

NON-RENOUNCEABLE RIGHTS ISSUE TO RAISE UP TO \$1,032,132

ASX RELEASE

24 JUNE 2016

Dragon Energy Limited (ASX Code: DLE) (Company) is pleased to announce a non-renounceable pro rata offer to Eligible Shareholders of approximately 206,426,374 New Shares at an issue price of \$0.005 per New Share to raise up to approximately \$1,032,132 before costs (Rights Issue).

The Company intends to apply the net funds raised under the Rights Issue towards the progression of the Company's Ashburton project and for general working capital purposes.

Shareholders who hold Shares at 5pm (WST) on 30 June 2016, and have a registered address in Australia or New Zealand will be eligible to participate in the Rights Issue (Eligible Shareholders). Eligible shareholders may also apply for additional shares in excess of their entitlement.

Further information on the Rights Issue will be set out in a prospectus dated 24 June 2016 (Prospectus).

Eligible Shareholders will be sent a copy of the Prospectus and personalised Application Form shortly after the Record Date.

Timetable

The proposed timetable for the Rights Issue is set out below.

Prospectus lodged with ASIC and ASX	24 June 2016
Ex Date – Shares trade ex Entitlement	29 June 2016
Record date to determine Entitlement (Record Date)	30 June 2016
Prospectus with Entitlement and Acceptance Form dispatched	1 July 2016
Offer opens for receipt of Applications	1 July 2016
Closing date for acceptances (Closing Date)	15 July 2016
Deferred settlement trading commences	18 July 2016
Notify ASX of Shortfall	20 July 2016
Issue of New Shares	22 July 2016
Deferred settlement trading ends	22 July 2016
Dispatch of shareholding statements	25 July 2016
Normal trading of New Shares expected to commence	25 July 2016
Last date to issue Shortfall Securities	15 October 2016





The dates are indicative only and the Company reserves the right to vary the dates including the right to extend the Closing Date or to withdraw the Rights Issue (subject to the Corporations Act and the ASX Listing Rules).

Important Information

Any person considering acquiring shares under the Rights Issue should read the Prospectus carefully. Applications for shares under the Rights Issue may only be made using the Application Form to be attached to, or accompanying the Prospectus. Securities will only be issued on the basis of an Application Form issued together with the Prospectus.

Nothing contained in this announcement constitutes investment, legal, tax or other advice. You should make your own assessment and take independent professional advice in relation to the information and any action taken on the basis of the information.

For further enquiries, please contact:

Gang Xu
Managing Director
Telephone: +61 8 9322 6009