

ASX RELEASE

Dragon Mountain Gold Ltd,
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Renewal of Exploration Licences

Dragon Mountain Gold Limited (DMG) would like to advise that the Exploration Licensing Division of the Ministry of Land and Resources in China has approved the renewal of all of the following exploration licences for the Lixian Project:

JV Licence Holder	Licence Number	Area
Gansu Long Ao Mining Company Limited	T01120090202025172	2.66 km ²
Gansu Long Ao Mining Company Limited	T01120090202025170	5.15 km ²
Gansu Long Ao Mining Company Limited	T01120090202025165	5.68 km ²
Gansu Long Ao Mining Company Limited	T01120090202025174	17.75 km ²
Gansu Long Jin Mining Resources Company Limited	T01120090202025163	5.14 km ²

DMG subsidiary, Long Province Resources Ltd, holds an 87% interest in Gansu Long Ao Mining Company Limited and a 90% interest in Gansu Long Jin Mining Resources Company Limited.

These licences have all been renewed until 31 December 2010.

Licence Number T01120090202025163 contains an inferred JORC resource comprising 18.9Mt at 1.8g/t Au for 1.1Moz, which is the first in a series of known deposits with potential to be converted to JORC compliant status, within the historical gold producing region in central China, where the Lixian Project is located.

The renewal of the Lixian Project licences is a significant positive step in the application process for the Mining Area Demarcation licence and reinforces DMG's presence in China through the Lixian Project.

John Hopkins
Chairman

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr. Steve P Boda, who is a Member of the Australian Institute of Geoscientists. Mr. Boda is a full time employee of the Company.

Mr. Steve P Boda 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

Mr. Boda consents to the inclusion in the report of the matters based on information in the form and context in which it appears.

About Dragon Mountain Gold Limited

- Listed on the Australian Stock Exchange (Code ASX:DMG)
- A gold development and exploration company specialising in China's resource sector.
- Highly skilled management with multinational experience.
- 75% ownership of major, advanced stage Lixian gold project.