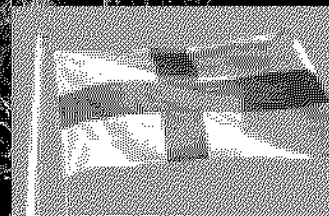
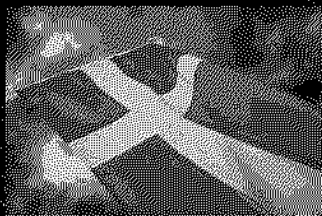


Version 01/12/06


Dragon
Mining_{NL}

DELIVERING

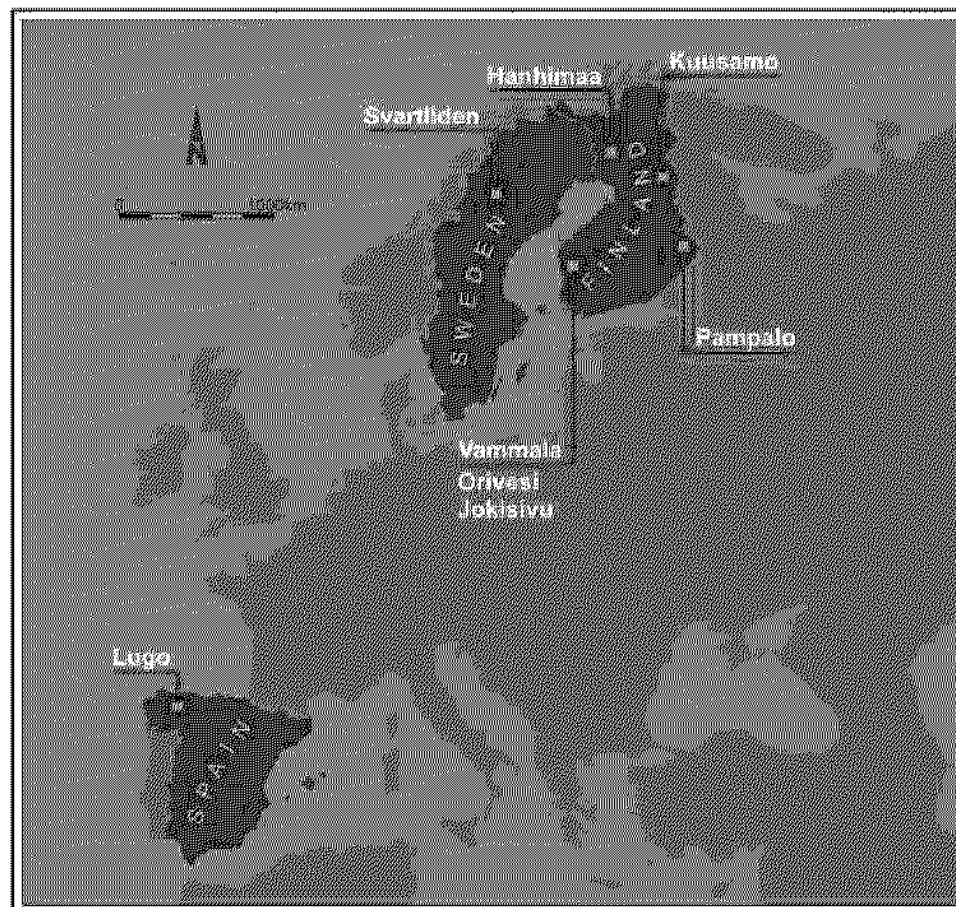




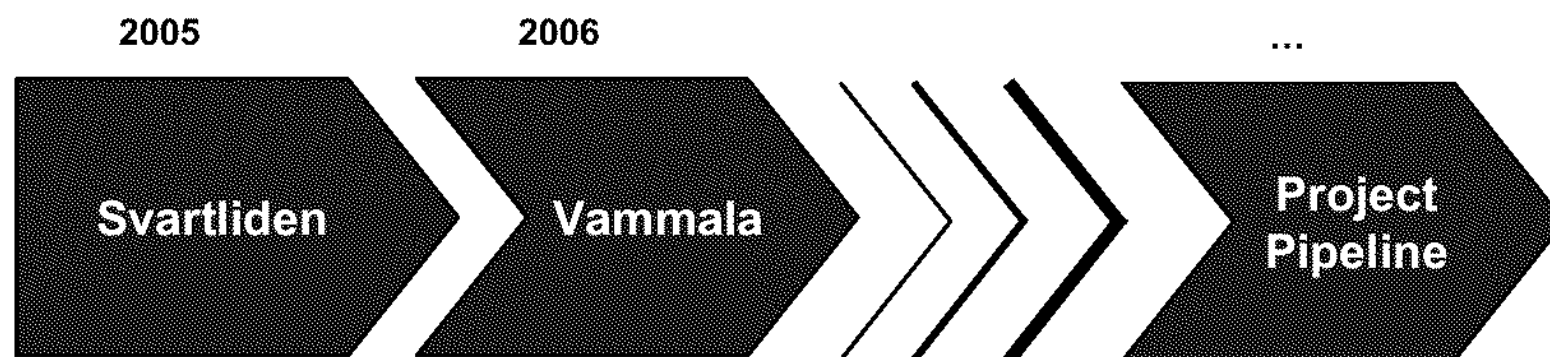
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- Patersons, as the Lead Manager to the proposed convertible note issue, will be paid a Lead Manager fee of \$50,000, a management fee of 1.5% and a placement fee of 3.5% on funds raised through the placement.

- Focused Nordic gold producer & explorer
- Multi-mine, multi-plant production from '06
- Rapidly expanding gold production over next 12-18 months
- Target cash costs <US\$260/oz
- High impact exploration on highly prospective & lightly explored tenements
- Infrastructure enables rapid exploitation of new discoveries



Medium term growth from multiple mines expanding and extending the life of the 2 production centres



• Initial 50-70,000 ozs pa

• Initial 80,000 ozs pa

• On going production growth

Dragon's medium term goals:

- Production >200,000 ozs per annum
- Accelerate exploration of high potential tenements
- Firmly establish growth path

The Nordic Region has much to offer a gold mining and exploration company :

- A extensive ancient shield with world class metal endowment and recently identified major gold systems
- Limited previous gold focussed exploration
- First world, first class infrastructure
- Mining friendly policies in a stable political and regulatory regime
- Long established metal mining expertise with skilled personnel readily available
- Competitive local cost base
- A relatively benign northern climate that allows year round mining and treatment operations



Corporate Overview

Market Summary

Fully paid shares on issue	429.3m
Part paid shares (paid to 1 ¢)	3.3m
Options (var)	35.0 m
Share Price	15¢
Range (last year rolling)	12 - 30¢
Market Cap	\$63.1m
Monthly Volume (shares)	18.7m
Cash (30/09/05)	\$2.8m
Debt (31/10/05)	\$15.8m

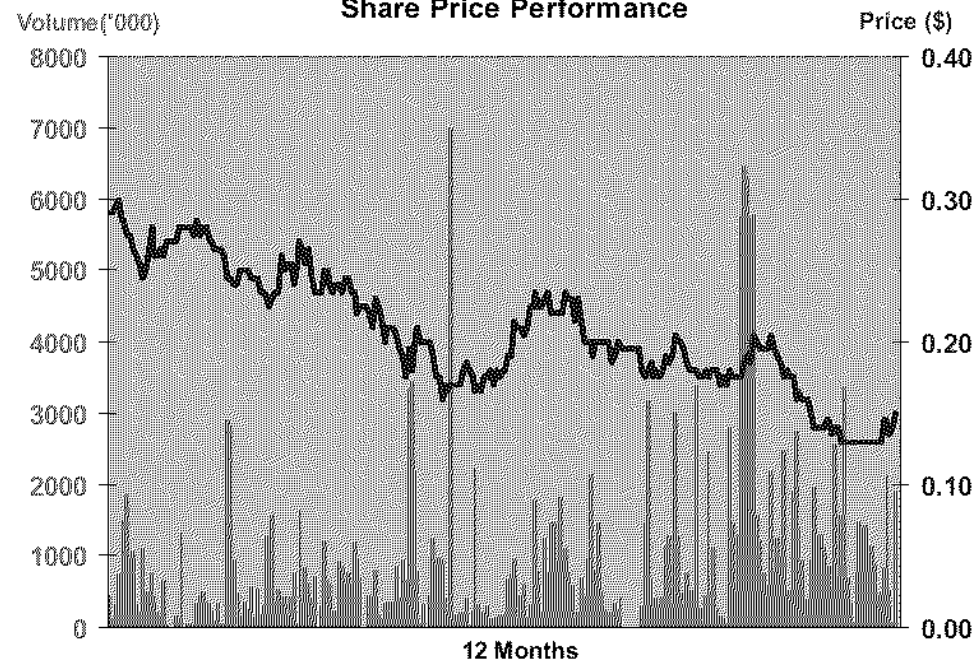
Directors

Campbell Ansell	<i>Chairman</i>
Peter Cordin	<i>CEO</i>
James Searle	<i>Executive Director</i>
Peter Munachen	<i>Non-Executive Director</i>
Andrew Daley	<i>Non-Executive Director</i>
Tapani Jarvinen	<i>Non-Executive Director</i>
Dennis Wilkins	<i>Company Secretary</i>

