

## ASX ANNOUNCEMENT

06 May 2013

ASX Announcement  
ASX Code: DLE  
Released: 06 May 2013

### For Further Information

Gang Xu  
Managing Director  
Tel: +61 8 9322 6009

### Directors

Jie Chen  
Chairman

Gang Xu  
Managing Director

Tim Williams  
COO, Executive Director

### Share Registry

Computershare Investor Services  
Level 2, Reserve Bank Building  
45 St George's Terrace  
Perth WA 6000

[www-au.computershare.com](http://www-au.computershare.com)

### Contact Details

Dragon Energy Ltd  
Suite 8, 1297 Hay Street  
West Perth, WA 6005  
PO Box 1968, WA 6872

Tel: +61 8 9322 6009  
Fax: +61 8 9322 6128

[www.dragonenergyLtd.com](http://www.dragonenergyLtd.com)

ABN: 38 119 992 175

## NATIVE TITLE AGREEMENT FOR ROCKLEA PROJECT

### Highlights

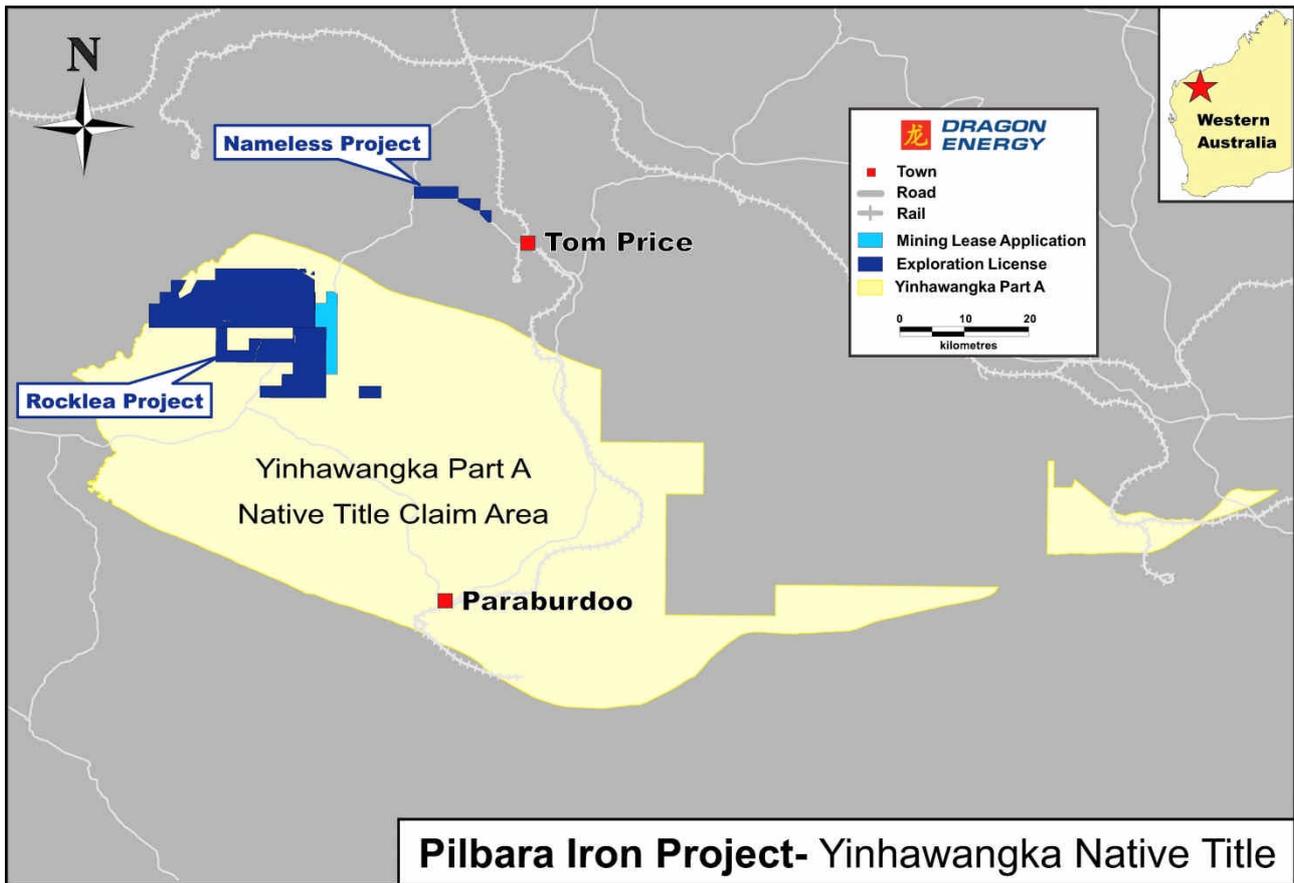
- Dragon has signed a Native Title Mining Agreement with the Yinhawangka Part A claimant group.
- Execution of the Native Title Agreement and State Deed paves the way for the grant of a Mining Lease for Dragon's Rocklea Central and North deposits within its Pilbara Iron Project.



