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龍金資源有限公司
DRAGON GOLD MINING LIMITED

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龍 金 資 源 有 限 公 司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1712)

APPOINTMENT OF AUDITOR

This announcement is made by the board of directors (the "**Board**") of Dragon Gold Mining Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.51(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

THE REORGANISATION PROPOSAL

Reference is made to the scheme booklet dated 29 June 2026 (the "**Scheme Booklet**") despatched by Dragon Mining Limited ("**DML**") to its shareholders and the announcement of the Company dated 2 September 2026 (the "**Announcement**"). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Scheme Booklet.

Pursuant to the Announcement, the Board announced that the Scheme has been implemented on 2 September 2026 and accordingly, the Reorganisation Proposal became unconditional in all respects and the Company became the holding company of the Group and its shares are listed on the Stock Exchange on the same date. Prior to the implementation of the Reorganisation Proposal, DML, a company incorporated in Western Australia with limited liability, had its shares listed on the Stock Exchange. Upon implementation of the Reorganisation Proposal, DML's shares are no longer listed on the Stock Exchange.

AUDITOR OF THE GROUP

Historically, the Group has been audited by member firms of the global Ernst & Young network ("**Global EY Network**") since October 2006. As disclosed in DML's annual reports, the Group's audit fees have been paid to Ernst & Young, an Australian partnership ("**EY AU**"), and relevant member firms of the Global EY Network. Pursuant to the poll results at DML's annual general meeting held on 21 May 2026, Ernst & Young was approved and re-appointed as the auditor of the Group and the Board is authorised to fix its remuneration.

Upon implementation of the Reorganisation Proposal, the Company becomes listed on the Stock Exchange in place of DML. As the Company is incorporated in Hong Kong, its auditor is required under the Accounting and Financial Reporting Council Ordinance (Cap. 588 of the Laws of Hong Kong) to be a registered public interest entity auditor. As EY AU cannot be a registered public interest entity auditor in Hong Kong, EY AU therefore cannot sign the auditor's report on the Company's consolidated financial statements for the year ending 31 December 2026 or any later year. Accordingly, following implementation of the Reorganisation Proposal, EY AU is not eligible to act as the auditor of the Company or to issue the accountants' report or auditor's report of the Company. For the avoidance of doubt, EY AU continues to act as the auditor of DML under the Australian Corporations Act 2001 (Cth).

APPOINTMENT OF AUDITOR

In view of the above, the Board announces that, with the recommendation of the audit and risk management committee of the Company (the "**ARMC**"), the Board has resolved to appoint Ernst & Young, a partnership formed pursuant to the laws of Hong Kong ("**EY HK**") as the auditor of the Company with effect from 12 November 2026, and to hold office until the conclusion of the first annual general meeting of the Company (the "**Appointment**").

The Appointment arises from the Reorganisation Proposal and involves only the identity of the firm signing the auditor's report of the listed issuer. As noted above, EY AU continues as the auditor of DML and, for the audit of the Group, will act as component auditor in respect of DML under the instructions of EY HK as group auditor, in accordance with the applicable Hong Kong Standard on Auditing on group audits. The Finnish and Swedish operating subsidiaries of the Group will continue to be audited by the member firms of the Global EY Network in Finland and Sweden respectively as component auditors under the same group audit instructions. The Group therefore continues to be audited substantially by the same engagement teams within the Global EY Network.

The Appointment does not arise (i) from any disagreement between the Company or DML and EY AU, (ii) from any concern as to the scope, quality or independence of the audit, (iii) from any dispute as to audit fees, (iv) or from any decision of the Board or the ARMC to replace EY AU.

EY AU and EY HK are member firms of the same Global EY Network, and apply the same Ernst & Young global audit methodology. Accordingly, it is considered that there is no substantial change in the audit scope, audit procedures, audit methodology, quality management framework or assurance standards applied to the Group. For the avoidance of doubt, the consolidated financial statements of DML were prepared in accordance with IFRS Accounting Standards and complied with the disclosure requirements of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong). The auditor's report on the Company's consolidated financial statements for the year ending 31 December 2026 will be prepared in accordance with HKFRS Accounting Standards which are converged with IFRS Accounting Standards. The Board considers that the adoption of HKFRS Accounting Standards for the preparation of financial reports and the disclosure of related financial information will not have any material impact on the financial position and operating results of the Group, and will not have any material impact on the financial information previously published by the Group.

