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## DRAGON ENERGY LIMITED CLOSES HEAVILY OVERSUBSCRIBED CAPITAL RAISING

Dragon Energy Limited ("Dragon" or the "Company", ASX: DLE) is pleased to announce that it has received firm commitments from sophisticated and institutional investors to raise A\$1.0 million. The book build was two times oversubscribed and introduced new investors to the Company including a prominent resources fund and a significant family office.

The single tranche Share Placement will comprise 83,333,333 fully paid ordinary shares at an issue price of \$0.012 per share under the provisions of ASX Listing Rules 7.1 and 7.1A. Settlement of the Share Placement is expected on or around 17 October 2016.

Funds raised from the Share Placement will be applied towards pre-drilling activities and the scheduled maiden drilling program at the Company's flagship Tabac Cobalt-Gold Project in Western Australia.

### **Resignation of Mr Joel Fishlock**

The Company also wishes to advise the resignation of Mr Joel Fishlock as a non-executive director of the Company effective immediately.

Mr. Fishlock commented:

*"Now that the Company has secured the Tabac Project and has raised sufficient funds to fund its maiden drilling program, my involvement in Dragon's transition is now complete. I will, however, continue to strongly support the Company as it advances towards the next phase of its development."*

Dragon's Managing Director, Jonathan King, added:

*"Joel has been instrumental in the identification and subsequent acquisition of the Tabac Project. The Company extends its sincerest gratitude to Joel and we look forward to receiving his continuing strong support through his extensive networks in the investment community."*

*We also welcome our new investors into the Company and appreciate their strong support as evidenced by the high level of interest in the Share Placement. We now look forward to drilling success at Tabac which may result in the discovery of a globally significant cobalt-gold project."*

10 October 2016

### Information required under ASX Listing Rule 3.10.5A

The Company provides the information as required under ASX Listing Rule 3.10.5A as follows:

- (a) Dilution to existing shareholders as a result of the Placement under Listing Rule 7.1 and 7.1A is 15% and 5.2% respectively. Further details of the approximate percentage of the issued capital post 7.1A placement held by the pre-placement security holders and new security holders are as follows:

Pre-placement security holders who did <u>not</u> participate in the placement	99.4%
Pre-placement security holders who did participate in the placement	0.6%
Participants in the placement who were not previously security holders	99.0%

- (b) The Company will issue shares to sophisticated investors as it is considered to be a more efficient and expedient method for raising funds to achieve its stated objectives. The Placement allows the Company to introduce and increase the number of sophisticated and institutional investors on its register.
- (c) No underwriting agreements were in place for the Placement.
- (d) A fee of 6% (plus GST) will be incurred in connection with the shares issued under Listing Rule 7.1A

### Information under section 708(5)(e) of the Corporations Act

The Company gives this notice pursuant to section 708A(5)(e) of the Corporations Act 2001 (Cth) ("Act") and advises that the Shares were issued without disclosure to investors under Part 6D.2 of the Act. The Company, as at the date of this notice, has complied with:

- (a) the provisions of Chapter 2M of the Act as they apply to the Company; and  
(b) section 674 of the Act.

As at the date of this notice there is no information that is excluded information for the purposes of sections 708A(7) and (8) of the Act.

#### For Further enquiries, please contact:

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