SILVER DRAGON RESOURCES INC.

September 2012

A GLOBAL SILVER STRATEGY
FORWARD LOOKING STATEMENTS

Some of the statements in this presentation are forward-looking statements and as such are based on an assumed set of economic conditions and courses of action. These include feasibility of mining projects, estimates of future production levels, expectations regarding mine production costs, expected trends in mineral prices and statements that describe Silver Dragon Resources Inc.’s future plans, objectives or goals.

There is a significant risk that actual results will vary materially from results depending on such factors as uncertainties related to the successful exploration and development of projects, uncertainties inherent in the calculation of mineral reserves; mineral resources and metal recoveries; changes in general economic conditions and financial markets, changes in prices for silver and other metals; technological and operational hazards in mine development and mining activities, timing and availability of financing, government and other approvals, political unrest or instability in countries where Silver Dragon Resources Inc. is active, labor relations and other risk factors listed from time to time in Silver Dragon Resources Inc.’s Form 10-K which is available on the company’s website and available at www.sec.gov.
Silver Dragon Resources Inc. is an exploration company focused on the acquisition, exploration, development and operation of silver mines in proven silver districts in China.

Silver Dragon’s objective is to acquire silver mining assets that contain promising exploration targets, have highly-leveraged silver deposits, and/or producing properties with significant untapped exploration potential.

It is management's objective to grow Silver Dragon into a significant silver producer by developing its silver / polymetallic properties in China.

The Company currently trades on the OTC Bulletin Board under the symbol “SDRG”.
INVESTMENT SUMMARY

• Approximately 55 million silver equivalent ounces (27 million ounces measured and indicated, 29 million ounces inferred) were defined in Canadian NI 43-101 standards for three properties.

• Trading with microcap valuation.

• One of three North American companies licensed to produce silver in China.

• Leverage of silver and base metal prices.

• Significant exploration upside potential.
Silver uses: Demand drivers

Silver demand is influenced by both industrial and monetary/investment factors. Silver supply, relative to demand, has been in a deficit for the past 15 years.

According to Carlos Sanchez of the CPM Group, about 85% of silver’s demand is industrial, which includes its application in everything from photography to solar panels. The metal is used in computer keyboards, automobile dashboards, the control panels of washing machines and even the circuit breaker boxes in our homes.

Precious metals have enjoyed a spectacular rise after the Federal Reserve signaled that interest rates will stay low for an extended period of time—no changes to policies or forecasts—and telegraphed the end of its bond-buying program.

About 25% of silver product comes from so-called primary silver mines where silver is the main source of revenue. This is noteworthy given that the impact of the price of silver is most acute on primary silver production whereas by-product silver production is, in large part, a function of the price of the other metals with which silver is mined.
## STOCK SUMMARY

<table>
<thead>
<tr>
<th>Stock exchange listings</th>
<th>OTCBB: SDRG</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common shares issued</td>
<td>246 million</td>
</tr>
<tr>
<td>Fully diluted (including warrants)</td>
<td>266 million</td>
</tr>
<tr>
<td>Average daily volume (3 months)</td>
<td>1,500,000</td>
</tr>
<tr>
<td>52-week low / high (USD)</td>
<td>$ 0.01 / $ 0.19</td>
</tr>
<tr>
<td>Total resources (millions of troy ounces)</td>
<td>27 (Measured + Indicated)<em>&lt;br&gt;29 (Inferred)</em></td>
</tr>
</tbody>
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Notes: As of August, 2012<br>* Taken from Canadian NI 43-101 reports for Laopandao & Dadi Silver Projects in China.
### STOCK OWNERSHIP

<table>
<thead>
<tr>
<th>Category</th>
<th>Quantity (Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public float</td>
<td>190.8</td>
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<tr>
<td>HIC, China</td>
<td>8.7</td>
</tr>
<tr>
<td>Management</td>
<td>18.2</td>
</tr>
<tr>
<td><strong>Total free trading</strong></td>
<td><strong>217.7</strong></td>
</tr>
<tr>
<td>Management</td>
<td>2.1</td>
</tr>
<tr>
<td>Other affiliates and insiders</td>
<td>26.2</td>
</tr>
<tr>
<td><strong>Total restricted</strong></td>
<td><strong>28.3</strong></td>
</tr>
<tr>
<td><strong>Total shares</strong></td>
<td><strong>246.0</strong></td>
</tr>
</tbody>
</table>
CORPORATE STRUCTURE
CORPORATE STRUCTURE
(After sale of Erbahuo is completed)
OPERATIONS / STRUCTURE

Sino-Top - China

- The Company holds a 40% equity interest in Sino-Top Resources & Technologies, Ltd., a Chinese-American joint venture company incorporated in 2003 and headquartered in a suburb of Beijing, China.

