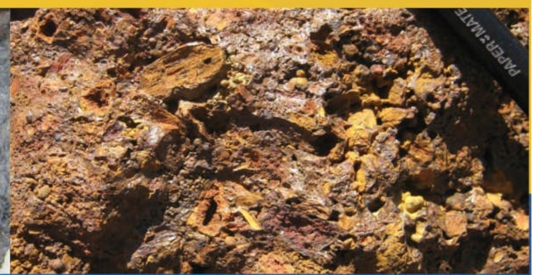
DRAGON ENERGY



Corporate Presentation

March 2011

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Summary

- ASX listed resource company with A$16 million cash
- Flagship Pilbara Iron Project with 63Mt of JORC iron ore resource, and additional exploration target of 140 - 190Mt
- Portfolio of iron ore, manganese, gold, base metals and coal exploration projects in Western Australia and Queensland
- Strategic support from major shareholder, a leading private Chinese Mining Company
- Experienced board and management comprising of Australian and Chinese nationals

Corporate

ASX code	**DLE**
Shares on issue	206.4 m
Market Cap (@$0.20 per share)	A$41.3 m
Cash	~A$16 m
Debt	Nil
Options on issue	
- listed (Nov 2014 @$0.35)	47.46 m
- unlisted (May 2012 @$0.30)	11.15m

Directors

Jie Chen	Exec. Chairman
Gang Xu	Managing Director
Anthony Ho	Exec. Director
Qingyong Guo	Non Exec Director
Wenle Zeng	Non Exec Director

Shareholders

Top 20 Shareholders (Mar 2011)	88.2%
Major Shareholders (Mar 2011)	
- Shandong Taishan Group	70.3%
- Mr Gang Xu	6.6%

Executives

Jie Chen – Executive Chairman
- Chairman of Shandong Taishan Group
- Awarded Top 10 young entrepreneur in Shandong province
- Awarded Top 20 best mine manager in China

Gang Xu – Managing Director
- Over 20 yrs experience in mining and energy industry
- Finance and Marketing Manager for Sino Gold Limited
- Senior geologist at China National Nuclear Corporation

Anthony Ho – Executive Director
- Over 25 yrs experience in corporate and finance services
- Principal of corporate advisory and services firm
- Director and secretary to several ASX listed companies

Mark Hafer – Exploration Manager
- Over 10 yrs experience in iron, gold and metals exploration
- Field experience in WA, SA and Kazakhstan
- Senior Geologist at Mt Gibson Iron

Henry Ng – Corporate Development Manager
- Ex Head of Asian Development at Aquila Resources
- Senior M&A banker at Barclays and HSBC in Hong Kong
- Mining Engineer, worked at Rio Tinto Paraburdoo Mine

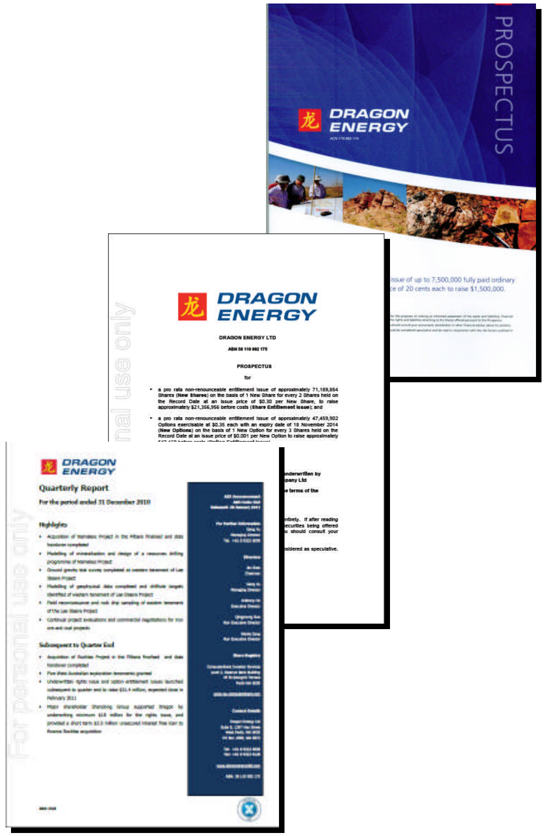
Joel Brook – Senior Geologist
- 5 yrs experience in iron, base metals, and gold exploration
- Field expertise covering the whole of Western Australia
- Senior geologist for major drilling programs

Peter Dillon – Operations Consultant
- 30 yrs as analyst and commercial manager
- Country experience incl. PNG, China and the Philippines
- Specialising in project development

Lindsay Cahill – Exploration Consultant
- 30 yrs managing geological and development programs
- Commodity include iron, base metals and minerals sands
- Senior Geologist for Highlands Gold

Milestones

Feb, 2009	**Listed on the ASX**
Dec, 2009	**Acquired 3 exploration projects from Polaris NL**
Oct, 2010	**Acquired Rocklea and Nameless projects from AusQuest**
Jan, 2011	**Applications for 5 WA exploration tenements granted**
Feb, 2011	**Completed rights and options issue to raise A$19.2m**