Australian Stock Exchange Code: DRA

Frankfurt Stock Exchange Code: DRM WKN 880207

Share Price Performance



Substantial Shareholders

Commonwealth Bank	58.4m	13.6%
Mathews Capital	38.1m	8.9%
Credit Suisse Asset Management	31.1m	7.2%
Macquarie Bank Ltd	25.0m	5.8%
Outokumpu Oy	20.0m	4.7%
Rockfield Investments (HD Kennedy)	17.3m	4.0%
Top 20 shareholders	77.5%	
No of shareholders	3528	

Resources

Country	Centre	Project	Tonnes	Gold Grade	Ounces
Sweden	Svartliden	Svartliden	2,889,000	4.5g/t	419,800
Finland	Vammala	Jokisivu	1,474,000	6.8g/t	322,500
		Orivesi	613,400	12.7 g/t	250,000
	Pampalo	Pampalo	988,000	6.7g/t	213,500
	Kuusamo	Kuusamo	1,349,000	4.1g/t	178,800
Total			7,313,400	5.9g/t	1,384,600

Reserves

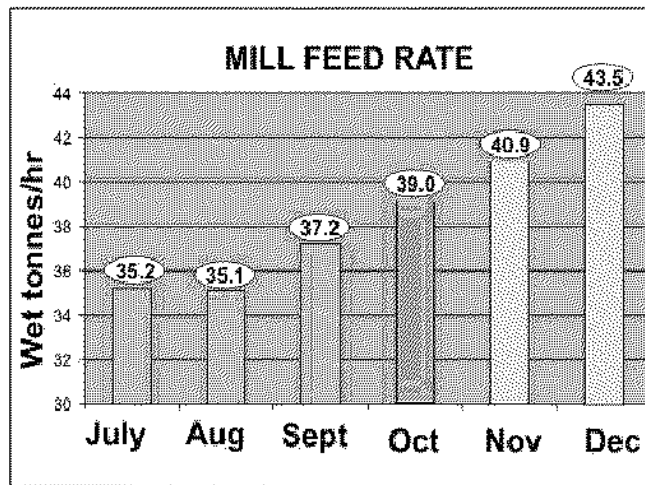
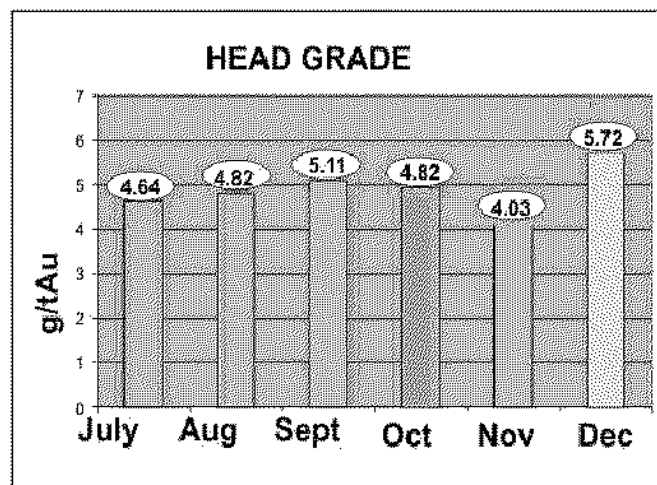
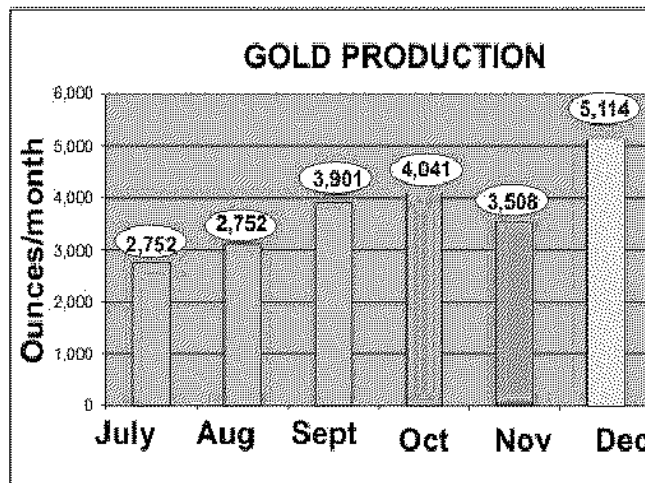
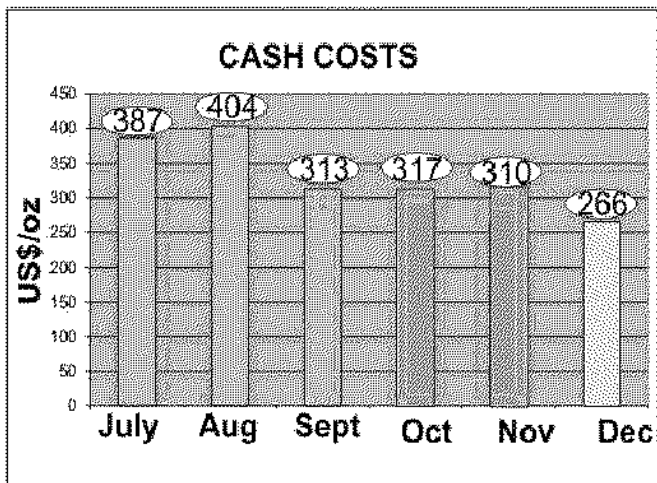
Country	Centre	Project	Tonnes	Gold Grade	Ounces
Sweden	Svartliden	Svartliden	1,613,000	5.54g/t	287,000
Finland	Vammala	Orivesi	226,800	11.3 g/t	82,000
Total			1,839,800	6.3g/t	369,000

As of 30th June 2005

Svartliden Production Centre Sweden

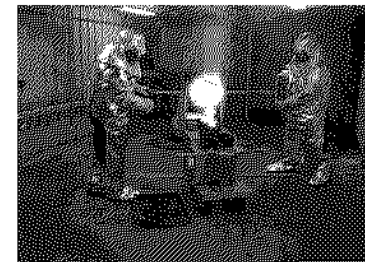


Svartliden Achieving Targets



Achieved
 Projected

- December production target >5,000 ozs (>60,000ozs pa) and cash cost US\$266 / oz
- Exceeding throughput design parameters
- Plant optimisation & incremental expansion on going
- Evaluating >50% plant expansion