- The remaining 60% interest in Sino-Top is owned by two Chinese companies, Huaguan Industrial Corp., a subsidiary of the state-owned North China Geological Exploration Bureau (8%) and Gansu Shengda Ltd., a privately owned Conglomerate and currently the largest silver mining company in China (52%).

- Sino-Top holds exclusive exploration rights to six projects covering a total of 138 square kilometers within the Erbahuo Silver District in Inner Mongolia, northern China.

Chifeng Silver Dragon - China

- Chifeng Silver Dragon Resources & Technologies Ltd. owns mining rights to the silver producing Erbahuo mine with a 70% interest held by Silver Dragon and 30% interest held by HIC.

- We have entered into a definitive agreement to sell our 70% interest in the Erbahuo Silver Mine in China along with Chifeng Silver Dragon, to a private Chinese investor for RMB 7.4 million or approximately US$1.17 million.

Silver Dragon Mining de Mexico S.A. de C.V.

- Silver Dragon has a wholly-owned subsidiary, Silver Dragon Mining de Mexico, S.A. de C.V. ("Silver Dragon Mexico"), a Mexican incorporated company formed in April 2006.
BUILDING & ACQUIRING RESERVES

Silver Dragon is focused on expanding a reserve base of undercapitalized assets through opportunistic acquisition and development, starting with the completion of National Instrument (NI) 43-101 reports.

  - 21 million measured + indicated silver equivalent ounces and 23 million inferred silver equivalent ounces have been defined.

- Initial NI 43-101 Report for Laopandao Project (China) completed in Q4 2011.
  - 10 – 12 million inferred silver equivalent ounces have been defined.

- Conversion program to Canadian Standard NI 43-101 from Chinese Reporting Standards underway for remaining four properties.
SILVER DRAGON IN CHINA

ERBAHUO SILVER DISTRICT, INNER MONGOLIA, NORTHERN CHINA

- 6 mining properties covering a total of 138 square kilometers
- Prolific silver district in Inner Mongolia
- 21 million measured + indicated silver equivalent ounces and 23 million inferred silver equivalent ounces (NI 43-101 Pre Feasibility Study dated August 25, 2011) reported on award winning Dadi Polymetallic Silver Project.
- 10 – 12 million inferred silver equivalent ounces (NI 43-101 Deposit Modeling and Resource Estimate) reported on Laopandao Polymetallic Silver Project.
1. Yuanlinzi (“yuen-lin-dze”)
2. Aobaotugounao (“aw-baw-too-gow-naw”)
3. Laopandao (“law-pen-daw”)
4. Shididonggou (“shee-dee-dong-gow”)
5. Zhuanxinhu (“zhuen-shin-hoo”)
6. Dadi (“Dah-Dee”)

CHINA PROJECT LOCATION MAP

Projects:

1. Yuanlinzi (Yuen-lin-dze)
2. Aobaotugounao (Aw-baw-too-gow-naw)
3. Laopandao (Law-pen-daw)
4. Shididonggou (Shee-dee-dong-gow)
5. Zhuanxinhu (Zhuen-shin-hoo)
6. Dadi (Dah-Dee)
SILVER DRAGON IN CHINA

STATUS OF CHINESE 2012 EXPLORATION PROGRAM (KEY PROPERTIES)

Erbahuo

- We have entered into a definitive agreement to sell our 70% interest in the Erbahuo Silver Mine in China along with the Chinese subsidiary, Chifeng Silver Dragon Resources & Technologies, Ltd., to a private Chinese investor for RMB 7.4 million or approximately US$1.17 million.

Dadi

- Field projects for 2012 exploration season commenced in February.
- 2012 Field Project Targets: 4,000 meters drilling, 3,000 meters tunneling, 500 cubic meters trenching, engineering survey and additional metallurgical testing.
- 1,916.7 meters tunneling completed current year to date.
- 2,199.2 meters drilling (18 holes) completed current year to date
- Mining license application in progress.
Laopandao

- Field projects for 2012 season commenced in April.
- 2012 Field Project Targets: 4,000 meters drilling, 700 meters tunneling, 500 cubic meters trenching, thin section study, density analysis, tin phase analysis and metallurgic testing.