Consistent Progress

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Project Summary

Pilbara Iron Project

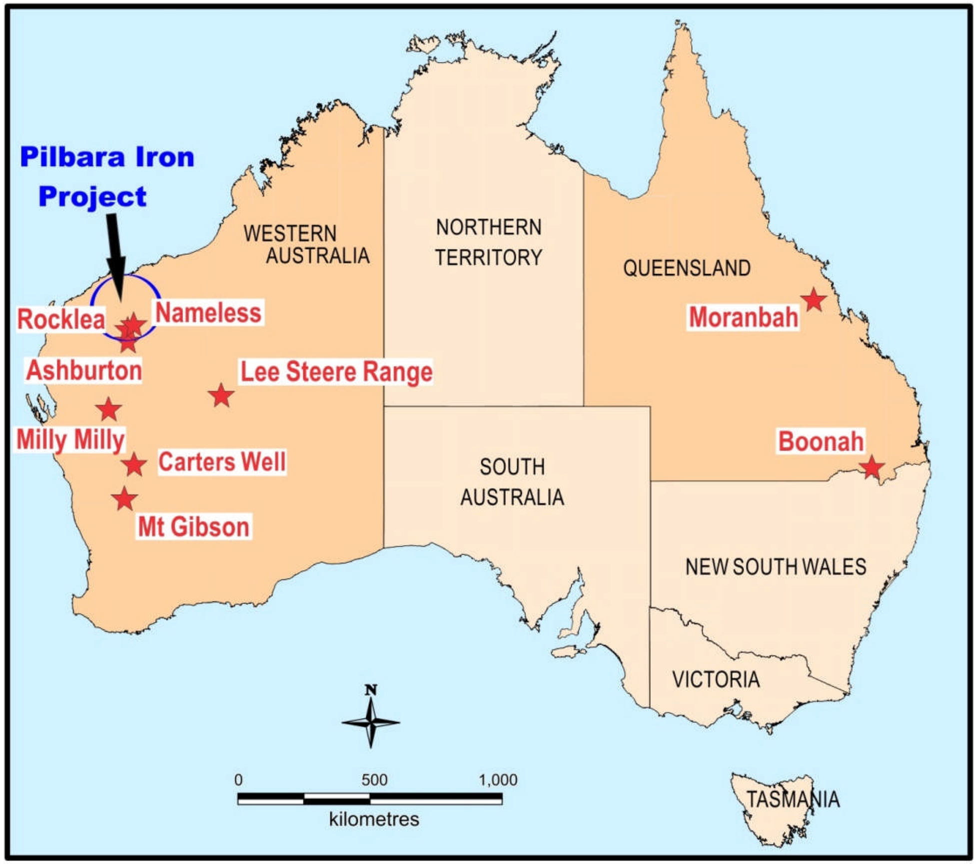
- Rocklea
- Nameless

WA Metals Exploration

- Lee Steere
- Ashburton
- Mt Gibson
- Milly Milly
- Carters Well

Queensland Coal Exploration

- Moranbah
- Boonah



Pilbara Iron Project - Overview

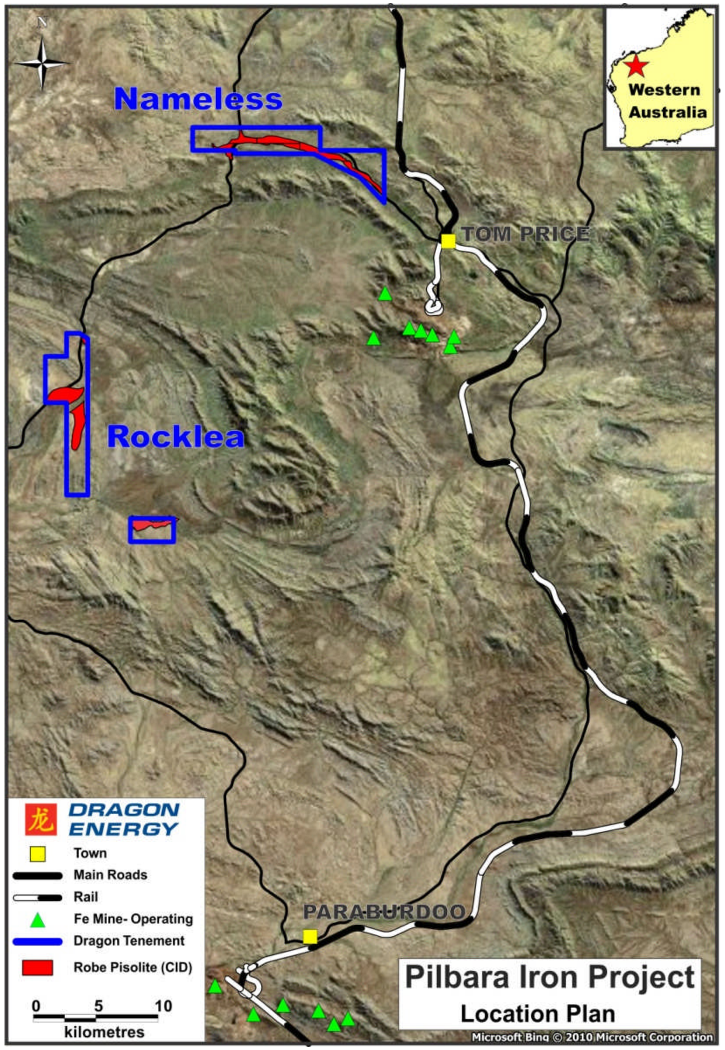
Two centrally located advance iron ore exploration projects in the prolific Pilbara region[1] of Western Australia

