

# Dart Mining NL DTM (\$0.06)

## Large Moly System To Be Drilled In May

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### OUR VIEW

Dart Mining NL (DTM) is a Victorian focussed precious and base metals explorer that has a strategic tenement position. Dart appears to have discovered a new mineral province within northeast Victoria that has similar rocks (Lachlan fold) to the large Cadia and Ridgeway copper mines in NSW. At DTM's flagship property the Unicorn Mo-Cu-Ag project which outcrops at surface DTM has returned some very encouraging Mo-Cu-Ag drill results. DTM recently appointed Mr Lindsay Ward as Managing Director he is a qualified geologist with 25 years of industry experience and will drive DTM to fully evaluate the Unicorn discovery. Drilling is expected to recommence in May to continue to define the extent and grade of the mineralisation which has a 500m diameter footprint at surface and is a similar size to the giant Climax and Henderson mines in the US. DTM plans to carry out a series of deep diamond drilled holes 800m in length with the aim to move towards the establishment of a maiden resource estimate. We would expect a resource estimate to be released by the end of 2011. In addition, DTM has a number of other Mo and Au porphyry targets within Victoria that have had some encouraging results.

### Investment Highlights

- Unicorn An Unexplored Mo-Ag-Cu Porphyry System.** Initial drilling has identified a very large mineralised intrusive system consisting of multiple mineralised rhyolitic quartz feldspar porphyry pulses. The system shows very broad pervasive molybdenum mineralisation above 350ppm with large intervals of significant mineralisation including 106m @ 0.08% Mo, 0.15% Cu and 4.5ppm Ag (DUNDD005). Based on stream and soil sampling a 500m diameter target area has been defined which we calculate could contain up to 350Mt. Grades appear encouraging with >0.05% Mo a potentially mineable grade.
- Unicorn Drilling to Recommence in May.** Further drilling is expected to be conducted in May. DTM plans to conduct a series of deep diamond drill holes of up to 800m in length to establish the size and grade of Mo-Cu-Ag mineralisation. The first hole will test the interpreted continuation and northern extent of the M1 mineralisation and test the M2 mineralised horizon. This will assist in targeting the resource program which will consist of a series of 100m spaced holes with angled holes of east-west drilling. There will be approximately 2500m of deep drilling.
- Excellent Infrastructure.** DTM's projects are located in north-eastern Victoria close to hydro-power, water, paved highways, towns and mining supportive communities. Therefore this would be conducive to a development scenario.
- Molybdenum (Moly) Market.** The major use of Moly is to strengthen and rust proof steel. Moly use is somewhat energy related as it is used in pipelines, drill pipe, tubing in nuclear plants and as a catalyst to crack the sulphur out of crude oil and its price is correlated strongly with oil price. The Moly market is fairly small being 488mlbpa (220,000t) in 2010 with 47% of supply by-products from copper mines and 53% from large primary mines and smaller mines. The LME began trading of Moly future in February 2010 with the current price US\$17.50/lb.
- Other Projects.** DTM have highly prospective tenure with a number of other projects identified other than Unicorn these include: 1) Morgan 2) Mountain View 3) Bunroy and Boebuck.
- Stronger Financial Position.** DTM is in a stronger financial position after a \$2m placement and 1 for 3 rights issue at 6.5cps. For every two shares shareholders received a listed option exercisable at 10cps. DTM has a cash position of approximately \$1.63m at the end of March.
- Catalysts.** 1) May - recommencement of Drilling at Unicorn 2) Further positive drill results from the Unicorn project.

### Directors & Shareholders

| Directors           | Position               |
|---------------------|------------------------|
| Christopher Bain    | Non-Executive Chairman |
| Lindsay Ward        | Managing Director      |
| Bernhard Hochwimmer | Executive Director     |
| Dean Turnball       | Executive Director     |
| Stephen Poke        | Non-Executive Director |
| Richard Udovenya    | Non-Executive Director |

| Shareholders         | Holding (%) |
|----------------------|-------------|
| Russel Simpson       | 5.7         |
| North East Geologica | 3.9         |
| Hochwimmer Bernhard  | 3.9         |

### Company Statistics & Performance

|                     |                 |                |       |
|---------------------|-----------------|----------------|-------|
| Shares on issue (m) | 119.4           | 3mth ADT (\$m) | 0.012 |
| ITM Options (m)     | 0.0             | EV (\$m)       | 5.5   |
| Market Cap. (\$m)   | 7.2             | Debt est (\$m) | 0.0   |
| 52 week range       | \$0.05 - \$0.17 | Cash est (\$m) | 1.6   |