Aobaotugonao

- Exploration commenced for 2012 exploration season in second quarter of 2012.
- Field Project Targets: 4,000 meters drilling and 5,000 meters trenching.
- 4,338.45 meters drilling (17 holes) completed current year to date.
DADI POLYMETALLIC PROJECT (CON’T)

Quick Facts:

- Project is 100% owned by Inner Mongolia Guangda Mining, Ltd., a 40% owned subsidiary of Silver Dragon Resources, Inc.

- Dadi Silver Project located in the Erbahuo Silver District near Dadi Village of Reshui Town of Keshiketeng County in Inner Mongolia.

- The property is about 12.48 km² in size.

- Silver Dragon issued a NI 43-101 Pre Feasibility Study in August of 2011 with 21 million measured + indicated silver equivalent ounces and 23 million inferred silver equivalent ounces reported.

- The project won the prestigious “Explorer of the Year” award at the China Mining Conference in 2009.

- Silver Dragon, with its partners HIC and Gansu Shengda, will be finalizing a strategy and budget, in Q3 2012, to bring the project into production in 2014.
DADI POLYMETALLIC PROJECT (CON’T)

Highlights from the 2011 Metallurgical Analysis for Dadi include the following:

• Collected crude ore samples from Dadi Property are composed of metal minerals of sphalerite, galena, chalcopyrite, pyrite, argentite and small amounts of arsenopyrite; and gangue minerals of quartz, carbonates, epidote, and chlorite. Main recoverable metals from crude ores are lead, zinc, and silver. Other metal contents do not reach economic parameters.

• The grade of lead concentrate is 66.40% Pb and the recovery rate of lead reaches 90.14%; and the grade of zinc concentrate is 42.48% Zn and the recovery rate reaches 74.79%. The grade of silver in lead concentrate is 2,965.04 g/t and silver recovery rate is 40.19% in the first stage of processing; the silver grade in zinc concentrates reaches 1,943.48 g/t and silver recovery rate reaches 40.35% in the second stage. The total silver recovery rate through the two-stage floatation process is 80.54%.

• The ore processing test has provided efficient results on the recovery of useful metals.

• Lead occurs in sulfides, which have good floatability and are easily recovered.
DADI POLYMETALLIC PROJECT (CON’T)

Highlights from the 2012 Exploration Program To Date:

• The main exploration work at Dadi is focused on mineralization zones IV, III, and II by underground drilling, ore drifting and transverse drifting (crosscut drilling). Four underground drilling rigs are being operated at exploration lines 1 and 0 where these mineralization zones exist.

• **Mineralization Zone IV:** Transverse Drift PD4NCM01 shows grades of Ag 62.2 g/t, Pb 1.76%, and Zn 0.55%. Transverse Drift PD4SCM01 shows very high grades of silver, lead, and zinc. Sample DH6611 has Ag 283 g/t, Pb 1.94% and Zn 0.65%; and the grades of sample DH6612 reach Ag 1,715 g/t, Pb 9.57%, and Zn 1.73%.

• **Mineralization zone II:** Transverse Drift CM10 contains two high-grade samples; Ag 108 g/t, Pb 1.22%, Zn 0.54 (DH6069) and Ag 169 g/t, Pb 2.1%, Zn 2.2% (DH 6072). The best mineralization intervals of mineralization zone II are discovered in transverse drift CM04. From 31.5m to 36.3m intervals, the grades of all samples reach industrial levels, and the highest grades found are Ag 860 g/t, Pb 8.39%, and Zn 8.38%. The weighted average grades of these intervals are Ag 352.67 g/t, Pb 3.57%, and Zn 3.52%.
LAOPANDAO POLYMETALLIC PROJECT

Working in the tunnels at Laopandao

Tunnel entrance at Laopandao

Laopandao project site
LAOPANDAO POLYMETALLIC PROJECT

Quick Facts:

• Project is 100% owned by Inner Mongolia Guangda Mining, Ltd. ("Guangda"), a 40% owned subsidiary of Silver Dragon Resources. Inc.