Rocklea

63.1Mt @ 53.4% Fe JORC inferred resource, 50% Fe cutoff

Nameless

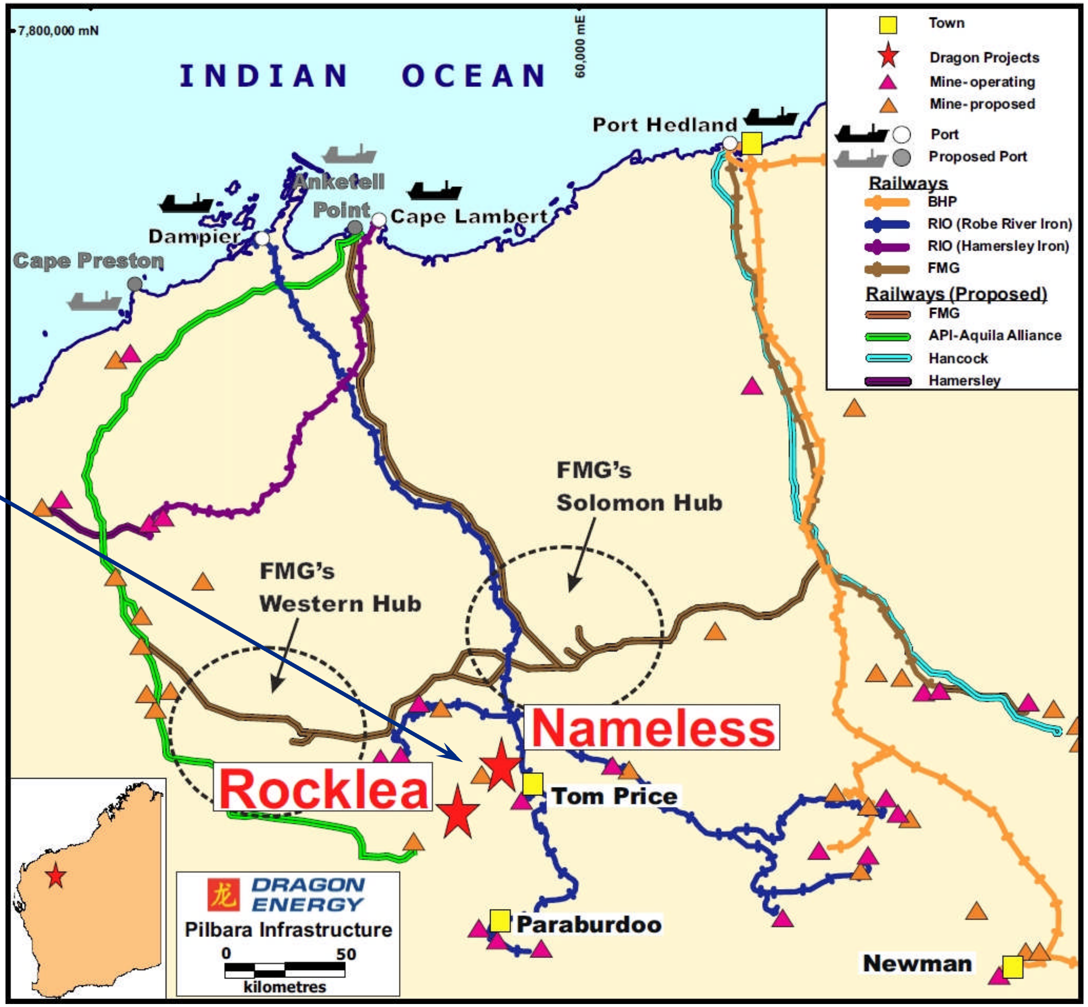
140 - 190Mt iron ore exploration target



1 In 2010, the Pilbara region accounted for 92.5% of Australia's total iron ore production and 79.5% of total identified resources (source: Geoscience Australia)

Pilbara Iron Project - Infrastructure

Rocklea / Nameless are close to transport solutions



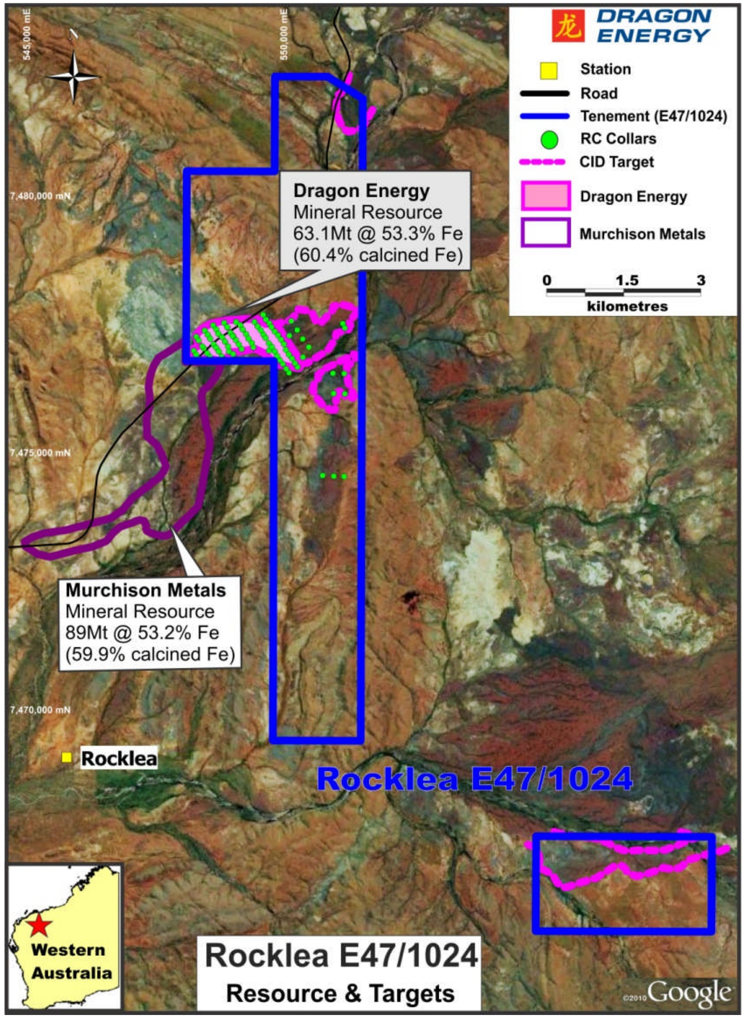
Pilbara Iron Project - Rocklea

- Drilling has identified JORC inferred resources of 63.1Mt @ 53.4% Fe (50% Fe cut off)
- Channel iron style mineralisation
  - Shallow deposit, low mining costs
  - Direct shipping ore characteristics
- Several additional exploration targets remain on the tenement

