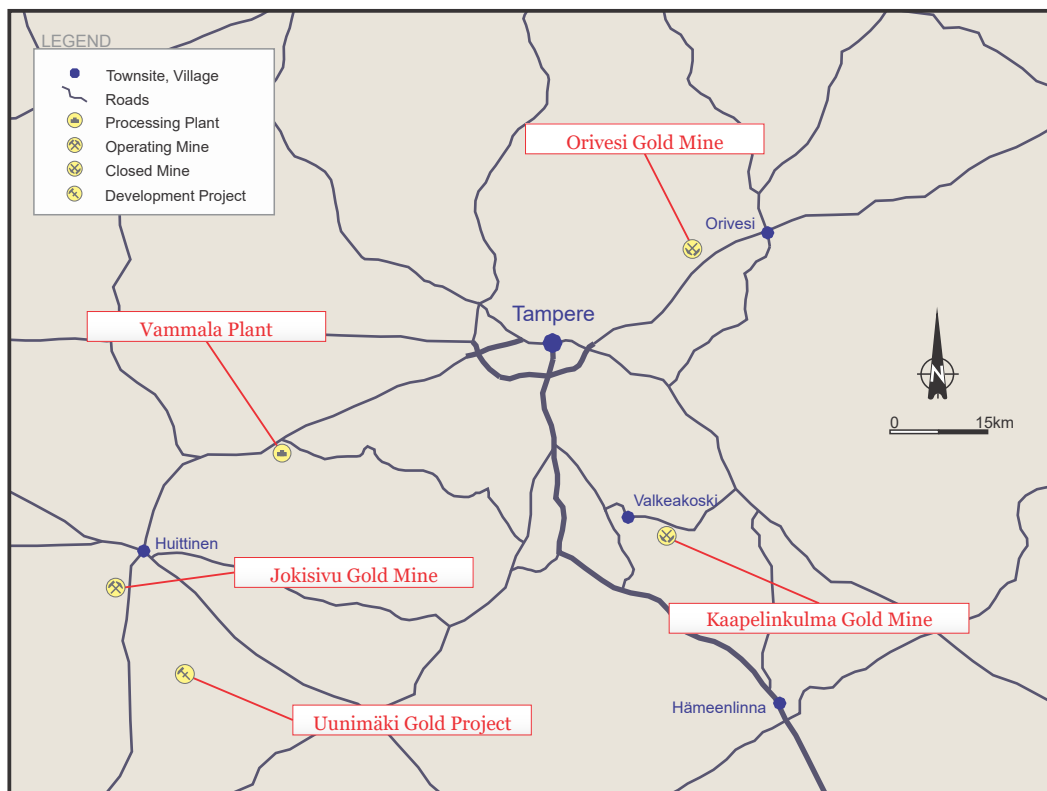
The information in this review that relates to exploration activities has been taken from announcements previously released to the Stock Exchange on:

- 4 February 2025 – Jokisivu Returns Further Encouraging Intercepts.

These releases can be found at www.hkexnews.hk (Stock Code: 1712) and www.dragonmining.com.

Exploration Finland

In southern Finland, the Company holds a group of projects that encompass a total area of 1,037.89 hectares, which collectively form the Vammala Production Centre (“VPC”). The VPC is located 165 kilometres northwest of the Finnish capital Helsinki and includes the Vammala Plant, a 300,000 tonnes per annum conventional crushing, milling and flotation facility, the operational Jokisivu Gold Mine (“**Jokisivu**”), Kaapelinkulma Gold Mine (“**Kaapelinkulma**”) where mining ceased in April 2021, Orivesi Gold Mine (“**Orivesi**”) where mining ceased in 2019 and the Uunimäki Gold Project (“**Uunimäki**”).



Vammala Production Centre

Jokisivu Gold Mine

During the period, the Company continued to advance activities at the Jokisivu mine with 48 underground diamond core holes drilled for an advance of 6,701.40 metres. Drilling was conducted in several campaigns, including:

- a 23 hole, 3,823.80 metre campaign that targeted the Arpola Main Zone between the 295m and 375m levels at the Jokisivu Gold Mine (“**Arpola-1 2025**”).
- a 7 hole, 765.50 metre campaign that targeted the Arpola Main Zone between the 225m and 355m levels at the Jokisivu Gold Mine (“**Arpola-2 2025**”).
- a 10 hole, 1,149.50 metre campaign that targeted the Basin Zone area between the 165m and 185m levels at the Jokisivu Gold Mine (“**Arpola-3 2024**”).
- 8-holes, 962.60 metres of a 22 hole campaign that is targeting the Flying Squirrel Ore in the Arpola area between the 170m and 225m levels at the Jokisivu Gold Mine (“**Arpola-4 2024**”).

Final results for the four campaigns in the Jokisivu mine are pending and will be released to the Stock Exchange once available.

Drilling was also completed during the period at Jokisivu on an exploration campaign that was undertaken from surface, evaluating a series of shallow historic drill intercepts in an area east-southeast of the Arpola lode system. It involved the drilling of:

- a 7-hole, 876.80 metres diamond core campaign on three north-south profiles spaced approximately 60 metres apart.

Assays for the exploration campaign remain pending and will be released to the Stock Exchange once available.

During the period, final assays were received and reported for the final campaigns from 2024 at Jokisivu, including the 2024 Arpola-4 campaign that targeted the Arpola area between the 275m and 290m levels and the 2024 Arpola-5 campaign that was designed to evaluate the Arpola area between the 280m and 330 levels. Noteworthy intercepts received from these campaigns included:

Arpola-4

- 4.70 metres @ 4.76 g/t gold from 84.50 metres in HU/JS-1370
- 3.20 metres @ 11.54 g/t gold from 66.80 metres in HU/JS-1372
- 2.00 metres @ 38.99 g/t gold from 87.50 metres in HU/JS-1372
- 1.80 metres @ 12.89 g/t gold from 78.10 metres in HU/JS-1377
- 1.80 metres @ 23.01 g/t gold from 89.20 metres in HU/JS-1378
- 10.00 metres @ 7.23 g/t gold from 77.00 metres in HU/JS-1380

Arpola-5

- 6.55 metres @ 3.14 g/t gold from 76.00 metres in HU/JS-1387

The results received from the campaigns were positive, improving the understanding of the extent and geometry of the mineralised zones in the Arpola area and providing additional support for future mine planning and development.

