



APPOINTMENT OF EXPLORATION MANAGER

ASX ANNOUNCEMENT

20 MAY 2010

Dragon Energy is pleased to announce the appointment of Mr Mark Hafer as its Exploration Manager, commencing 17 May 2010. Mr Hafer will be managing the exploration programmes planned for the Company's Western Australian and Queensland projects. He is expected to contribute significantly to the Company's new project generation and acquisition campaigns.

Dragon Energy's Chairman Mr Chen commented that: "It is critical for Dragon to build up in-house exploration capability to support the Company's growth strategy. We are delighted to have Mark onboard to work with the current management team. As a major shareholder of Dragon, Shandong Group will provide full financial support for Dragon's extensive iron ore and coal exploration programmes".

Mr Hafer is a geologist with 10 years experience in the minerals exploration and mining industry. He is a member of the Australasian Institute of Geoscientists and an affiliate of the Financial Services Institute of Australasia. Mr Hafer has undertaken and managed greenfields to brownfields exploration programmes for gold and base metals (including iron and nickel) predominantly in Australia, and in Kazakhstan.

Prior to commencing with Dragon Energy Mr Hafer held the Senior Exploration Geologist role with Mount Gibson Iron. Previously he has also worked in the finance industry, including a Mining Commodity Analyst role.

Mr Hafer's predecessor Mr Lindsay Cahill will be retained by Dragon Energy on a consulting basis.

Authorised by:

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Managing Director

For further information or corporate opportunities please refer to our website www.dragonenergyltd.com.au or contact:

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About Dragon Energy

Dragon Energy Limited (ASX: DLE) is an exploration and resources company. The listing of Dragon Energy on the Australian Securities Exchange (ASX) in February 2009 was facilitated by a cornerstone investor, the China-based Shandong Taishan Sunlight Group Company Limited (**Shandong Group**). Shandong Group controls 1.5 billion tonnes of coal and 100 million tonnes of iron ore resources in China as well as engaging in steel making and power generation. Shandong Group, essentially a private enterprise, will avail direct and indirect financial capacity and funding capability, wide industry connections, and mining know how, to underpin plans for Dragon Energy's growth and pursuit of suitable mine projects world-wide.

Dragon Energy has a twofold strategy:

- To participate in exploration projects with a view to advancing the status of the projects through to development or alternatively to introduce appropriate and suitable overseas partners, particularly from China, who may take long term positions in those project development opportunities; and
- To secure a leading position in advanced minerals projects and to bring development to fruition at the earliest opportunity.

Since listing in February 2009, Dragon Energy has already evaluated a number of bulk commodity projects in Australia and USA and some metalliferous projects in Australia with a view to participating or securing development opportunities. Although preferred targets are in iron ore and coal, other commodities and minerals will be considered for review.

Dragon Energy's project evaluation efforts are facilitated by a small, but highly experienced, team of professionals with, collectively, vast experience in mineral exploration, development, financing and operations in Australia and overseas, in particular in start up projects.