Rocklea Ore Characteristics Summary

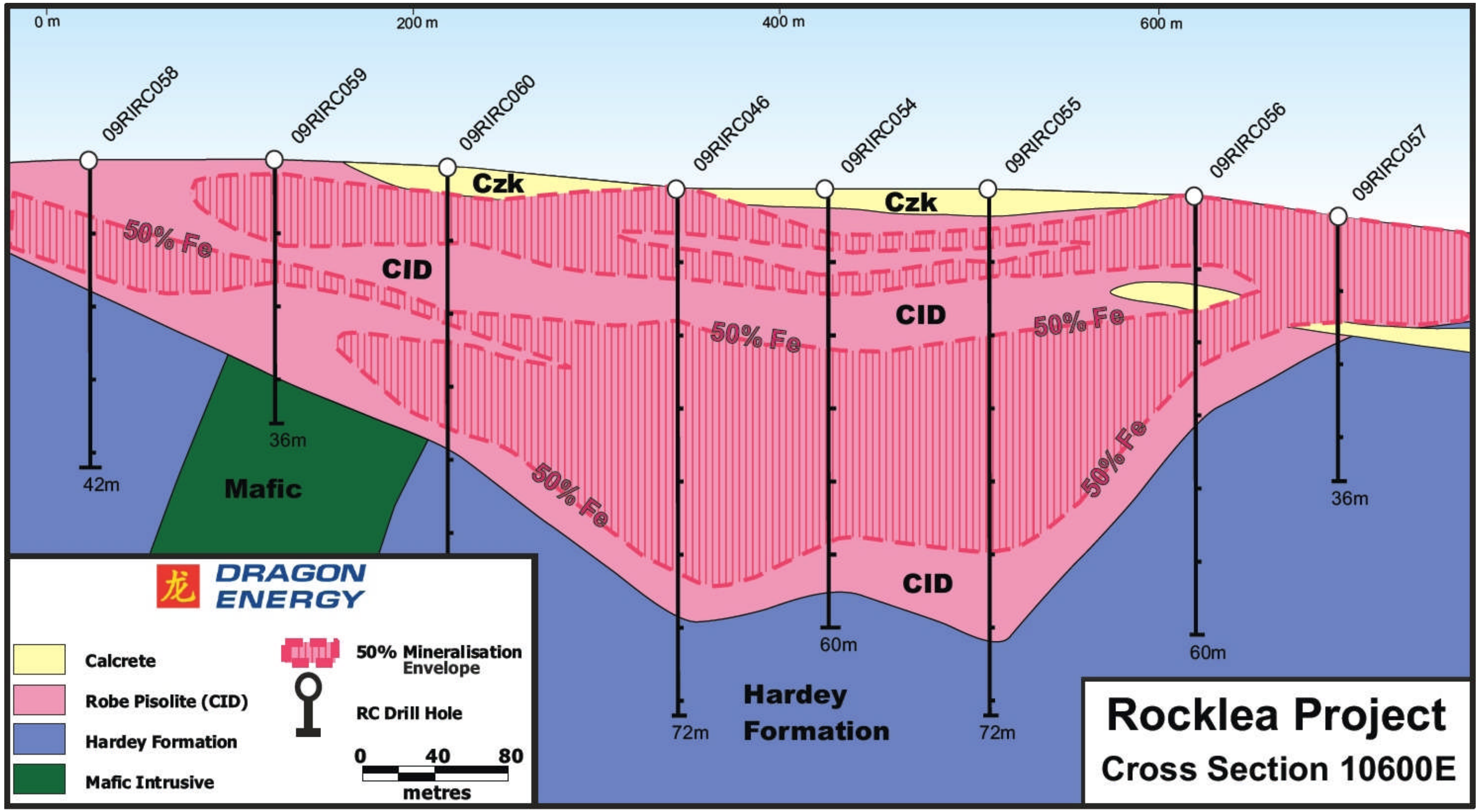
	Million tonnes	Fe (%)	caFe (%)	SiO_2 (%)	Al_2O_3 (%)	P (%)	LOI, (%)	Cut-off Grade
Inferred	63.1	53.38	60.37	7.69	2.54	0.03	11.59	50%