Pit Extensions

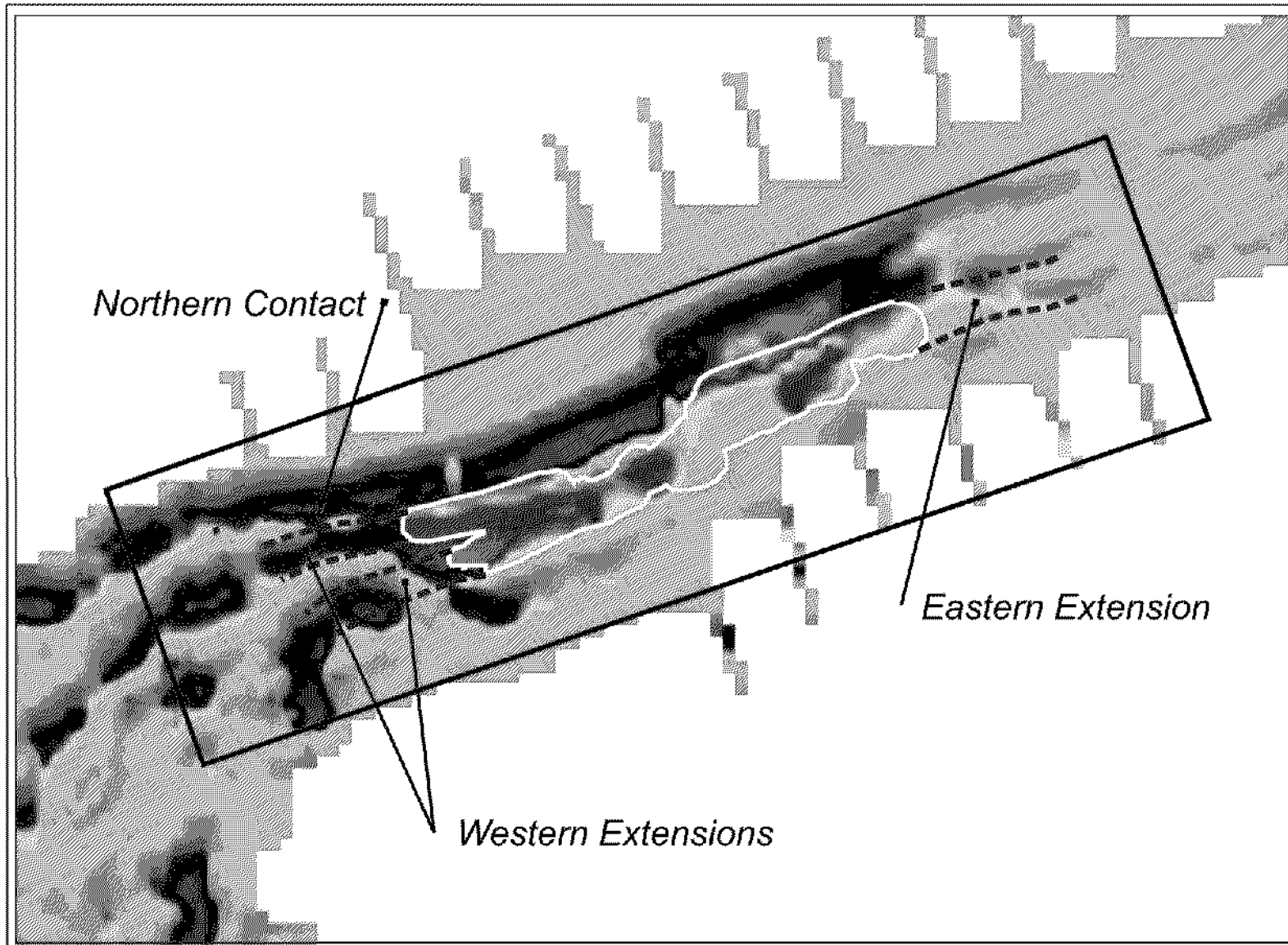
- Initial focus is additional resources to extend the open pit
- Delineate & drill potential orebody repetitions
- Test underground potential