Jokisivu represents a structurally controlled orogenic gold system located in the Palaeoproterozoic Vammala Migmatite Belt and comprises two principal sets of parallel lodes, Kujankallio and Arpola. They are of varying thickness and grade 200-metres apart and are hosted in shear zones striking west-northwest within a quartz diorite unit. The shear zones are characterised by laminating, pinching, and swelling quartz veins and a well-developed, moderately plunging lineation. Gold mineralisation is contained within the quartz veins and shear zones within the barren host rocks.

Gold mineralisation in the Kujankallio area has been shown by drilling to extend over a 710-metre vertical extent from surface, whilst gold mineralisation in the Arpola area extends over a 480-metre vertical extent from surface. The Jokisivu deposit remains open with depth.

Kaapelinkulma Gold Mine

No exploration activities were undertaken at Kaapelinkulma during the period.

Kaapelinkulma is located 65 kilometres east of the Vammala Plant in the municipality of Valkeakoski. The Kaapelinkulma deposit represents an orogenic gold system located in the Palaeoproterozoic Vammala Migmatite Belt, comprising a set of sub-parallel lodes in a tight array hosted within a sheared quartz diorite unit inside a tonalitic intrusive.

Two separate gold occurrences, South and North, were identified. The South gold occurrence is the larger of the two and was subject to open pit mining between February 2019 and April 2021 when Ore Reserves were exhausted. At the cessation of mining a total of 104 kt grading 3.2 g/t gold for 10.6 kcoz had been mined.

Orivesi Gold Mine

No exploration activities were undertaken at Orivesi during the period.

The Orivesi Gold Mine is located 80 kilometres to the northeast of the Vammala Plant and was initially in operation between 1992 and 2003. Dragon Mining recommenced mining at Orivesi in June 2007, initially on remnant mineralisation associated with the near-vertical pipe like Kutema lode system above the 720m level. Two of the five principal lodes at Kutema continued below the historical extent of the decline at the 720m level and this area became the subject of a program of staged development and production stoping down to the 1205m level between January 2011 and January 2018. Mining from the Sarvisuo lodes, 300 metres east of Kutema commenced in April 2008 and was conducted between the 240m and 620m levels, as well as between the 360m and 400m levels and the 650m and 710m levels in the Sarvisuo West area.

Mining at Orivesi ceased in June 2019, with 3.3 million tonnes of ore grading 7.1 g/t gold mined from the operation since mining commenced.

Uunimäki Gold Project

The Company commenced its maiden drilling campaign at Uunimäki during the period with the completion of a 21 hole, 2,369.45 metre diamond core drilling campaign that was designed to further evaluate the known near surface mineralisation in readiness for future mineral resource estimation. Results are pending for all holes.

Uunimäki is located 60 kilometres south of the Vammala Plant and is situated in the Palaeoproterozoic Häme Belt. Identified gold mineralisation is associated with arsenopyrite-bearing quartz veins that are hosted within a sheared metamorphosed gabbro.

Stormi Nickel-Copper Mine

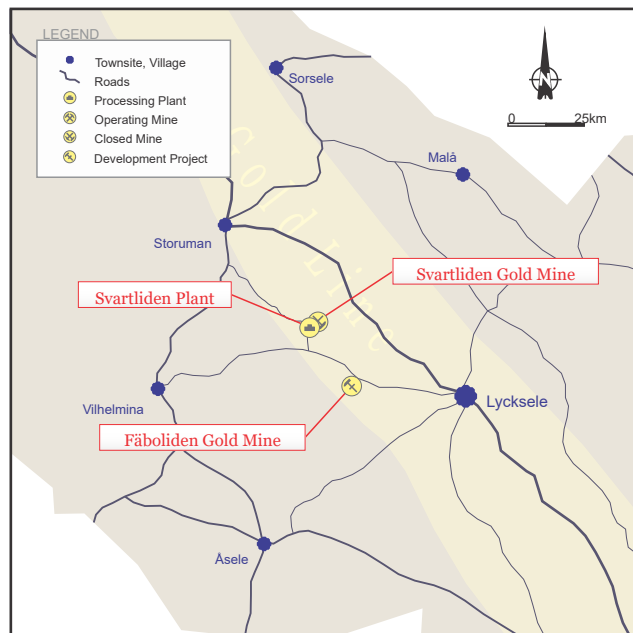
No exploration activities were undertaken at the Stormi Nickel-Copper mine during the period.

The Stormi Nickel-Copper Mine (historically referred to as Vammala Nickel-Copper Mine) is located with the Vammala Mining Concessions, approximately two kilometres northwest of the Vammala Plant. The mine was operated by Outokumpu Oy between 1975 and 1995, producing a total of 7.5Mt of ore grading 0.68% nickel and 0.43% copper from the Stormi deposit, with ore treated at the nearby Vammala Plant at a rate of 600,000 tonnes per annum.

The Stormi deposit is hosted by a partly subvertical and a partly saucer-shaped ultramafic intrusion, lying conformably in migmatized metaturbidites within the Vammala nickel belt. Massive mineralisation occurs as narrow veins, breccia matrix and at contacts with the ultramafics. Matrix ore occurs in the lower ultramafic layer and grades into disseminated ore as the sulphides decrease. Disseminated ore occurs in the lower ultramafic layer, in mica gneiss and in the contact rock.

Exploration Sweden

In northern Sweden, the Company holds 3,536.89 hectares of tenure, which collectively is known as the Svartliden Production Centre (“SPC”). Located 750 kilometres north of Stockholm, the SPC includes the Svartliden Plant, a 300,000 tonne per annum conventional comminution and carbon in leach (“CIL”) plant, Fäboliden and the closed Svartliden Gold Mine.



Svartliden Production Centre

Fäboliden Gold Mine

Following the ruling received from the Land and Environment Court in Sweden pertaining to the Environmental Permit to commence full-scale mining at Fäboliden, no exploration activities were undertaken during the period on the Fäboliden group of tenements.

