



## ASX ANNOUNCEMENT

16 June 2011

ASX Code: DTM

### Investment Data

|                  |        |
|------------------|--------|
| Shares on issue  | 119.4m |
| Listed options   | 15.6m  |
| Unlisted options | 5m     |

### Shareholders

Top 20 Hold **38.8%**

### Key Projects / Metals

- Unicorn Porphyry Mo-Cu-Ag
- Morgan Porphyry Mo-Ag-Au
- Mountain View Lode – Au

**Mo** – Molybdenum

**Cu** – Copper

**Au** – Gold

**Ag** – Silver

### Board & Management

#### Chairman

Mr Chris Bain

#### MD and CEO

Mr Lindsay Ward

#### Executive Directors

Mr Dean Turnbull

Manager – Exploration

#### Non-Executive Directors

Mr Stephen Poke

Mr Richard Udovenya

### Contact Details

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Visit our webpage:

[www.dartmining.com.au](http://www.dartmining.com.au)

## DART MINING SHAREHOLDER UPDATE

Dear shareholders

I have now been with Dart Mining NL as its Managing Director and Chief Executive Officer for nearly 6 weeks and I'm keen to update you on recent activities and future plans. In contemplating joining Dart Mining I looked at the quality of the Board, the capability of the Field Team and the potential of the Unicorn Mo-Cu-Ag project. Even though Dart Mining is a small Melbourne-based company it has an experienced board, a Field Team based locally that is motivated and pragmatic and a Mo – Cu – Ag porphyry deposit of world class potential. Add to this Dart Mining's very interesting gold prospects - Mountain View and Fairley's plus Reward Copper and you have a small exploration company with a bright future and plenty of diversity.

In discussions with stakeholders I have learned there are frustrations with the speed of general exploration progress, formalising a JORC compliant resource for Unicorn and that Dart Mining could do more to communicate its story.

My intent in the coming months is to:

- Ensure Dart Mining delivers on what we promise
- Communicate more actively with shareholders
- Communicate the Dart Mining story to a wider audience including journalists and more people in financial markets
- Move Unicorn towards a JORC compliant resource, and
- Undertake a strategic review of the direction of the company including deciding what we do with our gold prospects and how we grow Dart Mining beyond our Corryong base

I look forward to leading the Dart Mining team and bringing a sense of urgency to our activities and giving you ongoing updates of our progress.

I hope you enjoy reading about our recent exploration activities as we have been very active. An update on the Unicorn drilling program currently underway is also provided.

Lindsay Ward  
Managing Director and CEO

Note: Included is a form seeking your support to receive documentation about your shareholding in Dart Mining NL electronically. This will not only allow Dart Mining to cost effectively and more frequently share information with Shareholders but it will also help our environment.

## **Patersons Stockbroking Resource Review of Dart Mining NL**

Shareholders are encouraged to read the Patersons Stockbroking Resources Review of Dart Mining NL – see attached. Dart Mining is fortunate to have Patersons as an active supporter of the company, having underwritten the recent rights issue to the tune of \$1 million. It is a real plus for a company of Dart Mining's size to be included in Patersons recent May 2011 Resource Review Book which covered a select list of 20 small explorers and developers.

### ***Patersons' 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 gold -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.*

*..... Unicorn could contain up to 350Mt. Grades appear encouraging with >0.05% Mo a potentially mineable grade.*

## **Background on Dart Mining**

Dart Mining highlighted the potential for base and precious metal porphyry systems in its 2007 prospectus and carried out the first broad scale modern exploration program looking for large scale porphyry related systems within 2500 km<sup>2</sup> of north east Victoria. A number of historic gold fields have also been tested with the Dart goldfield (Mountain View prospect) showing real prospectivity for high grade near surface gold mineralisation. However, with the discovery of a potential world class Mo – Cu – Ag porphyry project at Unicorn, the gold prospects are yet to be fully evaluated.

In tandem with the Unicorn project, Dart Mining has undertaken extensive regional stream sediment sampling across all exploration licences. Although not yet complete, to date some 50% of the total licence areas surrounding Corryong have been sampled with initial results already showing that additional highly anomalous targets exist. This regional work will be reviewed and reported as sufficient assay data are realised in the coming quarter. It will also be matched with previous exploration work including aerial magnetics and satellite imagery to identify concurrent anomalies.

The discovery and follow up deep drilling of the Unicorn Mo – Cu – Ag Porphyry system and Mo – Ag mineralisation at the Morgan Porphyry prospect are the first of the outcropping porphyry targets to be tested. The drilling carried out to date helps define a new metallogenic province hosting base and precious metal porphyry intrusives, with Mo, Cu, Ag, Au, Sn, W, Pb and Zn mineralisation already identified in several prospects.

Dart Mining is fortunate to be operating in an area where potential world class mineralisation can still be found outcropping that has never been properly explored. Dart Mining is optimistic that ongoing regional exploration work is likely to define further high quality targets for follow up work.

## **The Unicorn Project**

External reviews of Dart Mining's key Unicorn Project have highlighted its similarities with major primary molybdenum deposits in the US of the Climax style. While the Climax and Henderson Mo deposits only contain molybdenum, the Unicorn porphyry mineralisation also contains significant levels of copper and silver. The host rhyolite intrusive, alteration and mineralisation style are also very similar, prompting a site visit to both the Henderson and Climax mines by a Dart Mining geologist in November. This visit and discussions with leading economic geology centres in Australia confirmed the Unicorn Porphyry molybdenum project is the only known Climax style system in Australia. Dart Mining considers the results from geochemistry, geophysics and drilling justify the aggressive move into a resource definition phase.