Dragon Energy Limited ("Dragon", **ASX: DLE**) is pleased to announce that it has achieved a major development milestone for its flagship Pilbara Iron Project in the execution of a Native Title Agreement ("Agreement") and State Deed with Yinhawangka Part A claimant group ("Yinhawangka Group").

The Agreement provides the Yinhawangka Group's consent to all activities associated with the potential development of an iron ore mine at Dragon's Rocklea Central and North deposits. The Rocklea Central and North deposits are the most advanced deposits within the Pilbara Iron Project and have a combined mineral resource of 93.60Mt @ 52.19% Fe (59.16% caFe) using a 50% Fe cut-off<sup>1</sup>.

<sup>1</sup> "Rocklea CID Resource Estimation-July 2012" prepared by Golder Associates Pty Ltd (Competent Person- Mr Stephen Godfrey, a Member of AusIMM and AIG) and reported on 25 July 2012 to the ASX: "Resource Update for Dragon's Rocklea Deposit" ([www.asx.com.au/asxpdf/20120725/pdf/42719lssc8t325.pdf](http://www.asx.com.au/asxpdf/20120725/pdf/42719lssc8t325.pdf))



The Agreement also allows for further Mining Leases within the area of the Dragon’s existing Rocklea Project tenements to be added to the Agreement, including Dragon’s Rocklea South deposit, which has an existing mineral resource of 89Mt @ 53.2% Fe (59.9% caFe) using a 50% Fe cut-off<sup>2</sup> and is the immediate extension of the Rocklea Central deposit.

The Agreement has been reached following 12 months of constructive consultation with the Yinhawangka Group and will trigger the grant of the Mining Lease currently under application for the Rocklea Central and North deposits.

The Agreement covers milestone and production payments, employment opportunities as well as cross-cultural exchanges and consultation on environmental matters and reflects the strong relationship that the parties have developed since Dragon commenced exploration activities in the region.

Dragon Energy’s Managing Director, Mr Gang Xu, commented that the parties had developed an excellent working relationship and looked forward to this continuing with the development of Pilbara Iron Project.

“Our negotiations with the Yinhawangka People have been based upon a strong mutual respect and have focussed on achieving outcomes that will benefit both parties.”

“We look forward to working with the group to develop our Pilbara Iron Project and at the same time provide opportunities to the Yinhawangka community and preserve their heritage and customs.”

<sup>2</sup> “Rocklea Recoverable Resource Estimate” prepared by SRK Consultants (Competent Person- Bruce Sommerville, a Member of AusIMM and AIG) and reported on 30 September 2009 to the ASX by Murchison Metals Group, ASX: MMX, (<http://www.asx.com.au/asxpdf/20090930/pdf/3110yksthmzs9y.pdf>).

Yinhawangka representative Roma Butcher said, "It was a pleasure doing business with Dragon Energy. Dragon's General Manager Gang Xu was so easy to talk to and clearly has a huge respect for Yinhawangka People.

I feel that Dragon worked with us respectfully and understood things we had to say about the Country, the flora and fauna, and how these things are important for us, our community and our health. Dragon Energy had empathy for what we are trying to achieve, and that meant that in return we also wanted to work with them. Maybe some of the Chinese cultural values that Gang Xu brought to our meetings were similar and led to understandings of our Aboriginal culture.

Our flora and fauna are very important to us – as our Country is – and it's good to know that Dragon Energy respects that, and respects our knowledge of the Country and the river system, and have agreed to include Yinhawangka People in ongoing environmental management."

Dragon is progressing to a feasibility study for the Pilbara Iron Project including finalising transport options. With the Native Title Mining Agreement paving the way for the grant of the Rocklea Mining Lease, Dragon believes that the Pilbara Iron Project is well positioned to be one of the Pilbara region's next producing iron ore mines.

## **Gang Xu**

### **Managing Director**

For further information please contact:

Gang Xu

*Managing Director*

Telephone: +61 8 9322 6009

Tim Williams

*COO, Executive Director*

Telephone: +61 8 9322 6009

---

## **About Dragon**

Dragon Energy Limited (**Dragon**) listed on the Australian Securities Exchange (ASX) in February 2009 (**ASX: DLE**).

Dragon's flagship project is the Pilbara Iron Project- comprising the Rocklea and Nameless deposits. Dragon Energy's portfolio of tenements has numerous multi-commodity targets, including Fe, Mn, Au and U in Western Australia.

## **Competent Person's Statement**

*The information in the report to which this statement is attached that relates to Exploration Results is based on information compiled by Mr Mark Hafer, who is a Member of The Australian Institute of Geoscientists. Mr Hafer is a full-time employee of the company.*

*Mr Hafer, 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 Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Hafer consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

In respect of any previously reported information referenced in this announcement, the Company confirms that it is not aware of any new information or data that materially affects that information. In the case of any references to previously reported estimates of Mineral Resources or Ore Reserves, the Company confirms that all material assumptions and technical parameters underpinning the estimates as previously reported continue to apply and have not materially changed. The Company confirms that the form and context in which previously reported findings of any Competent Person(s) are presented have not been materially modified.