The Fäboliden Gold Mine is located 40 kilometres west of the regional centre Lycksele in the Västerbotten County in northern Sweden. It represents a source of gold-bearing ore that can be trucked to, and processed at the Company’s Svartliden Plant, 30 kilometres to the northwest. Fäboliden is classified as an orogenic gold deposit, with mineralisation hosted by Paleoproterozoic meta-sediments and meta-volcanic rocks, surrounded by granitoids. The deposit represents a multiple tabular style of mineralisation defined over a strike length of 1,295 metres and to a vertical depth of 665 metres. It remains open at depth and to the south.

Svartliden Gold Mine

No exploration activities were undertaken during the period on the Svartliden group of tenements.

Svartliden is located in northern Sweden, 70 kilometres west of the regional centre of Lycksele in the Västerbotten County. Mining commenced at Svartliden in 2004, initially as an open pit operation, with underground operations commencing in 2011. Open-pit and underground mining were carried out in tandem until the completion of open-pit mining in April 2013. Underground mining was completed by the end of 2013 when mining of known Ore Reserves was exhausted. A total of 3.2 million tonnes grading 4.1 g/t gold was mined from Svartliden during its life producing 377 kozs of gold. Svartliden represents an orogenic gold deposit hosted within a Paleoproterozoic metavolcanic-sedimentary sequence.

Resources and Reserves

A review of the Mineral Resource and Ore Reserve estimates for the Company's operations in Finland and Sweden was conducted by independent consultants Ashmore Advisory Pty Ltd and RPM Advisory Services Pty Ltd (SLR) during the period. The review included the updating of the Kaapelinkulma Mineral Resource estimate, and the Fäboliden Mineral Resource and Ore Reserve estimates, and the restating of the Mineral Resource estimates for Orivesi and Svartliden as of 1 May 2025. The Mineral Resource and Ore Reserve estimates for the Jokisivu Gold Mine remained unchanged since 31 December 2024, the details of which were reported to the Stock Exchange on the 21 March 2025 – Annual Update of Mineral Resource and Ore Reserve Estimates.

The results of the June review were reported to the Stock Exchange on the 16 June 2025 – Review of Finland and Sweden Mineral Resource and Ore Reserve Estimates.

The updated Mineral Resource estimate for Kaapelinkulma totalled 180 kt grading 3.8 g/t gold for 22 kozs as of 1 May 2025. It represents an 11% increase in tonnes and ounces when compared to the total Mineral Resource as of 31 December 2021 that was first reported on 23 March 2022 – Dragon Mining’s Mineral Resources and Ore Reserves Updated. The increase in tonnes and ounces is the result of the inclusion of results from 20 diamond core drill holes and 4 surface channels completed by the Company since the previous estimate.

The Fäboliden Mineral Resource as of 1 May 2025, totals 11,000 kt grading 3.0 g/t gold for 1,100 kozs, which is reported at a cut-off grade of 1.0 g/t gold for material inside the RF 120% Pit Shell and 2.0 g/t gold for material outside the RF 120% Pit Shell. They were estimated using recoveries and updated costs from the Fäboliden Life-of-Mine study and a gold price of US\$2,300 per troy ounce.

The updated Mineral Resource estimate represents an increase of 11% in tonnes and 5% in ounces and 5% decrease in grade when compared to the total Mineral Resource as reported on 23 March 2022.

The Ore Reserve estimate for Fäboliden as of 1 May 2025 totals 3,300 kt grading 3.0 g/t gold for 310 kozs. The Ore Reserve is reported at an in-situ ore cut-off grade of 1.0 g/t gold that is based on a long-term (10-year) consensus forecast gold price of US\$2,300 per troy ounce, process recovery of 80%, mining factors and costs.

The Fäboliden Ore Reserves demonstrate a base case operation, generating a potential mine life of approximately 10 years based on the developed mining schedule. The updated Ore Reserve represents a 16% increase in tonnes, 3% decrease in grade and 12% increase in ounces when compared to the previous estimate as reported on 23 March 2022.

Mineral Resource estimates for the Vammala Production Centre in southern Finland and the Svartliden Production Centre in northern Sweden. Mineral Resources are reported inclusive of Ore Reserves.

	Measured			Indicated			Inferred			Total		
	Tonnes	Gold	Ounces	Tonnes	Gold	Ounces	Tonnes	Gold	Ounces	Tonnes	Gold	Ounces
	(kt)	(g/t)	(kcozs)	(kt)	(g/t)	(kcozs)	(kt)	(g/t)	(kcozs)	(kt)	(g/t)	(kcozs)
Vammala Production Centre (“VPC”) – Southern Finland												
Jokisivu Gold Mine (Reported as of 31 December 2024)												
Kujankallio	290	3.3	31	610	2.8	54	320	2.5	26	1,200	2.8	110
Arpola	230	3.8	28	720	3.3	76	360	2.9	34	1,300	3.3	140
Stockpiles	–	–	–	130	1.6	7	–	–	–	130	1.6	7
Total	520	3.5	59	1,500	2.9	140	670	2.7	59	2,700	3.0	260
Kaapelinkulma Gold Mine (Reported as of 1 May 2025)												
North	–	–	–	33	2.2	2	45	3.5	5	77	3.0	7
South - above 0m RL	8	1.8	<1	14	3.2	1	17	7.1	4	40	4.6	6
South - below 0m RL	–	–	–	–	–	–	35	5.4	6	35	5.4	6
South - Butterfly Exclusion Zone	13	2.1	1	16	3.8	2	1	2.6	<1	30	3.1	3
Total	21	1.9	1	63	2.9	6	98	4.8	15	180	3.8	22
Orivesi Gold Mine (Reported as of 1 May 2025)												
Kutema	59	4.5	9	61	5.1	10	13	4.4	2	130	4.8	20
Sarvisuo	34	5.7	6	47	7.0	11	58	4.9	9	140	5.8	26
Total	93	5.0	15	110	5.9	21	71	4.8	11	270	5.3	46
VPC Total	630	3.7	75	1,600	3.1	160	840	3.2	86	3,100	3.2	320
Svartliden Production Centre (“SPC”) – Northern Sweden												
Fäboliden Gold Mine (Reported as of 1 May 2025)												
Inside RF 120% Shell	100	3.3	11	5,400	2.6	460	19	3.6	2	5,500	2.6	470
Outside RF 120% Shell	–	–	–	630	2.6	53	5,200	3.3	560	5,800	3.3	610
Total	100	3.3	11	6,000	2.6	510	5,200	3.3	560	11,000	3.0	1,100
Svartliden Gold Mine (Reported as of 1 May 2025)												
Open pit	83	3.1	8	160	3.0	16	<1	2.0	<1	240	3.0	24
Underground	36	4.3	5	150	4.6	22	60	4.0	8	250	4.4	35
Total	120	3.4	13	310	3.8	38	60	4.0	8	490	3.7	59
SPC Total	220	3.4	24	6,300	2.7	550	5,200	3.4	570	12,000	3.0	1,100
Group Total	850	3.6	99	8,000	2.8	710	6,100	3.3	650	15,000	3.0	1,500

Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. The quantities contained in the above table have been rounded to two significant figures to reflect the relative uncertainty of the estimate. Rounding may cause values in the table to appear to have computational errors.

Mineral Resources are reported on a dry in-situ basis.

RF – Revenue Factor.

Jokisivu Gold Mine – 1.3 g/t gold

Reporting cut-off grades are based on operating costs, mining and processing recoveries from Jokisivu actuals and a gold price of US\$2,766 per troy ounce extrapolated for the potential economic extraction of the resource at a level approximating 120% of an average consensus forecast gold price of US\$2,305 per troy ounce that was generated from annual consensus gold forecasts over the mine life period.

Kaapelinkulma Gold Mine – 0.9 g/t gold for the South gold occurrence above 0mRL, 1.5 g/t gold for the South gold occurrence below 0mRL, 1.5 g/t gold for the South gold occurrence in the Butterfly Exclusion Zone and 0.9 g/t gold for the North deposit.

Reporting cut-off grades are based on operating costs, mining and processing recoveries from Kaapelinkulma actuals and a gold price of US\$1,800 per troy ounce extrapolated for the potential economic extraction of the resource at a level approximating 120% of the long-term average consensus forecast gold price of US\$1,500 per troy ounce.

Orivesi Gold Mine – 2.6 g/t gold

Reporting cut-off grades are based on operating costs, mining and processing recoveries from Orivesi actuals and a gold price of US\$1,770 per troy ounce extrapolated for the potential economic extraction of the resource at a level approximating 120% of the short-term consensus forecast gold price of US\$1,475 per troy ounce.

Fäboliden Gold Mine – 1.0 g/t gold for material inside the RF 120% Pit Shell and 2.0 g/t gold for material outside the RF 120% Pit Shell.

Reporting cut-off grades are based on costs and recoveries from the updated Fäboliden Life-of-Mine study and a gold price of US\$2,305 per troy ounce.

Svartliden Gold Mine – 1.0 g/t gold for open pit material and 1.7 g/t gold for underground material

Reporting cut-off grades are based on updated estimates for mining costs and a gold price of US\$1,500 per troy ounce, extrapolated for the potential economic extraction of the open pit and underground resource at a level approximating 115% of the short-term consensus forecast gold price of US\$1,260 per troy ounce.

Ore Reserves for the Vammala Production Centre in southern Finland and the Svartliden Production Centre in northern Sweden. Ore Reserves for the Jokisivu Gold Mine are reported as of 31 December 2024 and the 1 May 2025 for the Fäboliden Gold Mine.

	Proved			Probable			Total		
	Tonnes	Gold	Ounces	Tonnes	Gold	Ounces	Tonnes	Gold	Ounces
	(kt)	(g/t)	(kozs)	(kt)	(g/t)	(kozs)	(kt)	(g/t)	(kozs)
Vammala Production Centre									
Jokisivu (UG)	300	2.5	24	930	2.2	66	1,200	2.3	90
Svartliden Production Centre									
Fäboliden (OP)	–	–	–	3,200	3.0	310	3,200	3.0	310
Group Total	300	2.5	24	4,200	2.8	380	4,500	2.8	400

Ore Reserve estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. The quantities contained in the above table have been rounded to two significant figures to reflect the relative uncertainty of the estimate. Rounding may cause values in the table to appear to have computational errors.

Ore Reserve estimates are reported on a dry tonne basis.

Jokisivu Gold Mine – Reported as of 31 December 2024. The economic in-situ stope ore cut-off grade of 1.58 g/t gold and in-situ ore development cut-off grade of 0.85 g/t gold is based on a medium-term consensus forecast gold price of US\$2,305 per troy ounce gold, a EUR:USD exchange rate of 1.10, process recovery of 85%, mining factors and costs.

Fäboliden Gold Mine – Reported as of 1 May 2025. The in-situ ore cut-off grade is 1.00 g/t gold is based on a long-term consensus forecast gold price of US\$2,300 per troy ounce, process recovery of 80%, mining factors and costs.

Competent Persons Statement

The information in this report that relates to Exploration Results was previously released to the Stock Exchange on 4 February 2025 – Jokisivu Drilling Returns Further Encouraging Intercepts.

This document can be found at www.hkex.com.hk (Stock Code: 1712). It fairly represents information and supporting documentation compiled by Mr. Neale Edwards who is a full-time employee of Dragon Mining Limited and a Fellow of the Australian Institute of Geoscientists. Mr. Edwards has sufficient experience that is relevant to the styles of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Edwards has previously provided written consent for the 4 February 2025 release.

The Company confirms that it is not aware of any new information or data that materially affects the Exploration Results as reported on the 4 February 2025, and the assumptions and technical parameters underpinning the results in the 4 February 2025 release continues to apply and have not materially changed.

The information in this report that relates to Mineral Resource estimates dated 1 May 2025 for the Orivesi Gold Mine, Kaapelinkulma Gold Mine, Fäboliden Gold Mine and Svartliden Gold Mine were previously released to the Stock Exchange on the 16 June 2025 - Review of Finland and Sweden Mineral Resource and Ore Reserve Estimates. This report can be found at www.hkex.com.hk (Stock Code: 1712). It fairly represents information reviewed and compiled by Mr. Shaun Searle, a Member of the Australian Institute of Geoscientists. Mr. Searle has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Searle is a director of Ashmore Advisory Pty Ltd ("Ashmore"). Ashmore and the Competent Person are independent of the Company and other than being paid fees for services in compiling this report, neither has any financial interest (direct or contingent) in the Company. Mr. Searle previously provided written consent for the 16 June 2025 release.