• Laopandao is located in the Erbahuo Silver District approximately 13 km to the north of the Reshui Town of Keshiketeng County in Inner Mongolia.

• The property is about 44.79 km² in size.

• Silver Dragon released an initial NI 43-101 Deposit Modeling and Resource Estimate in November of 2011 with inferred estimates of 10 - 12 million silver equivalent ounces.

• Silver Dragon, with its partners HIC and Gansu Shengda, will be finalizing a strategy and budget, in Q3 2012, to bring the project into production in late 2013 / early 2014.
LAOPANDAO POLYMETALLIC PROJECT

Highlights from the 2011 exploration program announced on April 10, 2012 are as follows:

• In 2011, the exploration work focused on mineralization zone III and included 308 meters tunneling, 192 pieces of sampling and assaying, as well as hydrogeological, engineering, geological, and environmental surveys within the property demonstrating a potential viable operation.

• Exploration to date has demonstrated economic tin resources in mineralization zone III with more than 1% tin discovered in many areas including in mineralized bodies III-10 and III-12.

• 21 mineralized bodies have been defined in mineralized zone III with several mineralized bodies of tin defined by tunneling.

• The recalculation of tin resources in mineralization III shows the total amount of polymetallic ore reaching 2,657,105 metric tonnes (332 [indicated] + 333 [inferred] category resources following Chinese Geological Exploration Standards) with 11,383 metric tonnes (25 million pounds) of tin, demonstrating a significant resource potential.
LAOPANDAO POLYMETALLIC PROJECT

Highlights from the 2010 exploration program announced on February 1, 2011 are as follows:

- Mineralization zone I contains an interesting silver-copper-tin enrichment which is approximately 540m long, 100m wide with a dip extension of over 300m, containing 8 mineralized bodies with average grades Ag 231.7 g/t, Cu 0.48%, and Sn 0.335%.
- Mineralization zone II contains an interesting silver-copper-tin enrichment and is approximately 200m long and 80m wide, containing 16 mineralized bodies with the highest average grade of individual mineralized body at Ag 274.46 g/t, Cu 1.26% (II-3 mineralized body), and Sn 0.185% (II-1a mineralized body).
- Mineralization zone III is characterized by tin mineralization, approximately 300m long and 200m wide and occurs within a granite porphyry intrusion. A total of 21 mineralized bodies were identified with the highest Tin ore grade at 34.08% and average Tin grade of 0.413%.
- All mineralized bodies have been defined by drill holes and/or underground drifts, the samples were analyzed with internal and external verification.
- The initial resource estimate of the three mineralization zones are based on Chinese National Non-ferrous Metal Resource Estimation Standards. Estimates show 4,616,370 t (metric tonnes) of ore with 318 tonnes (10.2 million oz.) silver, 10,239 tonnes copper, and 15,184 tonnes tin.
BOARD OF DIRECTORS

Marc M. Hazout  
President, CEO and Director
Marc M. Hazout founded Silver Dragon Resources Inc. and currently serves as a Director, President and CEO. Mr. Hazout brings over 15 years of experience in public markets, finance and business operations to Silver Dragon Resources Inc. Over the past several years Mr. Hazout has been involved in acquiring, restructuring and providing management services, as both a Director and an Officer, to several publicly traded companies. In 1998, Mr. Hazout founded and has been President and CEO of Travellers International Inc., a private investment banking firm headquartered in Toronto. Travellers has been involved in a multitude of successful capital market transactions, and over the past decade has focused on building relationships in China with the objective of participating in that country's tremendous growth opportunities.

Manuel Chan, B. Com  
Executive Director
Mr. Chan possesses more than 20 years of experience in the real estate sector and holds a Bachelor of Commerce Degree in Management Information Systems and Accounting from the University of British Columbia, Canada. Through his business dealings, Mr. Chan has established an extensive network of business and personal relationships throughout the Hong Kong and China Investment Community.