Mine Corridor

- Explore remainder of 3km long mine corridor

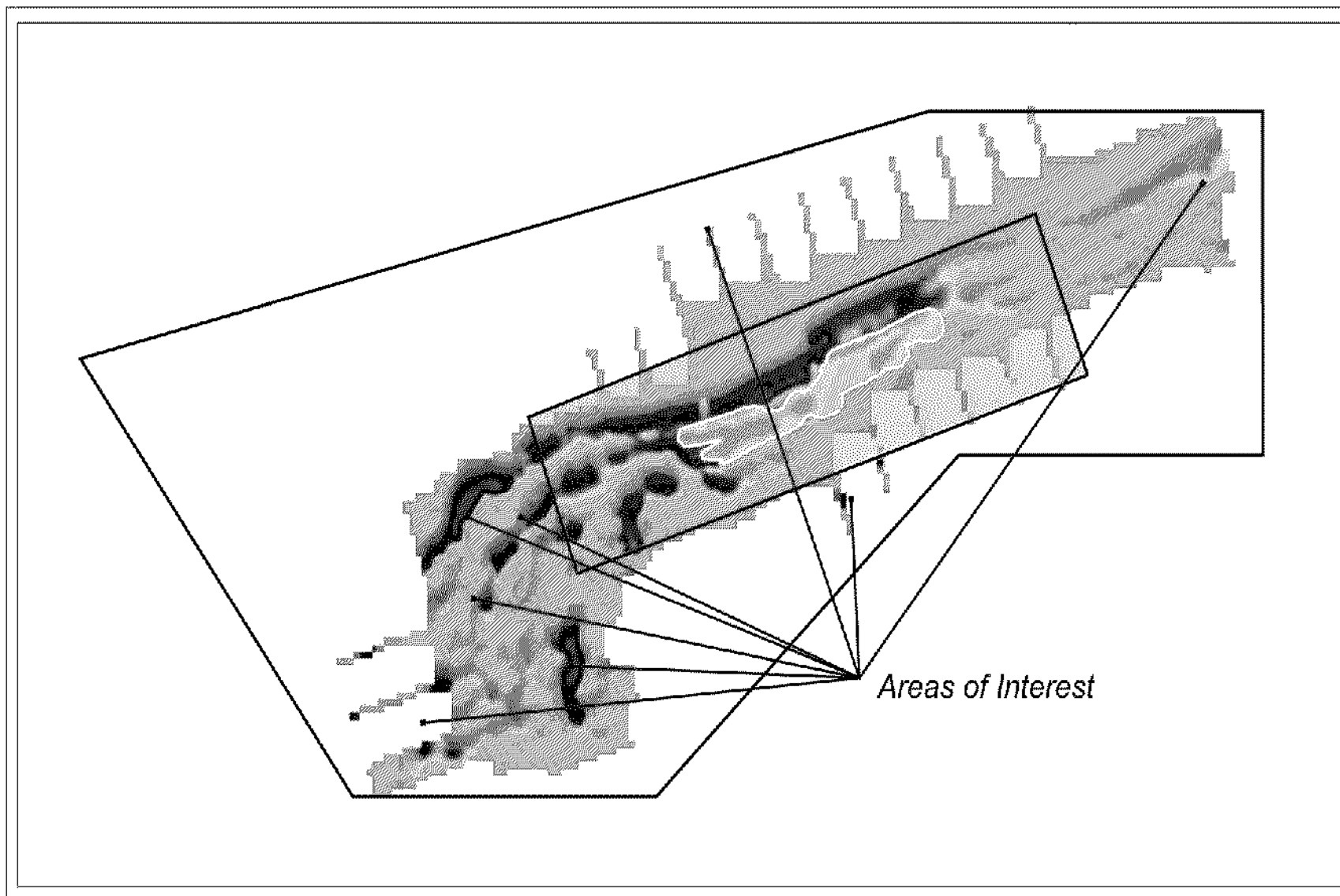
Budget \$3.5m over two years

Targeting to expand resources by 0.5 to 1.0mozs

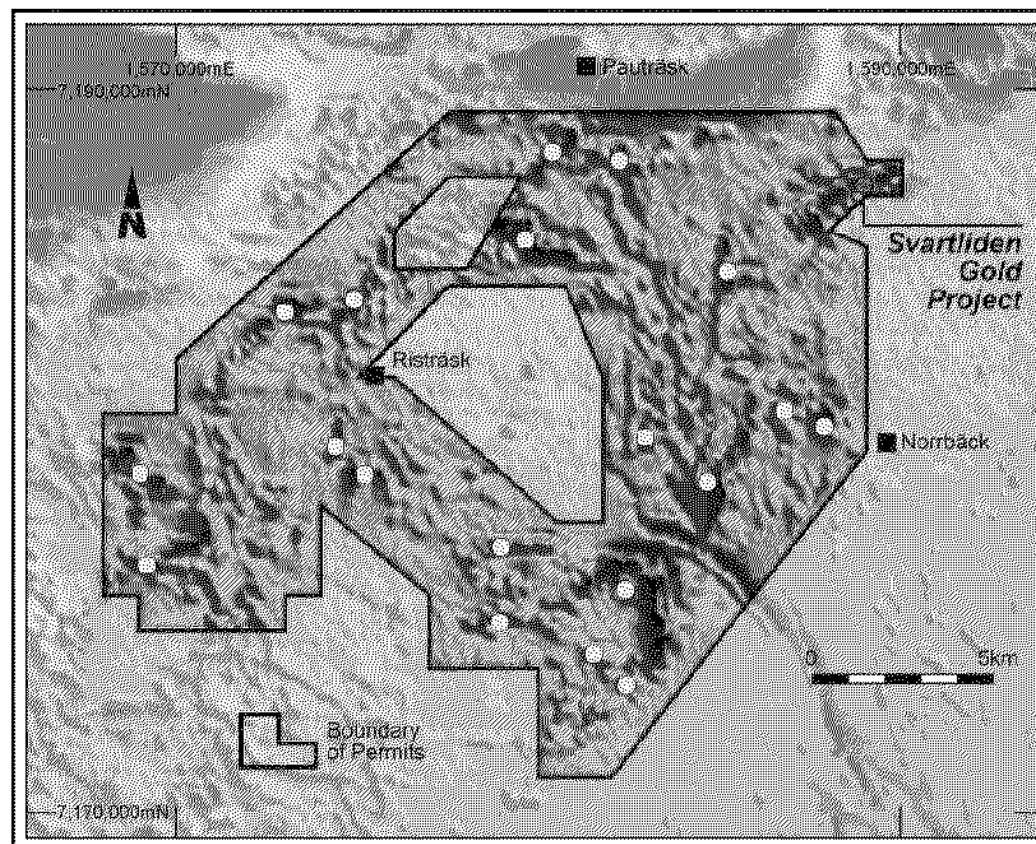




Svartliden Mine Corridor Exploration



- New gold province
- Dominant (22,400ha) land position with 40km of highly prospective, lightly explored greenstone
- 19 priority targets defined by geophysics and geochemistry
- Follow-up ground geophysics to define drill targets in Q1 2006
- Concentrating on area within 40km trucking of plant
- Budget \$2m over 2 years
- Targeting 0.5 to 1mozs discoveries



Key Infrastructure

- Only full ore feed gold leach plant in Sweden

New Ground

- A number of potential “Svartliden Type” target areas have been identified outside current tenements. New applications will increase holdings by 100%
- Dragon is looking to consolidate its position in the Svartliden area

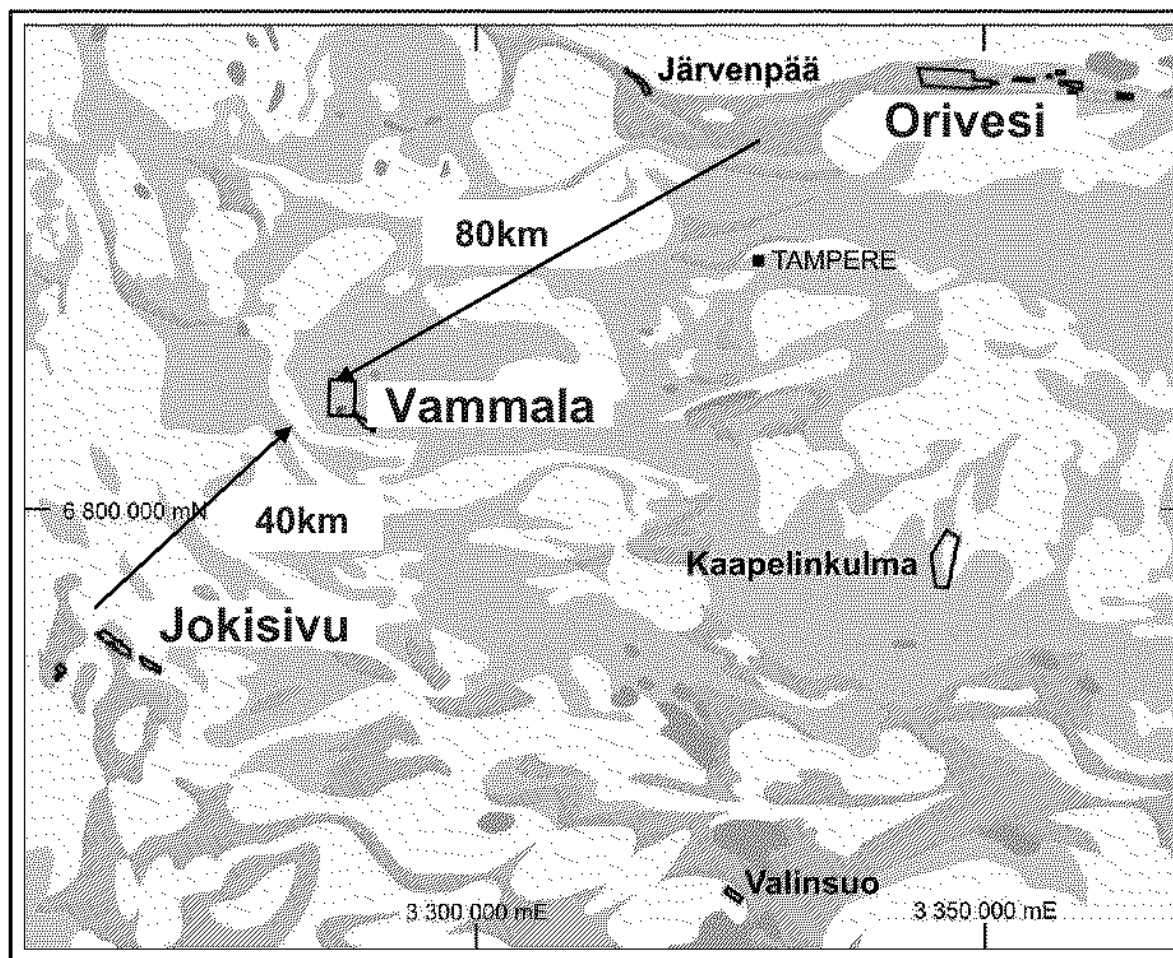
Advanced Gold Plays

- Actively assessing other gold explorations projects in the area
- Dragon’s established infrastructure and experience positions the group well to joint venture or acquire advanced gold projects in the area