The Company confirms that it is not aware of any new information or data that materially affects the Mineral Resource estimates as reported on the 16 June 2025, and the assumptions and technical parameters underpinning the Mineral Resource estimates in the 16 June 2025 release continue to apply and have not materially changed.

Mr. Neale Edwards BSc (Hons), a Fellow of the Australian Institute of Geoscientists, who is a full-time employee of Dragon Mining and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves confirms that the form and context in which the Mineral Resource estimates dated 1 May 2025 presented in this report have not been materially modified and are consistent with the 16 June 2025 release.

The information in this report that relates to Mineral Resource estimates dated 31 December 2024 for the Jokisivu Gold Mine was previously released to the Stock Exchange on the 21 March 2025 – Annual Update of Mineral Resource and Ore Reserve Estimates. This report can be found at www.hkex.com.hk (Stock Code: 1712). It fairly represents information compiled by Mr. Shaun Searle, a Member of the Australian Institute of Geoscientists. Mr Searle has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr. Searle is a director of Ashmore Advisory Pty Ltd (“Ashmore”). Ashmore and the Competent Person are independent of the Company and other than being paid fees for services in compiling this report, neither has any financial interest (direct or contingent) in the Company. Mr. Searle previously provided written consent for the 21 March 2025 release.

Dragon Mining confirms that it is not aware of any new information or data that materially affects the Mineral Resource estimate as reported on the 21 March 2025, and the assumptions and technical parameters underpinning the estimates in the 21 March 2025 report continue to apply and have not materially changed.

Mr. Neale Edwards BSc (Hons), a Fellow of the Australian Institute of Geoscientists, who is a full-time employee of Dragon Mining and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves confirms that the form and context in which the Mineral Resource estimates dated 31 December 2024 presented in this report have not been materially modified and are consistent with the 21 March 2025 release.

The information in this report that relates to Ore Reserve estimates dated 31 December 2024 for the Jokisivu Gold Mine was previously released to the Stock Exchange on the 21 March 2025 – Annual Update of Mineral Resource and Ore Reserve Estimates. This report can be found at www.hkex.com.hk (Stock Code: 1712). It is based on information compiled and reviewed by Mr. Joe McDiarmid, who is a Chartered Professional of the Australasian Institute of Mining and Metallurgy and is a full-time employee of MoJoe Mining Pty Ltd. Mr. McDiarmid has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he has undertaken to qualify as a Competent Person, as defined in the 2012 Edition of the Australasian Code for the Reporting of Mineral Resources and Ore Reserves. Mr. McDiarmid provided written consent for the inclusion in the 21 March 2025 report of the matters based on his information in the form and context in which it appears.

Dragon Mining confirms that it is not aware of any new information or data that materially affects the Ore Reserve estimate as reported on the 21 March 2025, and the assumptions and technical parameters underpinning the estimates in the 21 March 2025 report continue to apply and have not materially changed.

Mr. Neale Edwards BSc (Hons), a Fellow of the Australian Institute of Geoscientists, who is a full-time employee of Dragon Mining and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves confirms that the form and context in which the Ore Reserve estimates dated 31 December 2024 presented in this report have not been materially modified and are consistent with the 21 March 2025 release.

The Statement of JORC Ore Reserves for the Fäboliden Gold Mine dated 1 May 2025 has been compiled under the supervision of Mr Ian Sheppard who is an employee of SLR and is a Member of the Australian Institute of Mining and Metallurgy. Mr. Ian Sheppard has sufficient experience which is relevant to the style of ore and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’ (JORC Code). Mr. Sheppard provided written consent for the inclusion in the 16 June 2025 report of the matters based on his information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the Ore Reserve estimate as reported on the 16 June 2025, and the assumptions and technical parameters underpinning the Ore Reserve estimate in the 16 June 2025 release continue to apply and have not materially changed.

Mr. Neale Edwards BSc (Hons), a Fellow of the Australian Institute of Geoscientists, who is a full-time employee of Dragon Mining and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves confirms that the form and context in which the Ore Reserve estimate dated 1 May 2025 presented in this report have not been materially modified and are consistent with the 16 June 2025 release.

ENVIRONMENTAL REVIEW

The Company is very clear on the need to earn the respect and support of the community by operating in a socially responsible manner, and by demonstrating a tangible commitment to environmental sustainability.

The Company's operations are subject to environmental regulations under statutory legislation in relation to its exploration and mining activities. The Company believes that it has adequate systems in place for the management of its requirements under those regulations and is not aware of any breach of such requirements as they apply to the Company, except where indicated below.

Finland

Vammala Production Centre

Environmental permit

On 22 January 2024, the Supreme Administrative Court ("SAC") upheld the Vammala Environmental Permit but reduced the plant's production capacity to a maximum of 300,000 tonnes per annum. The Supreme Court decision required additional environmental impact monitoring, and improvements to water management, an updated cessation plan, and an evaluation of potential damage to private individuals. The Company submitted this information to Regional State Administration Agencies ("AVI") by the end of 2024. AVI reported backlogs are delaying the review of our December 2024 submissions (Evonlahti sediment report, damage assessment proposal, water management measures, and updated closure plan), so decisions will take longer than expected.

Studies related to Supreme Court decision on Vammala environmental permit

Following the SAC decision on the Vammala environmental permit, several studies on water management were required. All related reports were submitted to AVI on 20 December 2024, and offers are now being sought for design and detailed planning of the proposed measures. Some work addresses both water management improvements from the SAC decision and the EIA process for the new tailings area. The Company has initiated studies including long-term behaviour of tailings material, potential use of sulphidic waste rock in infrastructure, and optimisation of process water and other water management improvements.

The study plan on using sulphidic waste rock in roads, fields, and other areas was completed in early April. In the first week of May 2025, test pits were dug to sample and observe soil and rock materials, with 7 samples sent for lab testing. The final test report and risk assessments will be available in by September 2025.