Source: AusQuest 17 August 2009 ASX Announcement



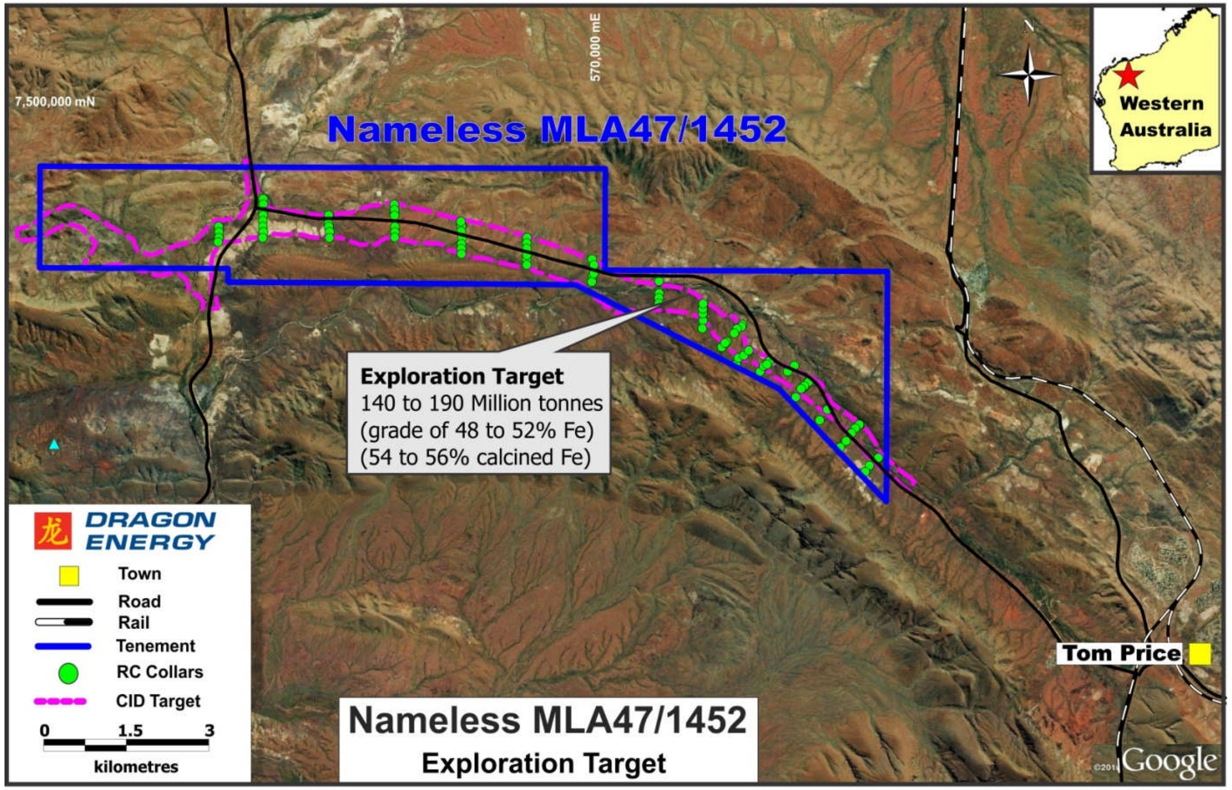
Pilbara Iron Project – Rocklea Cross Section

Typical CID section, shallow mineralisation
Strike Length: 3km
Channel Width: up to 1000m
CID Thickness: up to 60m



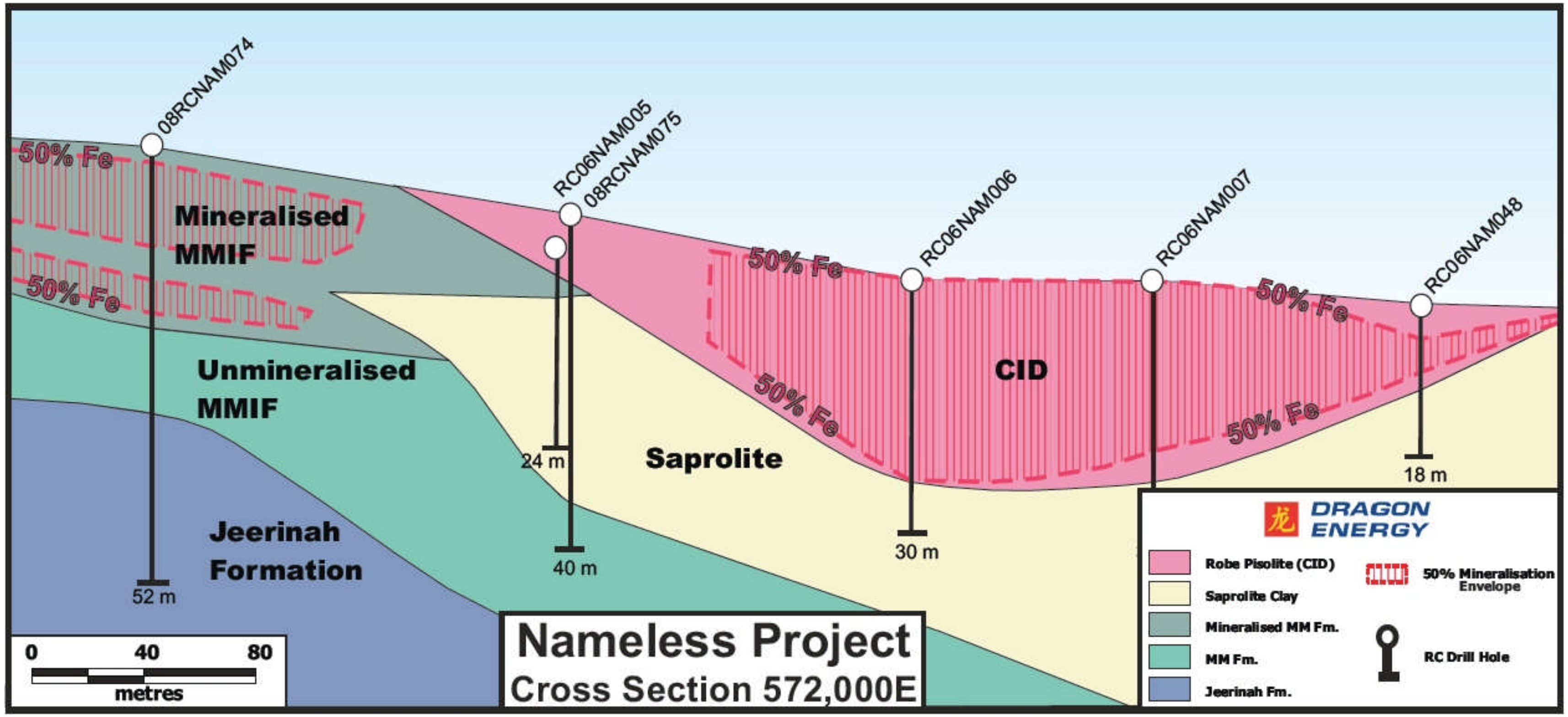
Pilbara Iron Project - Nameless

- CID and Marra Mamba mineralisation with exploration target of 140 - 190Mt identified from previous drilling
- Additional infill drilling to prove up orebody to JORC standard



