



11 August 2016

PLACEMENT OF SHORTFALL SHARES FOLLOWING RIGHTS ISSUE

Dragon Energy Limited (**Company**) is pleased to announce it has placed 191,784,124 fully paid ordinary shares (**Shortfall Shares**) under the Company's 1 for 1 non-renounceable rights issue (**Rights Issue**). The Company has now raised a total of \$1,032,132 and has closed the Rights Issue.

The Shortfall Shares will be quoted on the ASX on or around 15 August 2016 and will trade under the ASX ticker code DLE.

The total number of Ordinary Shares on issue following the Rights Issue is 412,852,748.

Yours sincerely

Keong Chan

Company Secretary