Vammala new tailings area EIA process

The existing tailings storage facility is projected to reach capacity within the next decade, necessitating the development of a new site to sustain long-term operations. To facilitate this process, guidance has been sought from our environmental consultant, Envineer Oy (Envineer), particularly concerning the permitting requirements for the new tailing's facility. The permitting will commence with an Environmental Impact Assessment ("EIA"), which is anticipated to require approximately 2–3 years. This will be followed by the actual permitting phase, estimated to take an additional 3–4 years. An initial meeting with Envineer regarding the EIA process was held in Vammala in early February 2025.

In April 2025, Envineer began a preliminary evaluation of potential locations for the new tailings area. This assessment included an initial review of various tailings stacking methods, such as wet and dry stacking. The findings of this study were delivered in June 2025. The evaluation at this stage considered five different sites, examining factors such as location, technical feasibility, soil and groundwater conditions, landforms, and both environmental and social impacts. The Company will proceed by selecting the most appropriate site for the new tailing's facility.

During the spring and summer of 2025, Envineer also initiated ecological surveys related to the EIA project, including assessments of birds, flying squirrels, amphibians, bats, and vegetation.

Waste management plan

In 2024, AVI approved the Company's waste management plan and set an additional bond security of €11.9 million (approximately AU\$21.5 million) which was submitted as a bank guarantee by the Company during the period. The existing Vammala bond of €1.4 million (approximately AU\$2.51 million) was subsequently returned to the Company in June 2025.

Environmental monitoring and studies

Meetings were held with our environmental consultant to initiate the EIA and water management improvement projects. The Company conducted environmental monitoring, studies, and assessments aimed at enhancing discharge water treatment and optimizing water use. These results, along with an updated closure and aftercare plan, were submitted to AVI on 20 December 2024. Further detailed studies continued into 2025 to advance Vammala water management as proposed to AVI.

Dust control

Dusting was observed between 27 April and 2 May 2025 from the Vammala tailings area. Local authorities and the Pirkanmaa Centre for Economic Development, Transport, and the Environment (“**PIR ELY**”) received several complaints from nearby residents during this period. Dust concentrations measured at a residential location reached 212 µg/m³, exceeding the regulatory limit of 50 µg/m³. Maximum values recorded directly on the tailings area were as high as 2,232 µg/m³. Regulations allow up to 35 exceedances; measures are being reviewed to improve dust control at the site and reduce future incidents. The supervising authority has requested a plan from the Company detailing proposed improvements to dust control systems to prevent similar occurrences and maintain compliance with environmental standards. Current dust control measures include liming and a sprinkler water system. Planning for upgrades to the dust control system at the Vammala tailings area is ongoing, and a test using a dust control water cannon is scheduled for the summer months from May to early August 2025.

On 5 January 2025, the latest report (July–December 2024) on dust amounts was received from the monitoring company Promethor Oy. The report indicated that daily concentrations of respirable particles were predominantly below the limit value at all measurement points. The daily average limit value for respirable particles at the neighbouring yard was exceeded once in August 2024.

Water monitoring and management

KVVY Tutkimus Oy (“KVVY”) has completed the 2024 annual water monitoring report, which was submitted to the authorities on 21 February 2025. The findings indicate that discharge waters comply with environmental permit requirements. However, elevated electrolyte, nickel, and sulphate concentrations continue to clearly demonstrate the impact of water from the Vammala Mill area on the quality of the Kovero-oja ditch. Monitoring data further indicates that the influence of discharged waters from the Vammala plant on the nearby Lake Rautavesi remains minimal.

Orivesi Gold Mine

Closure plan and natura assessment

The Natura assessment report from Envineer was submitted to AVI on 6 June 2024. On 7 March 2025, AVI shared statements from PIR ELY and Metsähallitus regarding the Orivesi Natura assessment. PIR ELY concluded that the assessment is sufficient for the current closure phase but should be updated as more water quality data becomes available. Both PIR ELY and the Natura assessment recommend phased approval of the mine closure plan and developing lake-specific restoration plans with risk assessments.

The Company’s rejoinder addressing these statements was sent to AVI on 4 April 2025. It was agreed that the water monitoring programme would be updated, incorporating additional groundwater monitoring tubes, flow measurements in Horhanpuro ditch, and increased vegetation monitoring in the Natura area. The revised monitoring program was delivered to AVI on 16 May 2025. This assessment is essential for ongoing closure and compliance at Orivesi, with AVI expected to decide on the closure plan by year-end.

Environmental monitoring

The 2024 Experimental Fisheries and Crayfish Monitoring Report was completed by KVVY on 10 April 2025 and subsequently submitted to the relevant authorities.

Monitoring conducted in 2024 indicated clear positive developments in both fish and crayfish populations. In Lake Ala-Jalkajärvi, the perch population has shown significant growth since 2021. During net fishing, perch remained the sole fish species captured; however, crayfish traps yielded one pike in addition to perch. The size distribution of the perch catch indicated representation from multiple age groups, suggesting robust recruitment. The observed increase in perch is a strong indicator that environmental conditions have improved, paralleling a marked reduction in metal concentrations in the water.

In Lake Peräjärvi, the primary change observed during the 2024 experimental fishing session was a decline in roach compared to the preceding three monitoring periods, while perch catches remained relatively stable. Both species were now present in equal numbers, which is considered beneficial for the overall state of the fishery. Water quality monitoring revealed that the stratification in Lake Peräjärvi due to elevated sulphate levels had partially diminished in both 2023 and 2024, leading to improvements in habitat conditions for fish and other aquatic organisms. The discontinuation of mine discharge, alongside recent enhancements in water quality and reductions in metal concentrations, has likely contributed to the introduction of crayfish from the Peräjoki River into Lake Peräjärvi. Since experimental crayfish trapping began in Lake Peräjärvi in 2003, the two crayfish recorded in 2024 represent the first such findings.

The subsequent round of experimental fisheries and crayfish monitoring is scheduled for 2027.