The audit fee payable to and agreed with EY HK, EY AU and relevant member firms of the Global EY Network for the audit of the consolidated financial statements of the Group for the financial year ending 31 December 2026 is expected to be approximately HK$3.3 million, excluding out-of-pocket expenses. The Directors consider that the increase in the audit fee of approximately HK$1.1 million or 54.4%, compared to the actual Group audit fees of last year, is fair and reasonable and is mainly attributable to the implementation of the Reorganisation Proposal part-way through the year ending 31 December 2026, which results in both the Company (as the Hong Kong listed holding company) and DML (which remains subject to Australian Securities and Investments Commission reporting obligations as at 31 December 2026) requiring audits for the same financial year.

The audit fee has been determined after due consideration and arm's length negotiations between the Company and relevant member firms of the Global EY Network firms, taking into account, among other things, the following factors as applied to the Group's specific circumstances: (i) the size and structure of the Group, including the number of subsidiaries within the Group required to be audited and their respective locations; (ii) the nature and complexity of the Group's business that may increase the complexity of the audit; (iii) the historical fees, being the actual audit and review fee of approximately HK$2.1 million charged for the year ended 31 December 2025, which has been used as a reference point in determining the audit fee for the year ending 31 December 2026, taking into account general inflationary factors; (iv) the expected scope of work for the year ending 31 December 2026, including any additional audit procedures anticipated as a result of new accounting standards becoming applicable or other matters identified by EY HK; (v) the audit timetable, including whether the reporting timetable for the year ending 31 December 2026 requires a similar or different level of resourcing compared to the prior year; and (vi) the level of audit resources, including the number of audit staff and the seniority/expertise mix, required for the year ending 31 December 2026, having regard to the additional audit effort, technical input and review time required for the matters described above. Such determination was made on the assumptions that no

material changes are expected in the Group's business, operations, accounting policies or regulatory environment, other than the matters described above, and that the Company will provide timely and adequate assistance and information as required for the audit.

As relevant member firms of the Global EY Network are relatively familiar with the Group's financial position and affairs, the ARMC, has reviewed (i) the reasons for the change in the audit fee as compared to the actual audit fee for the year ended 31 December 2025, (ii) the scope and level of audit work expected to be performed for the year ending 31 December 2026, and (iii) whether the audit fee is broadly in line with the fee levels of audit firms of comparable size and standing engaged by companies of similar scale and complexity. Having conducted the above review, the ARMC is of the view that the basis for arriving at the audit fee is reasonable, that the reasons for the increase are justified, and that the audit fee is fair and reasonable and in the interests of the Company and its shareholders as a whole. The ARMC has accordingly recommended the same to the Board for approval. The Board, having considered the recommendation and views of the ARMC together with the aforesaid factors, considers that the audit fee agreed with EY HK, EY AU and relevant member firms of the Global EY Network is fair and reasonable, taking into account the aforesaid factors and circumstances.

The ARMC has also considered a number of factors in assessing the appointment of EY HK as the auditor of the Company, including but not limited to (i) its knowledge and technical competence; (ii) its audit proposal, including audit fee; (iii) its independence from the Group and objectivity; (iv) its resources and capabilities; (v) its reputation in the market; and (vi) the Guidelines for Effective Audit Committees — Selection, Appointment and Reappointment of Auditors and the Guidance Notes on Change of Auditors issued by the Accounting and Financial Reporting Council.

Based on the above, the ARMC has assessed and considered that EY HK is eligible and suitable to act as the auditor of the Company. The Board and the ARMC have reviewed the qualifications, competence and experience of EY HK and are of the view that the Appointment is in the best interests of the Company and the shareholders of the Company as a whole.

EY HK has confirmed that it is independent of the Group. Each of EY HK and EY AU has confirmed that there is no matter in connection with the Appointment that needs to be brought to the attention of the shareholders or creditors of the Company. The Board confirms that there is no disagreement or unresolved matter between the Company and either EY AU or EY HK, and that there is no other matter in connection with the Appointment that needs to be brought to the attention of the shareholders of the Company.

The Board expresses its warm welcome to EY HK on its appointment as the auditor of the Company. The Board also takes this opportunity to express its sincere gratitude to EY AU for its services rendered to the Group.

On behalf of the Board
Dragon Gold Mining Limited
Brett Robert Smith
Chief Executive Officer and Executive Director

Hong Kong, 12 November 2026

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. Pak Wai Keung Martin, Mr. Poon Yan Wai and Mr. Li Chak Hung as Independent Non-Executive Directors.