Pilbara Iron Project – Nameless Cross Section

Typical CID section, shallow mineralisation
Strike Length: 15km
Channel Width: 400 to 600m
CID thickness: up to 24m



Exploration - Lee Steere Project

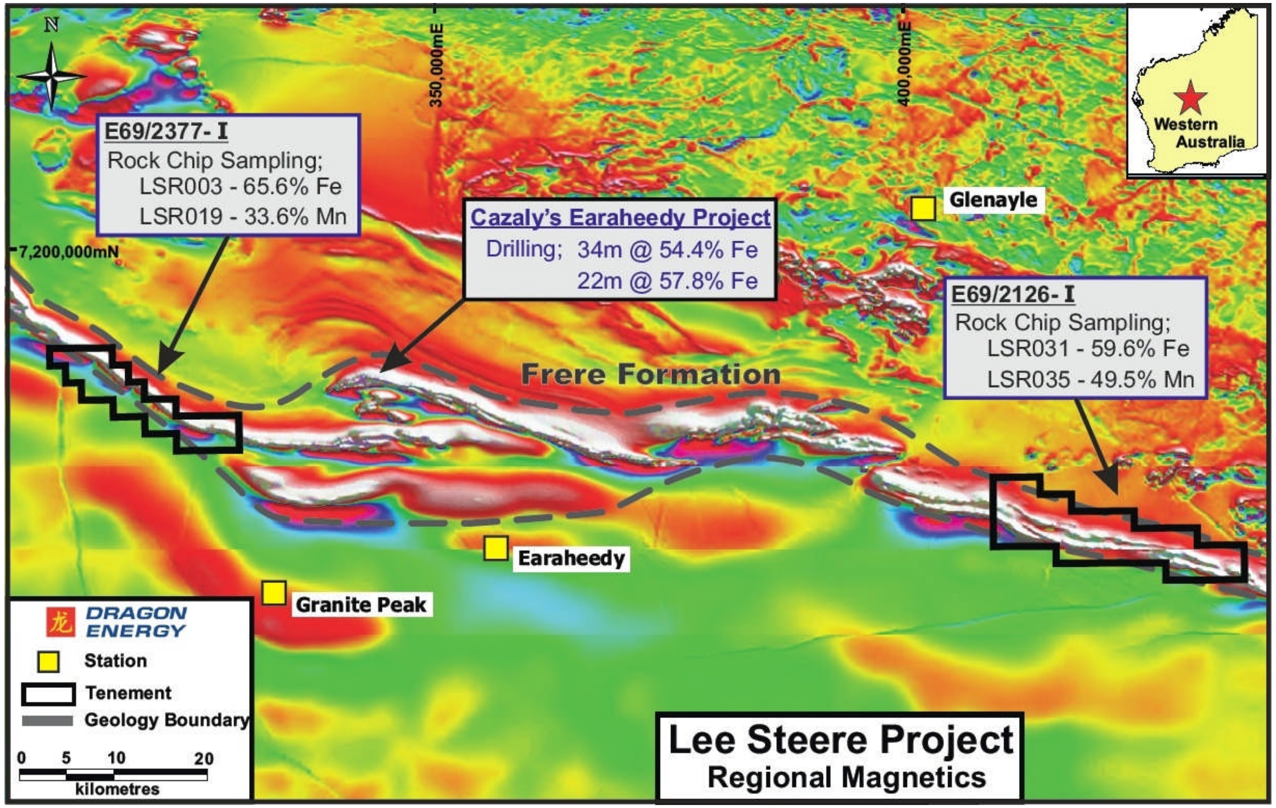
Tenement
E69/2126, E69/2377

Location
200km NE of Wiluna

Area
227km^2

Targets
Fe, Mn

Status
Encouraging Fe and Mn surface sampling results;
Completed geophysics modeling;
Drill testing planned