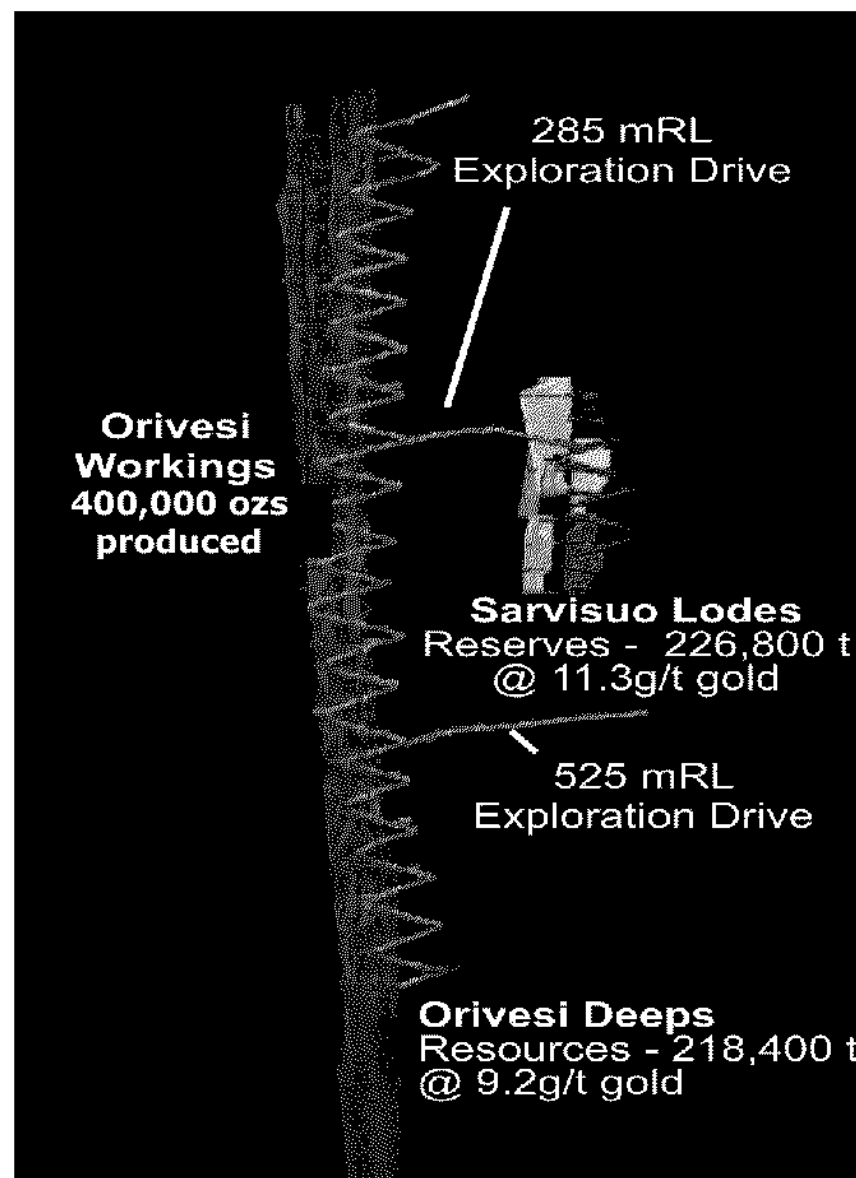


Dragon's Vammala Plant

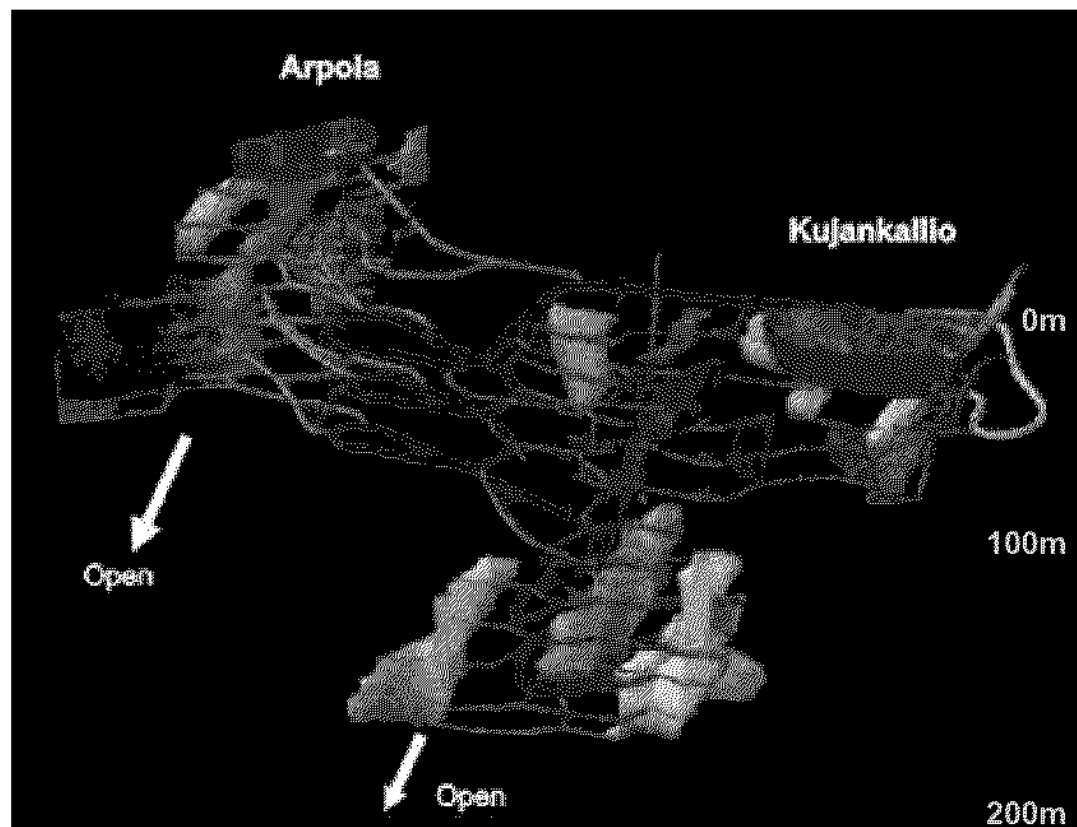
- Recommission Vammala Plant in Q1 2006 (currently on C&M)
- Resources 573 kozs @ 7-15g/t Au
- Two mine production strategy
- A\$29.6m (€18.4m) capital investment over next 30 months on recommissioning & mine development
- Targetting >80,000 ozs pa @ < US\$260 / oz cash costs
- Dragon controls other high grade gold mineralisation within trucking distance of the plant



- Mine previous produced 400,000 ozs
- Company owned mining fleet
- Underground drilling since December 2003 has defined high grade mineralisation at Sarvisuo
- Total Orivesi resources 250kcozs @ 12.7g/t Au, including reserves of 82kcozs @ 11.3g/t Au at the Sarvisuo lode



- Current resource 322koz
@ 6.8g/t Au to 350m level
- Initial shallow open cut, then go underground using a single decline to access both areas of mineralisation

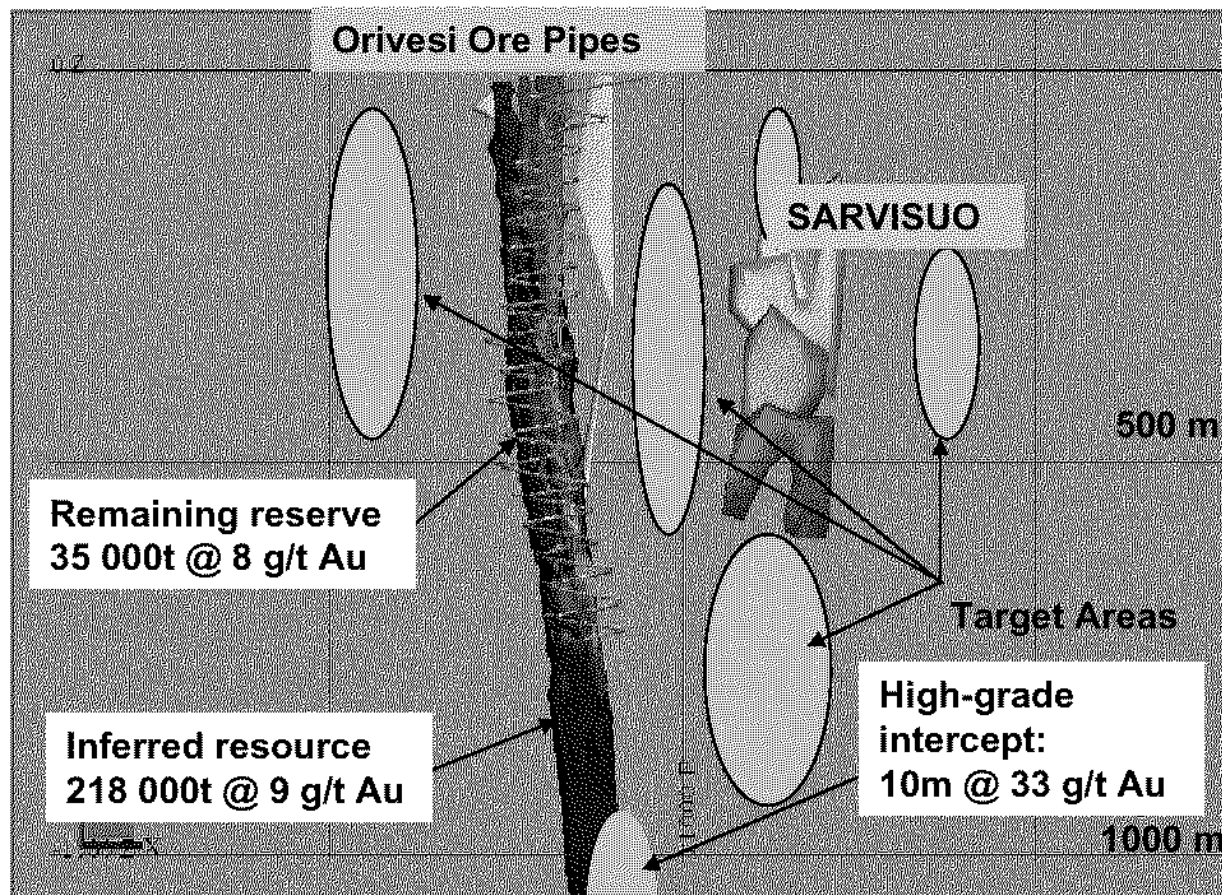


- Immediate 'brownfields' targets provide major upside to Vammala Production Centre
- Pipeline of projects with extensive and prospective land holding to feed medium to long term growth with potential company makers
- Outukumpu database provides a competitive edge
- Finland exploration budget of \$8m over the next 2 years