The 2024 Sediment Sampling Report was finalised on 17 June 2025 and distributed to the authorities. Analysis revealed that copper and zinc concentrations in Lake Ala-Jalkajärvi were significantly higher than the sediment dredging and dumping guideline values, consistent with results from 2018 and 2021. Notably, the easily soluble fractions of nickel, aluminium, and zinc showed a clear decline compared to records from 2015 and 2018, a downward trend that persisted through 2024.

Stope emptying project

On 10 September 2024, Outokumpu sent a draft document regarding the termination of the collaboration agreement related to the -66-85 stope-emptying project. The contract to end the project was signed at the final meeting held on 3 December 2024. The police pretrial investigation into the matter is still ongoing.

Water monitoring and management

KVYY completed the 2024 annual water monitoring report on 17 February 2025 and submitted it to the relevant authorities. The report indicates that elevated sulphate concentrations in the deeper parts of Lake Ala-Jalkajärvi and Lake Peräjärvi have inhibited complete natural circulation, with turnover of deep water being minimal in both lakes. In 2024, water turnover in the deeper sections of Lake Peräjärvi was greater than in the previous year.

The nitrogen load from the Orivesi mine has been notable due to limited dilution conditions. However, reduced nitrogen concentrations are now observable in Lake Ala-Jalkajärvi. In Lake Peräjärvi, lower nitrogen concentrations can be detected at a depth of five meters, while levels near the bottom have shown a slight increase.

Since the cessation of mine discharge, decreases in electrical conductivity and sulphate concentrations have been noted in the surface and intermediate layers of Lake Peräjärvi compared to previous years. Metal concentrations in Lake Ala-Jalkajärvi have declined markedly over recent years, with this trend gradually becoming evident in Lake Peräjärvi as well. The pH in Lake Ala-Jalkajärvi remains around 7, which mitigates metal-related risks. No mine water discharge has occurred since mid-2019, and there have been no observed effects from mine waters at Paarlahti, the most distant monitoring site, in recent years.

Jokisivu Gold Mine

Environmental permit

On 28 January 2025, the Company was granted a new Environmental Permit for Jokisivu by AVI. The permit authorises the Company to crush up to 350,000 tonnes of aggregates annually at the mining site, consisting of a maximum of 300,000 tonnes of ore and 50,000 tonnes of waste rock. Additionally, it permits loading and transport operations at Jokisivu to commence at 6 a.m., one hour earlier than previously allowed, with requisite measures in place to control noise and dust emissions and to minimise the environmental impact of transportation activities.

As part of AVI's decision, regulations governing mine water discharges were revised to include limits for cadmium and sulphate concentrations. The mine's discharge and water quality monitoring program was updated accordingly and received approval from the ELY Centre of South-West Finland ("VAR ELY") in May 2025 to ensure compliance with the new permit requirements. KVVY also revised the monitoring program to align with the new conditions, and VAR ELY subsequently approved these updates.

The decision further authorised the closure of the Arpola open pit according to the established closure plan. For the remaining sections of the mine, an updated closure plan is required prior to commencing closure activities.

The appeal period for the AVI environmental permit decision concluded on 6 March 2025, during which an appeal was submitted by an NGO. On 25 June 2025, the Vaasa Administrative Court requested the Company's response to the appeal, with a submission deadline of 22 August 2025. The Court also sought statements from AVI, VAR ELY, and the Finnish Safety and Chemicals Agency ("TUKES") regarding the appeal, and these have been received.

Due to the pending NGO appeal, the new permit is not yet legally effective. However, under the current provisions, crushing operations at Jokisivu may continue in accordance with the new permit, contingent upon a security deposit of €5,000 being placed to safeguard against potential changes to the permit decision by the Vaasa Administrative Court. This deposit was made in favour of VAR ELY on 14 March 2025.

Jokisivu vibration measurements

On April 29, 2025, the Company received the latest vibration report covering January to March 2025, which showed all vibration levels were well below guideline values and posed no structural risks. The report will be sent to Jokisivu neighbours who also have vibration meters. In April 2025, a fifth vibration measurement unit was installed.

Jokisivu flying-squirrel survey

AFRY Oy conducted a flying-squirrel survey near the Jokisivu mine in April 2025, with their report submitted on 12 June 2025. The survey observed fewer droppings than in previous years, likely due to normal annual variation—2018 being an exceptionally high year—and differences in weather and survey timing. The smaller, isolated forests around the mine may also contribute to population fluctuations. Nesting tree availability remains good, with the Company having installed multiple flying-squirrel huts. The next survey is scheduled for 2027.

Kaapelinkulma Gold Mine

Closing works and waste rock utilisation

Kiertokivi Oy submitted a preliminary offer for closing works at Kaapelinkulma mine, including waste rock crushing and site rehabilitation over 5–7 years. They accepted our counteroffer on waste rock crushing and utilization. PIR ELY was consulted and supports the beneficial use of waste rock. Kiertokivi Oy will now apply for necessary permits.

Contaminated soil study

Envineer conducted fieldwork and sampling in September 2024. The final report, issued in December 2024, identified arsenic concentrations in ore and crushed rock storage areas that exceeded guideline values and recommended the application of a till layer to cover the affected zones. The report was submitted to PIR ELY for approval on 8 January 2025; however, ELY has not yet provided a statement, as closure activities and waste rock utilisation are scheduled to commence.

Woodland brown butterfly survey

The June-July 2024 survey showed a significant drop in butterfly numbers, mainly due to weather and natural fluctuations rather than mining. On 10 January 2025, PIR ELY was asked about continuing the counts, and on 7 March they recommended monitoring Woodland Brown Butterflies at Kaapelinkulma for at least one more season (2025), including a final review of rehabilitation efforts. If restoration is inadequate, the assessment must suggest improvements. Ramboll Oy was approached to conduct the 2025 survey, scheduled for June-July.

Water monitoring

The 2025 water monitoring report (covering July to December 2024) was prepared by KVVY and submitted to PIR ELY and the City of Valkeakoski on 23 January 2025. The report indicates that open pit water exhibited slightly elevated concentrations of sulphate, arsenic, chromium, copper, nickel, and zinc when compared with the median levels typically observed in stream waters. Since April 2021, no water has been pumped from the open pit; however, runoff from the waste rock and field areas continues to be routed through two settling ponds, subsequently passing through a measuring well before being discharged into the drainage ditch.