Exploration – Ashburton Project

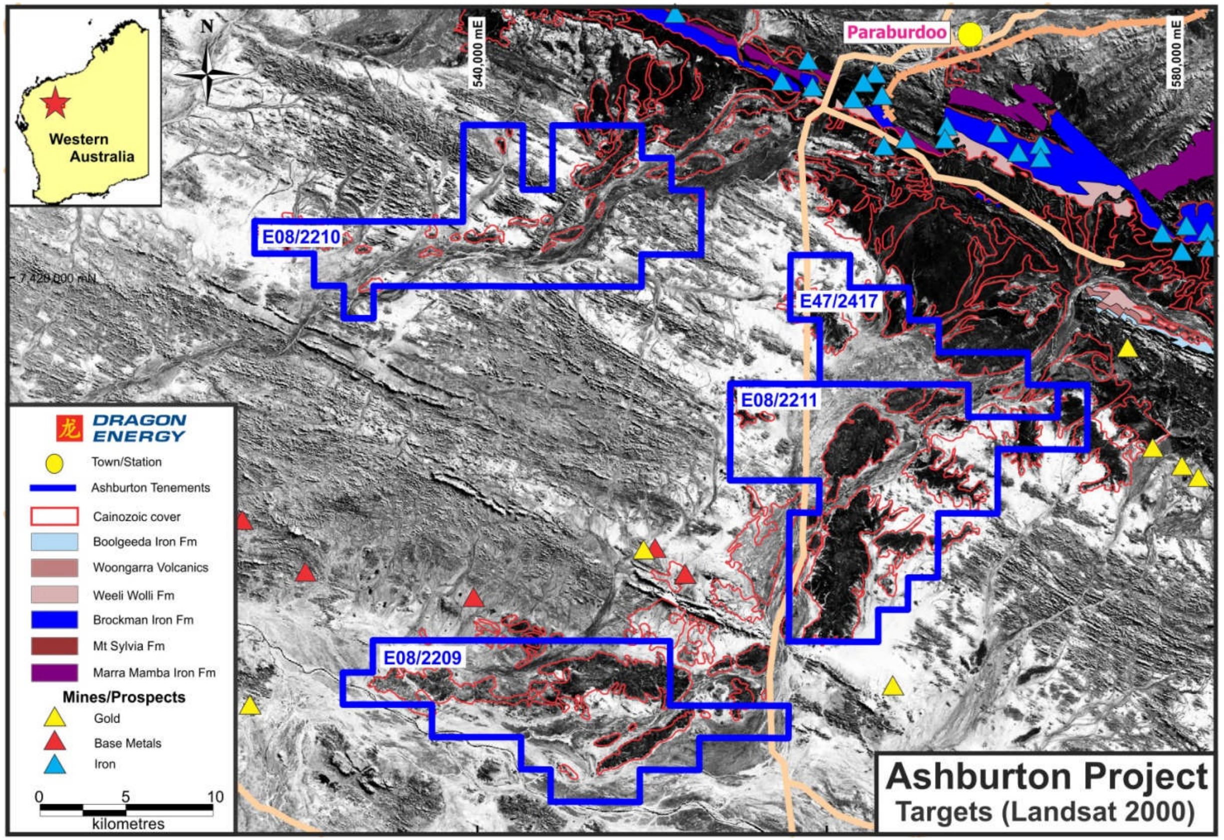
Tenement
E08/2209-2211, E47/2417

Location
Pilbara region, close to Paraburdoo infrastructure

Area
507km^2

Targets
CID and detrital Iron

Status
Targets identified;
Further exploration planned



Exploration – Mt Gibson Project

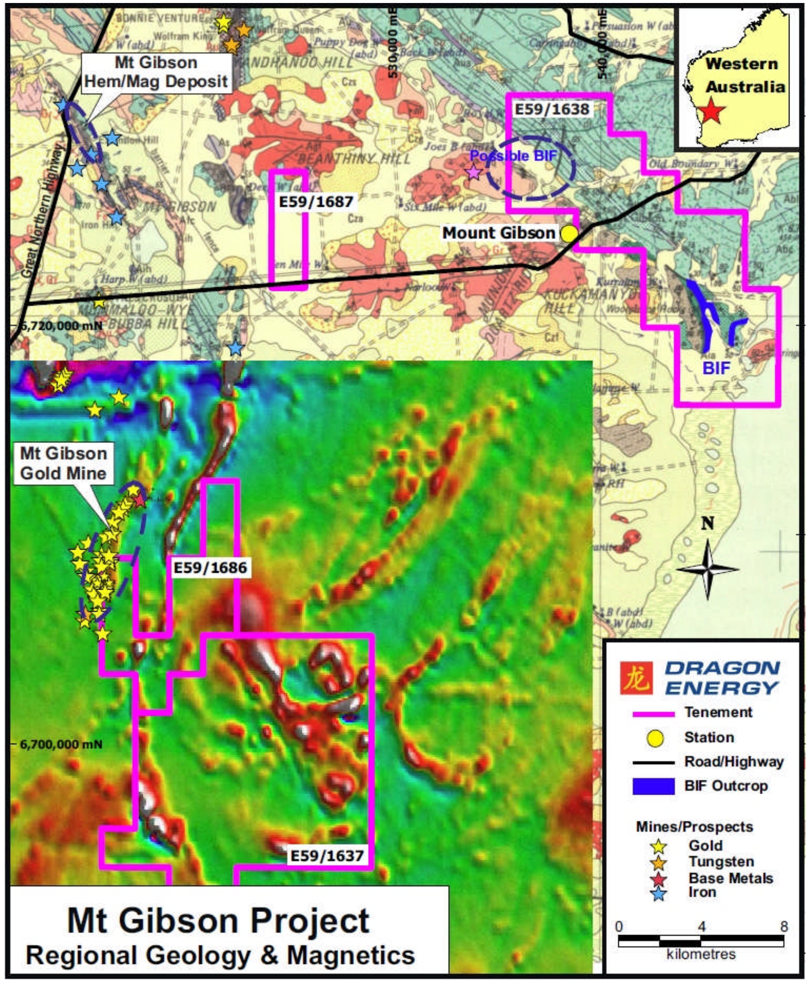
Tenement
E59/1637-38, E59/1686-87

Location
80km NE of Wubin, 30km to Extension Hill Iron Project, adjacent to Mt Gibson Gold Mine