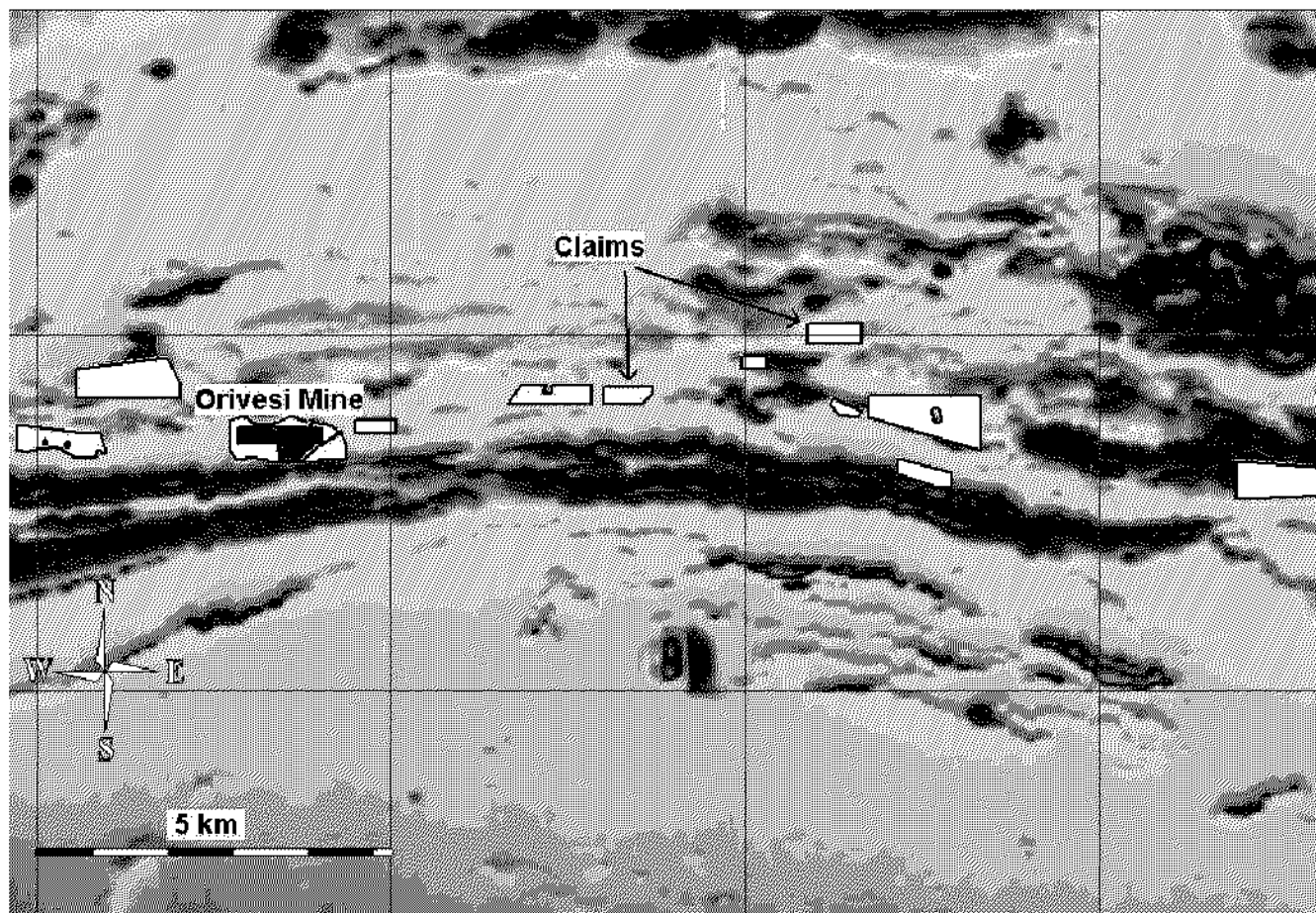


Multiple target zones :

- Depth extensions of main pipe below 720mRL
- Up and down dip extensions to Sarvisuo
- Ore grade hits in exploration drill holes to be followed up
- Untested zones proximal to mineralisation
- Budget \$0.6 m over next 2 yrs



- Orivesi style targets in same geological belt covered by Dragon tenements
- Drill ready targets delineated by geophysics and geochemistry
- Budget \$1m over 2 years



Major resource upside - resource extension drilling is planned from underground

KUJANKALLIO ZONE

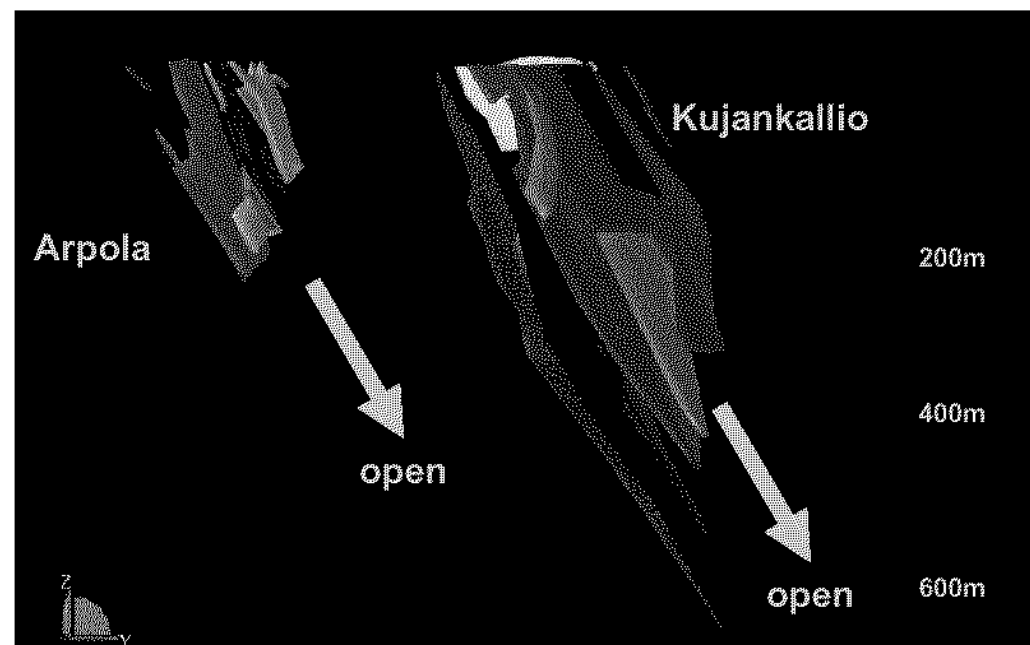
- Resource drilling to 350m, open at depth
- High grade drill hole intercepts at 500 to 600m