The annual water monitoring report for 2024 was also prepared by KVVY and submitted to PIR ELY and the City of Valkeakoski on 24 February 2025. Throughout 2024, water quality in the ditches of the Kaapelinkulma area, Lake Vallonjärvi, as well as open-pit water, groundwater, and domestic wells, was monitored in accordance with the post-monitoring program's permit requirements. As with previous years, no water has been extracted from the open pit mine since April 2021. Runoff from the waste rock and field areas continues to be managed via two settling ponds, a measuring well, and ultimately the discharge ditch. The total discharge volume for 2024 was 7,637 m³. Average nitrogen, sulphate, and chloride concentrations in 2024 decreased markedly from 2020–2021 levels and were comparable to those recorded during pre-monitoring in 2017–2018. Additionally, concentrations of aluminium, arsenic, and uranium in the Haavanoja ditch declined relative to 2020–2021 values.

Water monitoring activities will continue throughout 2025 in accordance with the post-monitoring program previously approved by PIR ELY.

Review of securing public and private interests in Kaapelinkulma

The mining safety authority TUKES' review of public and private interests in Kaapelinkulma underwent a hearing in late 2024. During this time, PIR ELY and the Council of Pirkanmaa region submitted statements focused on safe land use and preventing environmental harm. TUKES also requested updates on the mining concession area's status and plans. The Company's response was sent to TUKES on 25 April 2025.

Uunimäki Exploration Area

In preparation for diamond drilling activities in the Uunimäki area, comprehensive environmental surveys were conducted by Envineer. The fieldwork took place during the summer of 2024, with the final report completed on 10 January 2025.

The survey report, which was submitted to VAR ELY, revealed the following key observations:

- Signs of flying squirrels were detected in the southern part of the project area.
- Two nesting and resting areas for flying squirrels were identified and marked.
- Bird species observed were typical for the area's location and habitat type.

A detailed exploration plan was prepared and submitted for approval to VAR ELY and TUKES in advance of field and exploration activities which commenced in Q2, 2025.

Sweden

Svartliden

Svartliden rehabilitation plan (U3)

On 18 November 2019, the Company appealed to the Environment Court of Appeal (“**Court of Appeal**”) against the following aspects of the ruling issued on 3 September 2019 by the Swedish Land and Environment Court (“**Environment Court**”):

- The additional collateral security of 41.0 million SEK (approximately AU\$6.6 million).
- Permit conditions during the closure phase.
- Restrictions on incrementally returning the security bond.

On 25 September 2024, the Environment Court ruled that the entire waste rock dump is acid forming/potentially acid forming, requiring a hard cover. The Environment Court ordered additional collateral security of 32.0 million SEK (approximately AU\$5.1 million), bringing the total to 65.0 million SEK (approximately AU\$10.4 million). This ruling was appealed by the Vapsten Reindeer Herding Co-op (“**Vapsten**”) on 17 October 2024. The appeal by Vapsten was denied by the Environment Court on 22 January 2025.

The Environment Court ruling gained legal force on 18 February 2025. The Company submitted the additional provisional collateral security of 32.0 million SEK to the County Administration Board (“**CAB**”) on 18 May 2025.

The Company submitted the U3 Investigations to the Environmental Court on 31 May 2025 in accordance with the 25 September 2024 ruling that finalised the investigation conditions.

Svartliden change permit for Fäboliden ore processing

The Company has previously filed an application re the amendment of the operation in Svartliden in order to process Fäboliden ore from full-scale mining at the Svartliden Plant. The application was granted by the Environment Court which was then appealed by Vapsten and denied by the Environment Court on 22 January 2025. The ruling gained legal force on 18 February 2025.

Fäboliden Environmental Permit

On 28 June 2022, the Environment Court rejected the Environmental Permit application for full-scale mining activities at Fäboliden, leave to appeal was then denied by both the Court of Appeal and the Supreme Court. Notwithstanding that the Environmental Impact Assessment (“**EIA**”) was approved, and the mining concession remains valid and in place, the path to production for Fäboliden must now be via a revised application to the Environment Court.

The revised application will include the Company’s measures aimed at mitigating the Environment Court concerns issued in its ruling on 28 June 2022 and will consider any additional measures that may arise as part of the new application process.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Board is committed to achieving good corporate governance standards. The Board believes that good corporate governance is essential in providing a framework for the Company to safeguard the interests of shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

During the period, the Company applied the principals of, and complied with, the applicable code provisions set out in the section headed Part 2 – Principles of good corporate governance, code provisions and recommended best practices of the Corporate Governance Code under Appendix C1 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its code of conduct regarding Directors’ securities transactions. All Directors have confirmed, following a specific enquiry by the Company, that they have complied with the required standard as set out in the Model Code throughout the period ended 30 June 2025.

AUDIT AND RISK MANAGEMENT COMMITTEE AND REVIEW OF FINANCIAL INFORMATION

The Audit and Risk Management Committee consists of three Independent Non-Executive Directors. The Audit and Risk Management Committee has reviewed the interim results of the Company for the period ended 30 June 2025, including the accounting principles and practices adopted by the Company. The figures in respect of the Group's consolidated interim statement of financial position, the consolidated interim statement of profit or loss and other comprehensive income, the consolidated interim statement of changes in equity, the consolidated interim statement of cash flows, and the related notes thereto for the period ended 30 June 2025 as set out in the interim results announcement have been agreed by the Company's Auditors, Ernst & Young, to the amounts set out in the Group's draft consolidated interim financial statements. The work performed by the Company's Auditors in this respect did not constitute an assurance engagement in accordance with International Standards on Auditing, International Standards on Review Engagements or International Standards on Assurance Engagements issued by the International Audit and Assurance Standards Board and consequently, no assurance has been expressed by Ernst & Young on this interim results announcement.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the designated website of the Stock Exchange at www.hkexnews.hk and on the website of the Company www.dragonmining.com and www.irasia.com/listco/hk/dragonmining/. The Company's Interim Report for the period ended 30 June 2025 will be dispatched to the shareholders of the Company and published on the above websites in due course.

On behalf of the Board
Dragon Mining Limited
Arthur George Dew
Chairman

Hong Kong, 20 August 2025

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*