Charles L. McAlpine  
Independent Director
Mr. McAlpine brings almost 50 years of experience at executive-level positions in the mining industry. He holds a Business Administration degree from The Ivey School, University of Western Ontario and is a Chartered Accountant. Mr. McAlpine was President of Campbell Chibougamau Mines Ltd., (a listed Canadian copper-gold mining company) in 1973 when Campbell won The Ryan Trophy for Best Safety Record of all metalliferous mines in Canada. From 1989 to 2007 he was a Director of Hecla Mining Company, now the largest and lowest cost silver producer in the USA.
Haijun Tang
Director
Mr. Tang is currently head of the Exploration Unit of the North China Geological Exploration Bureau, also known as Huaguan Industrial Corp. (HIC), a Chinese state-owned entity that operates in many diversified fields such as mining, engineering, manufacturing, chemical analysis, and real estate. Before being appointed head of HIC, Mr. Tang served with Tianjin North China Geological Exploration Bureau, the parent of HIC, for over six years, taking various posts such as director of general office and director of the investment and development department. Previously, Mr. Tang worked at HIC for over 10 years, as administrative staff at various departments. Mr. Tang graduated from Changsha Industrial Advanced Technical School, majoring in Chinese language. He has a bachelor’s degree in legal theory from the Party School of the CPC Central Committee. He also holds the title of senior economist.

Mr. Tang is also a member of the Board of Directors of Sanhe Sino-Top Resources & Technologies Ltd. (Sino-Top), a joint venture between Silver Dragon, Gansu Shengda Ltd., and HIC.

R. Glen MacMullin, CA
Independent Director
Mr. MacMullin is currently Vice President of Finance with Minto Group, a real estate development, construction and management company based in Ottawa, Canada. Prior to joining Minto Group in 2008, he was a Managing Director at Xavier Sussex, LLC, a New York-based private equity firm affiliated with Deutsche Bank that he co-founded in 2004. The firm launched with a $200 million seed commitment from Deutsche Bank and structured private investments into mid-market companies undergoing financial and/or operational restructuring. Previously, Mr. MacMullin was Chief Operating Officer with the proprietary trading group of Deutsche Bank in New York. The group managed over $6 billion in capital through a 20 strategy alternative investment platform in New York, London and Hong Kong. He has also held several senior management positions with Deutsche Bank Offshore in the Cayman Islands, including Head of Investment Funds. He started his career in public accounting with Coopers & Lybrand in Ottawa, Canada and KPMG in the Cayman Islands.
Silver Dragon Resources has a Strategic Advisory Board comprised of several distinguished mining executives who will act as advisors to the Board of Directors. The mandate of this group is to assist Silver Dragon with its strategic plans and to use their extensive contacts to assist the company with anticipated transactions.
STRATEGIC ADVISORY BOARD

The Strategic Advisory Board (SAB), is comprised of well-known and experienced executives in the financial and mining industries, who act as advisors to the Board of Directors. The mandate of the SAB is to assist Silver Dragon to formulate its strategic plans and to use their extensive contacts to assist in building Silver Dragon.

Rt. Honourable Lord Michael Howard

The Rt. Honourable Lord Howard of Lympne is the former leader of the Conservative Party in Britain, a distinguished lawyer, and served as a Member of Parliament in Britain for 27 years. He filled many government posts, including Home Secretary, Secretary of State for Employment and Secretary of State for the Environment, as well as Shadow Foreign Secretary and then Shadow Chancellor. After his retirement from the House of Commons at the 2010 General Election, Michael was created a Life Peer. Michael Howard is also Deputy Chairman and a Director of Entrée Gold Inc. listed on the Toronto Stock Exchange and a non-executive Director of Orca Exploration Group, Inc., which is listed on the TSE Venture Exchange.
# MANAGEMENT TEAM

## Corporate Offices  
(North America)

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marc M. Hazout</td>
<td>President &amp; CEO</td>
</tr>
<tr>
<td>Robyn Reinemo</td>
<td>Chief Financial Officer</td>
</tr>
<tr>
<td>Alessandro Motta</td>
<td>Vice President, Investor Relations</td>
</tr>
<tr>
<td>Lindsay Li</td>
<td>Administrative Assistant</td>
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## China  
(Silver Dragon Resources China)

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
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<tbody>
<tr>
<td>Manuel Chan</td>
<td>Vice President, Operations</td>
</tr>
<tr>
<td>Tony Yu</td>
<td>Operations Manager</td>
</tr>
<tr>
<td>Ava Li</td>
<td>Assistant Operations Manager</td>
</tr>
<tr>
<td>Dr. Tiebing Liu, P.Eng</td>
<td>Senior Geologist</td>
</tr>
</tbody>
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Please visit our website for more information

www.silverdragonresources.com