ARPOLA ZONE

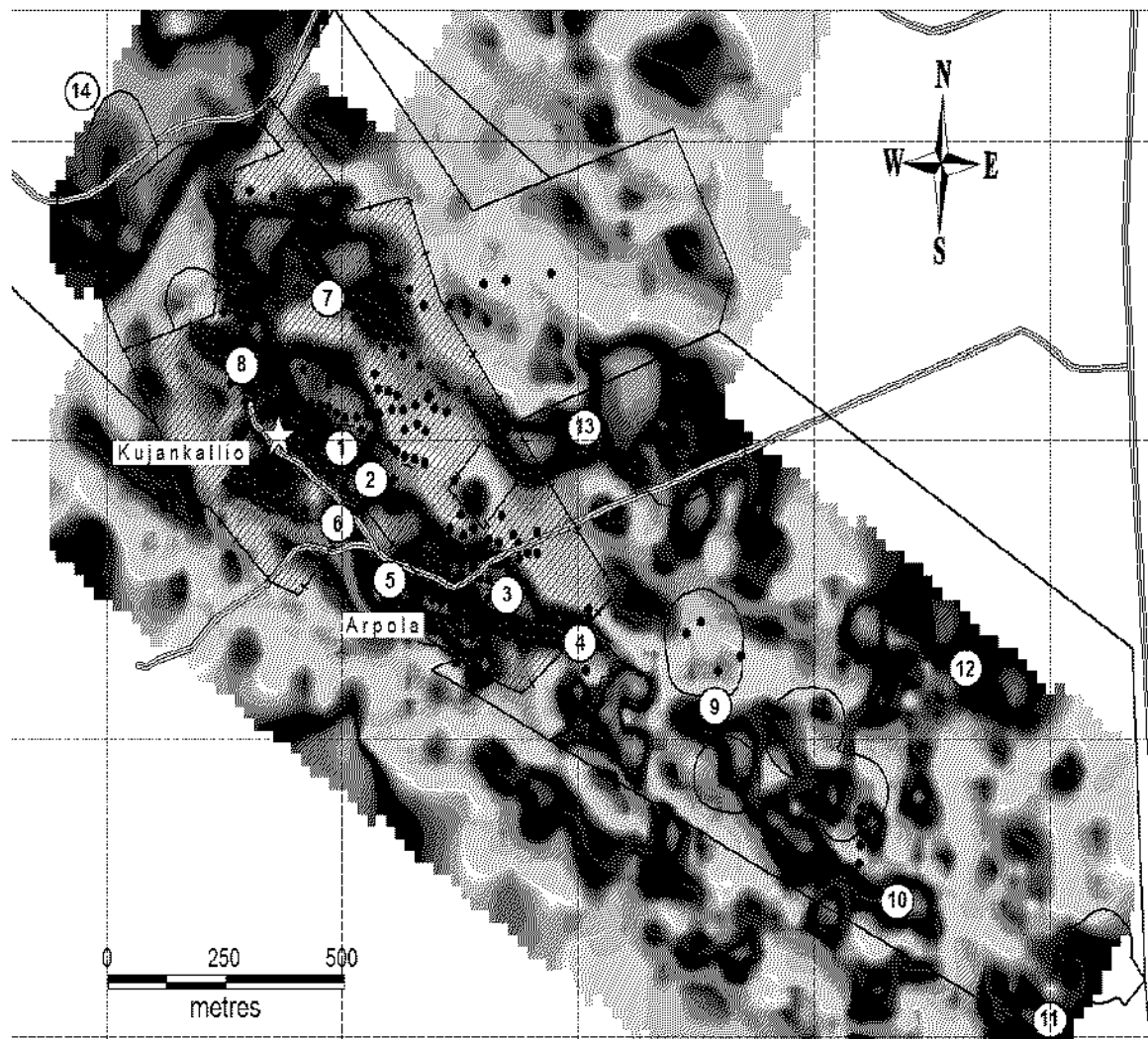
- Drilled to 200m, open at depth
- Pit optimisation underway

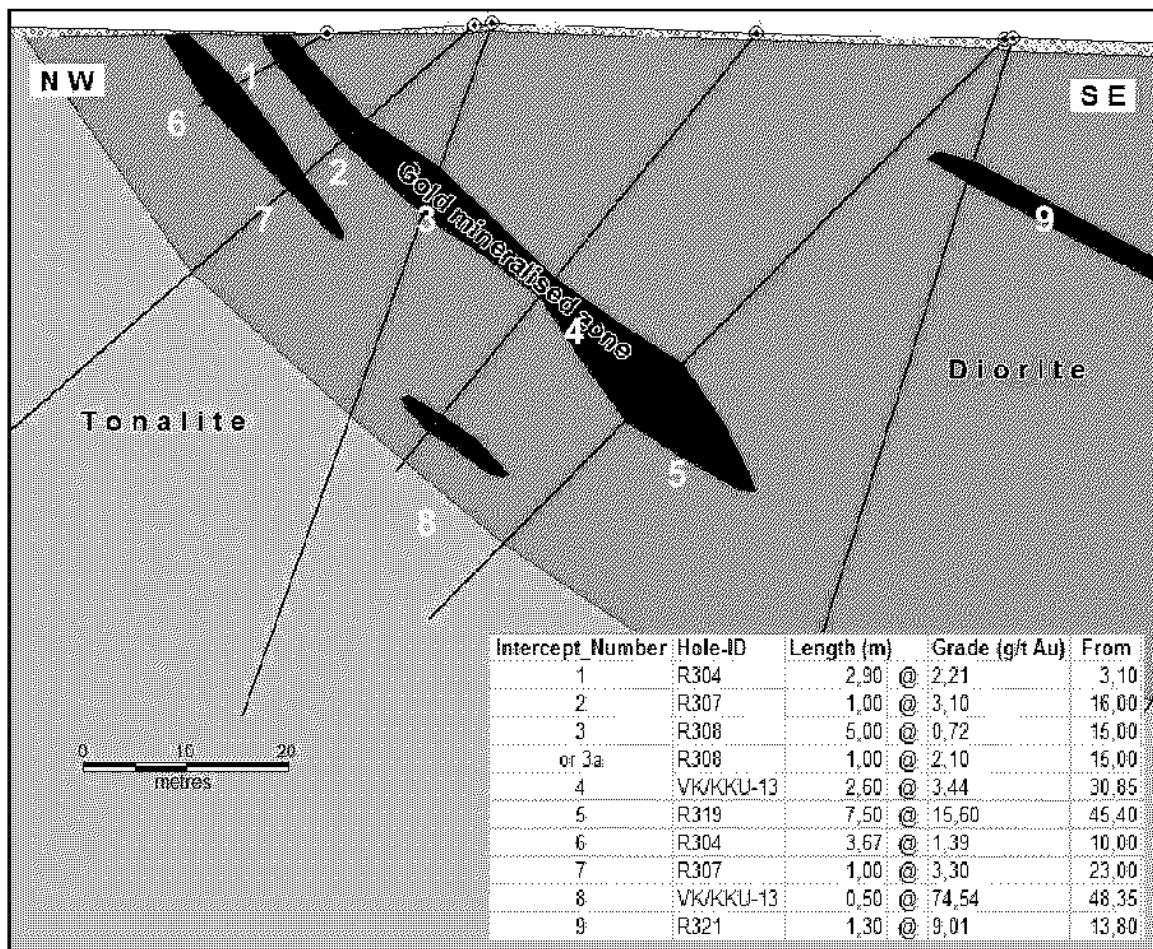
Potential to more than double existing resources at depth