**Disclosure: Patersons was lead manager and underwriter for a \$2m rights issue and placement at \$0.065/sh conducted in November 2010. Patersons received a fee for this service.**

Figure 1: DTM project location

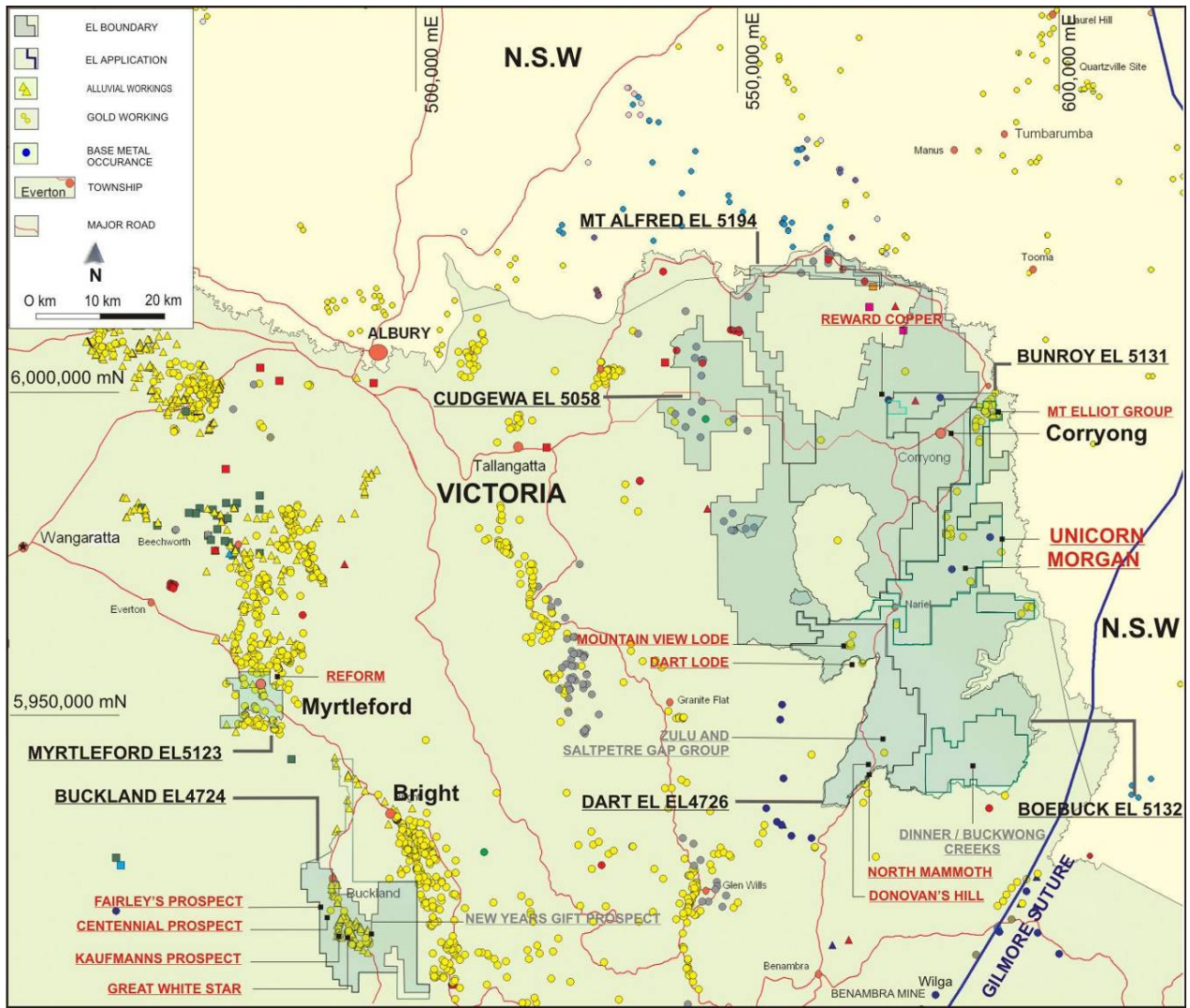


Figure 2: Unicorn IP drill targets