Area
265km^2

Targets
Iron, gold, base metal

Stauts
Completed initial review;
Exploration targets generated



Exploration – Carters Well Project

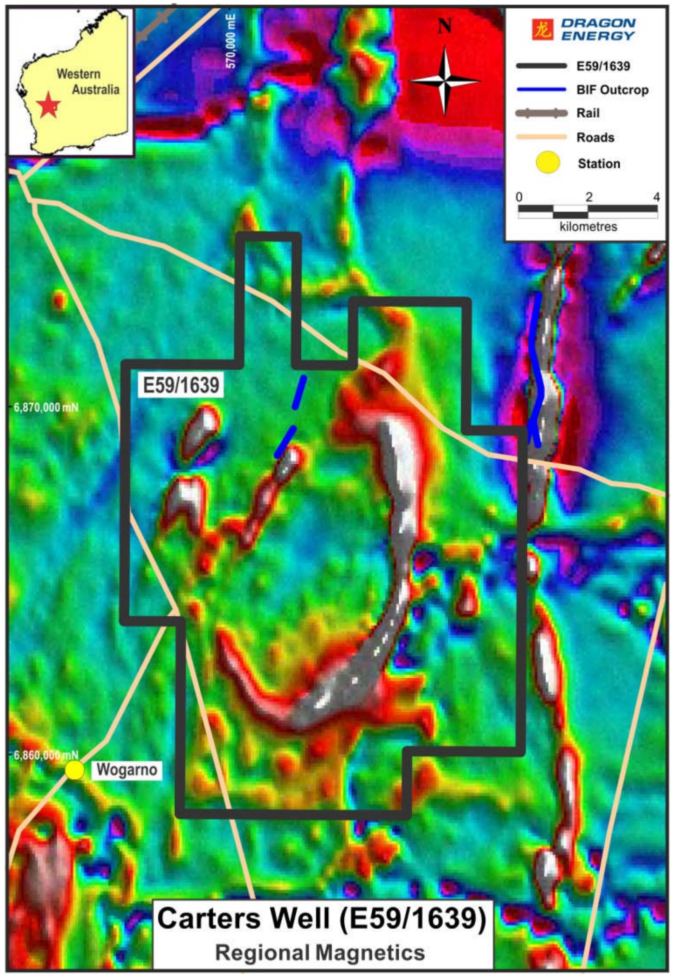
Tenement
E59/1639

Location
30km south of Mt Magnet gold mining district

Area
142km^2

Targets
Gold, base metal

Status
Completed initial review;
Exploration targets generated



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Exploration – Milly Milly Project

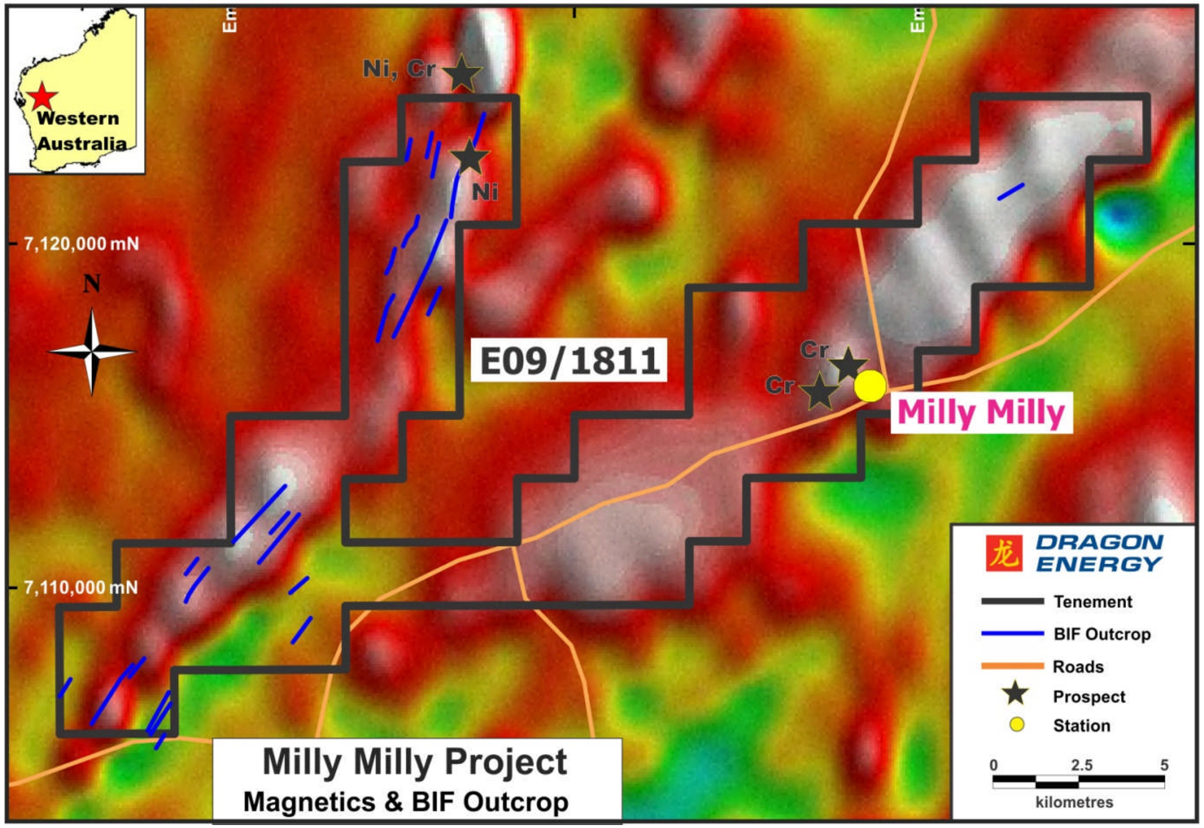
Tenement
E09/1811

Location
196km west of Meekatharra, 58km east of Jack Hills iron project

Area
191km^2

Targets
Iron, base metal

Comment
Under review



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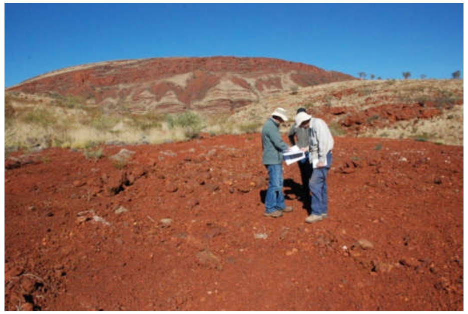
Priorities in 2011

- Pilbara Iron Project
  - Establish maiden JORC resource at Nameless
  - Expand resources at Rocklea
  - Examine development options
- Exploration Projects
  - Lee Steere: drill test identified targets
  - Others: field survey and remote sensing
- Corporate
  - Evaluate new targets and acquisitions



Competent Person / Exploration Target

Competent Person's Statement

The information in the report to which this document 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 a Competent Person as defined in the 2004 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.

Exploration Target

Exploration Targets are reported according to Clause 18 of the JORC Code. Potential quantity and grade of mineralisation is conceptual in nature. Further exploration, particularly drilling, is necessary before any identified Mineral Resources can be reported. It is uncertain if further exploration will lead to a larger, smaller or any Mineral Resource.