Budgetting \$2m over next 2 years

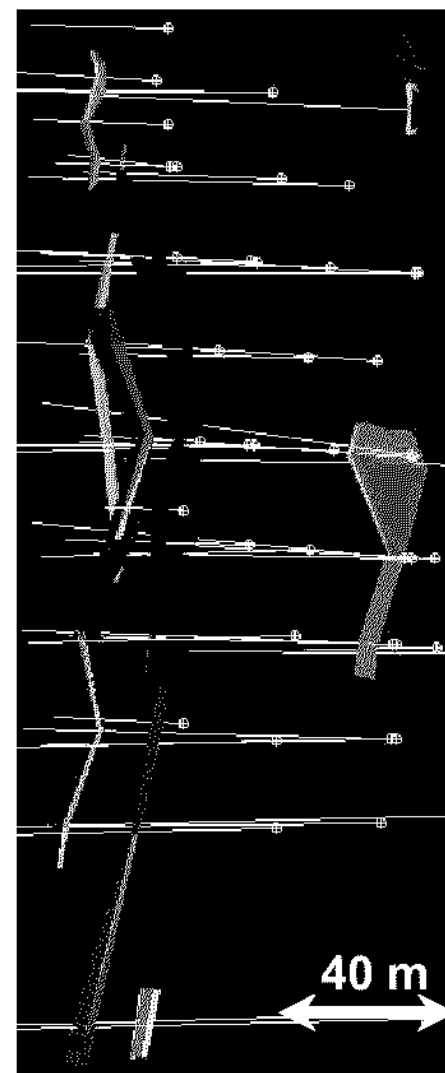


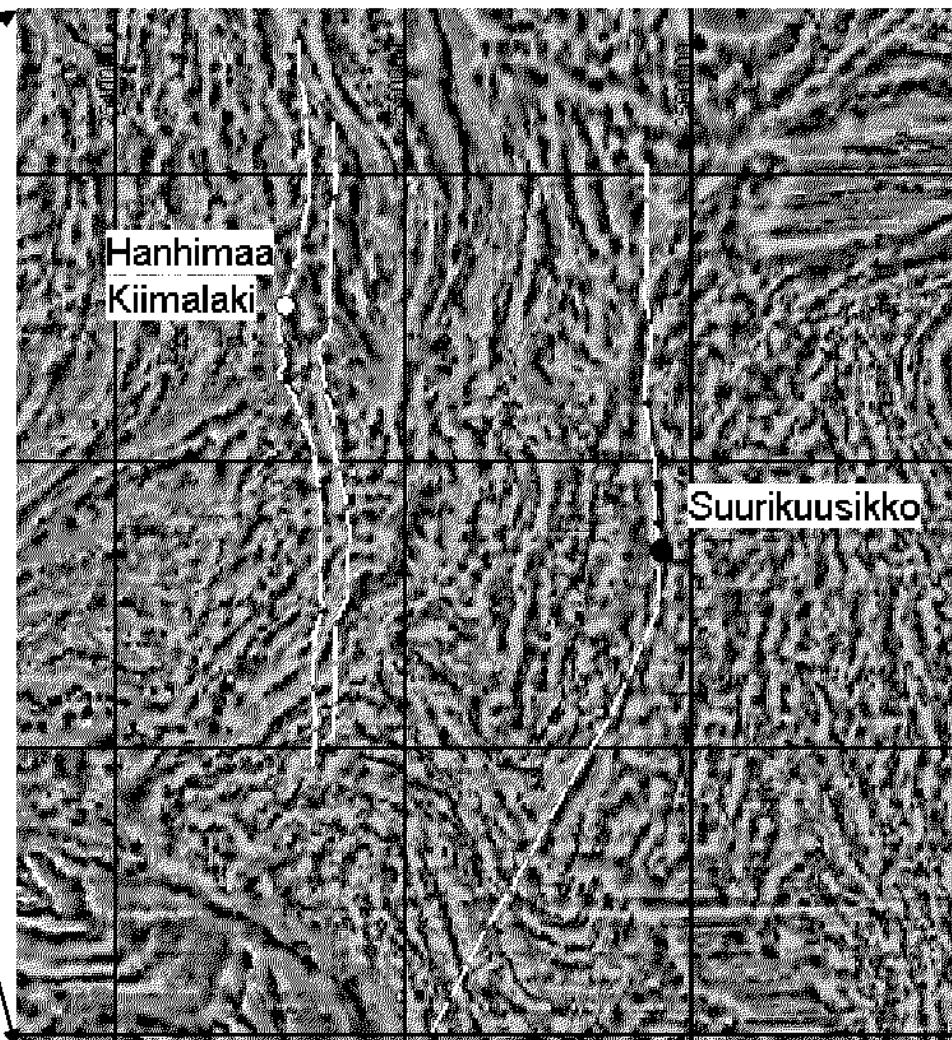
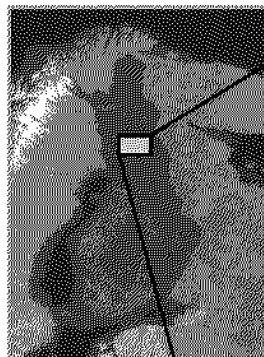
- 14 targets defined
- Geophysical anomalies similar to known Jokisivu mineralisation
- Drilling in 2006/07
- Budget \$1.4m over 2 years





- High grade vein system analogous to Jokisivu
- Early drilling has been very encouraging





- A potential company maker
- Located 7km west of the >3mozs Surrikuusikko Gold Project
- Widespread alteration and soil anomalism
- Ore grade intercepts in scout drilling and trenches
- Dragon controls a 26km structure
- Exploration budget \$1.5m over 2 yrs



- Current resources 179,000oz gold
- Subvertical pipe like bodies, many open at depth, and untested known mineralisation



FINANCIALS
CONVERTIBLE NOTE ISSUE TERMS

FUNDING REQUIREMENTS (A\$'000)

	2006		2007		2008	TOTAL
	H1	H2	H1	H2	H1	
Svartliden - Exploration	(202)	(764)	(675)	(868)	(439)	(\$2,948)
Svartliden - Development	(1,167)	(518)	(219)	(263)	(219)	(\$2,386)
Polar Mining OY - Exploration	(1,088)	(960)	(960)	(1,152)	(928)	(\$5,088)
Vammala Development / Capital	(6,916)	(2,791)	(6,221)	(8,102)	(2,889)	(\$26,920)
Perth / Finland Admin	(1,161)	(796)	(910)	(1,237)	(883)	(\$4,987)
Costs of Issue	(1,905)					(\$1,905)
Working Capital						(\$4,421)
Total	(\$12,439)	(\$5,828)	(\$8,986)	(\$11,623)	(\$5,358)	(\$48,655)

SOURCE OF FUNDS (A\$'000)

	2006		2007		2008	TOTAL
	H1	H2	H1	H2	H1	
Equity ⁽¹⁾	1,000					\$1,000
Asset Sales	12,655					\$12,655
Debt / Convertible Note	35,000					\$35,000
Total	\$48,655					\$48,655

⁽¹⁾ Exercise of 11.1m 9c options



Convertible Note Issue & Key Terms

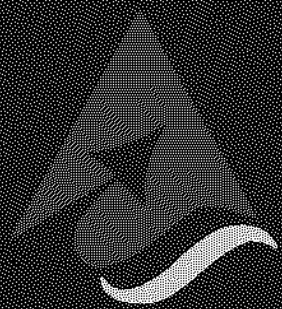
Raising:	Up to \$35m, of which \$5m small shareholders priority
Pricing:	\$1.05 per note
Term:	5 years
Interest Rate:	10% pa paid quarterly in arrears
Conversion:	6 Dragon shares per note (ie 17.5c). Can convert quarterly
Maturity:	Notes redeemed at maturity
Early redemption:	No early redemption for 2 years On any early redemption notice the noteholder can elect to convert
Liquidity:	Notes to be listed on ASX
Trustee:	TBA
Settlement:	Settle circa \$11.3m (within 15 % placement capacity) within 7 days, with the balance subject to shareholder approval

	<i>A\$'000</i>	Nov-Dec 05	Jan-Jun 06	Jul-Dec 06
Svartliden Operating Cashflow		956	7,142	3,509
Vammala Operating Cashflow		(530)	(3,682)	2,671
Total Operating Cashflow		457	2,570	5,324
- Sustaining Capex		(207)	(1,167)	(649)
+ Debt		32,923	(7,750)	(8,087)
+ Asset Sales		(19)	12,655	0
= Available Cashflow		33,154	6,308	(3,412)
+ Expansion Capex		(93)	(6,916)	(3,424)
+ Exploration		(631)	(1,610)	(2,221)
+ Escrow Account		(624)	(924)	1,548
= Net Cashflow		31,807	(3,142)	(7,509)
Cash Balance		32,807	29,665	22,156

	2005 / 2006
■ Roadshow	5 - 6 December
■ Bookbuild / Offers	8 December
■ Acceptances / Announce Issue	9 December
■ Lodge Prospectus	12 December
■ Settle Minimum Subscription	16 December
■ Shareholder Meeting to Approve Issue	16 January
■ Shareholder Priority Closes	17 January
■ Prospectus Closes	17 January
■ Shares Allotted	20 January
■ Trading Commences on ASX	23 January

** Timetable is subject to change*

- Focussed on expansion to >200,000ozs per annum production in Nordic region
- Two multi mine production centres in 06
- Highly propsective, lightly explored exploration portfolio
- Active high impact exploration program
- Access to Outokumpu Oy exploration data base for inside running on exploration in the Nordic region
- Experienced team of Nordic and Australian miners and explorers



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The Beginning