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Companies Announcement Office  
Australian Stock Exchange  
20 Bridge Street  
SYDNEY NSW 2000



### **SALE OF BASE METAL AND PLATINUM GROUP METAL PROJECTS IN FINLAND**

Dragon Mining N.L. is pleased to announce that it has completed a Heads of Agreement with Perth Stock Exchange Listed junior Vulcan Resources Ltd (Vulcan) to sell 3 non gold exploration projects that Dragon acquired at the time of the acquisition of the Outokumpu precious metal assets in 2003. The only condition is approval by Vulcan's shareholders.

These assets will be the cornerstone of Vulcan's business and as such will receive focussed attention to advance the projects.

Dragon will receive in consideration 7.5 million shares and 7.5 million options exercisable at 20 cents. The shares amount to approximately 23% of Vulcan's current issued capital.

The agreement also allows Dragon to retain a 5% free carried interest in joint venture properties in the Kuhmo-Suomussalmi region and a 1 Euro per tonne of talc bearing ore in the Kylylahti claims and licences. It also incorporates the use of Dragon's staff in Finland who have experience with the projects and exploration for base and platinum group metals in Finland which will provide Vulcan with a skilled resource base while defraying Dragon's Finnish costs.

This agreement allows Dragon to capitalise on its non gold assets, its extensive database and its experienced people in Finland, while allowing Dragon to focus on its extensive gold assets in Sweden and Finland.

Further details are included in the Vulcan announcement.

### **DRAGON MINING NL**

**CAMPBELL T. ANSELL**  
Chairman