## **External Expert Review of Exploration Programs**

In late 2010 the Dart Mining Board retained David Royle, an international geological consultant with extensive experience in porphyry deposits worldwide, to review Dart Mining's exploration to date and provide recommendations for the exploration program. The outcomes will lead to:

1. Undertake further surface geological mapping, particularly at Unicorn
2. Initiate a petrological study on existing drill core at Unicorn
3. Implement a more detailed Geographical Information System (GIS)
4. Expand the current stream sampling geochemical exploration program to cover all tenements
5. Identify the benefit of using specialist satellite imagery to identify future targets

### **1. Geological Mapping at Unicorn**

Jim Clavarino, an experienced and well regarded geologist with extensive experience with porphyry deposits, has completed a mapping exercise of Unicorn to identify the Mo– Cu – Ag mineralisation and alteration boundaries. This mapping program has greatly added to Dart Mining's geological knowledge of Unicorn and will ensure the drilling program underway at Unicorn is better targeted to achieve a JORC compliant resource.

Further mapping is continuing using the expanded resources of the Corryong-based exploration team.

### **2. Petrographic Study**

As part of best practise drill core logging and analysis, a number of drill core samples have been analysed in detail under a powerful microscope to characterise the primary rock types and their mineralogy, alteration and the minerals they contain.

This will greatly assist the upcoming logging program and ensure all mineralised zones are identified quickly, their prospect for mineralisation noted and sampled.

### **3. Geographic Information System (GIS)**

Dart Mining has assembled a full data set inclusive of all government, past company and recently collected data following the recent purchase of a GIS system. This ensures Dart Mining's regional and drilling data are in a format easily audited and used by an independent resource assessor as Dart Mining moves to its first JORC compliant resource.

Dart Mining has made a major commitment over the past quarter to ensure the company database is valid and the company is well placed to meet all future QC/QA requirements.

### **4. Regional Geochemistry**

About 50% of Dart Mining tenements have been explored via a regional geochemical stream sediment sampling program. This is a proven geological exploration technique and with satellite imagery will help identify additional anomalous areas within Dart Mining's large exploration tenements.

The porphyry style of mineralisation already drilled at Unicorn and Morgan are often found in clusters as multiple deposits, so this style of grass roots exploration is an ideal way to identify further mineralised intrusive centres. An initial review of assay data has already highlighted anomalous results. As more results become available Dart Mining will engage an external consultant experienced in analysing geochemical data and identifying potential targets.

Dart Mining is confident that additional high potential targets will be identified and expects announcements on the success of the regional geochemistry program in September after a full review of data.

## **5. Satellite Imagery**

An external third party undertook a satellite imagery project across approximately 1,500 km<sup>2</sup> of Dart Mining tenements to identify potential photogeologic anomalies that may be related to additional porphyry deposits.

The study successfully identified the known and diamond drill tested mineralised porphyry deposits of Unicorn and Morgan. It highlighted a further six significant anomalies warranting follow up exploration. The company is also hopeful that two further significant anomalies might also be confirmed.

The study has identified additional porphyry targets that will be followed up in the regional geochemistry exploration programs.

In summary, Dart Mining has implemented all of the recommendations made during the external review of exploration programs. The company's focus is on getting the basics right to move Unicorn to its maiden JORC compliant resource and identify the full potential of our prime tenement package in an expanding new mineral province.

## **Establishing a Permanent Corryong base**

Dart Mining now has a six-person exploration team of mainly locals based in Corryong. The team is led by geologist Dean Turnbull who was instrumental in identifying and delineating the Dart Mining tenements and who has been an Executive Director since its listing on the ASX. This permanent base, a new drill core storage shed and an all-weather core processing facility is an important step for Dart Mining as it ramps up exploration and further cements the company's position in the supportive community of Corryong Victoria.

## **Web site Upgraded**

Dart Mining has launched a new website. Check it out at: [www.dartmining.com.au](http://www.dartmining.com.au)

## **Drilling Progress as at Monday 13 June**

As released to the ASX on 31 May, drilling at Unicorn has commenced. The first hole is now at approximately 380 metres (as at 13 June) with a plan to push on depending on the rock type and mineralisation incurred. Initial drill core logging has, as expected, confirmed the existence of the upper M1 mineralisation horizon, intersected the highly prospective M2 mineralisation zone.

This first hole should extend the known northern boundary of the deposit by 120 metres giving a minimum strike length of about 350 metres, width of 300 metres and at least 350 metres in depth. Subsequent drilling will further test the extent of mineralisation.

Unicorn drilling conditions are inherently difficult but progress has been very encouraging. The first assay results are likely to be released late July.

Your company's prospects at Unicorn are compelling as is the potential for other porphyry style deposits in Dart's other tenements. While our immediate focus is the drilling program at Unicorn the Board's priority over the next six months is to implement its strategic plan including optimising the value of our gold deposits.

**Shareholders will be kept actively informed of Dart Mining's progress.**

# Dart Mining NL DTM (\$0.06)

## Large Moly System To Be Drilled In May

Analyst: Simon Tonkin

### 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

Christopher Bain  
Lindsay Ward  
Bernhard Hochwimmer  
Dean Turnball  
Stephen Poke  
Richard Udovenya

#### Position

Non-Executive Chairman  
Managing Director  
Executive Director  
Executive Director  
Non-Executive Director  
Non-Executive Director

#### Shareholders

Russel Simpson  
North East Geologica  
Hochwimmer Bernhard

#### Holding (%)

5.7  
3.9  
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

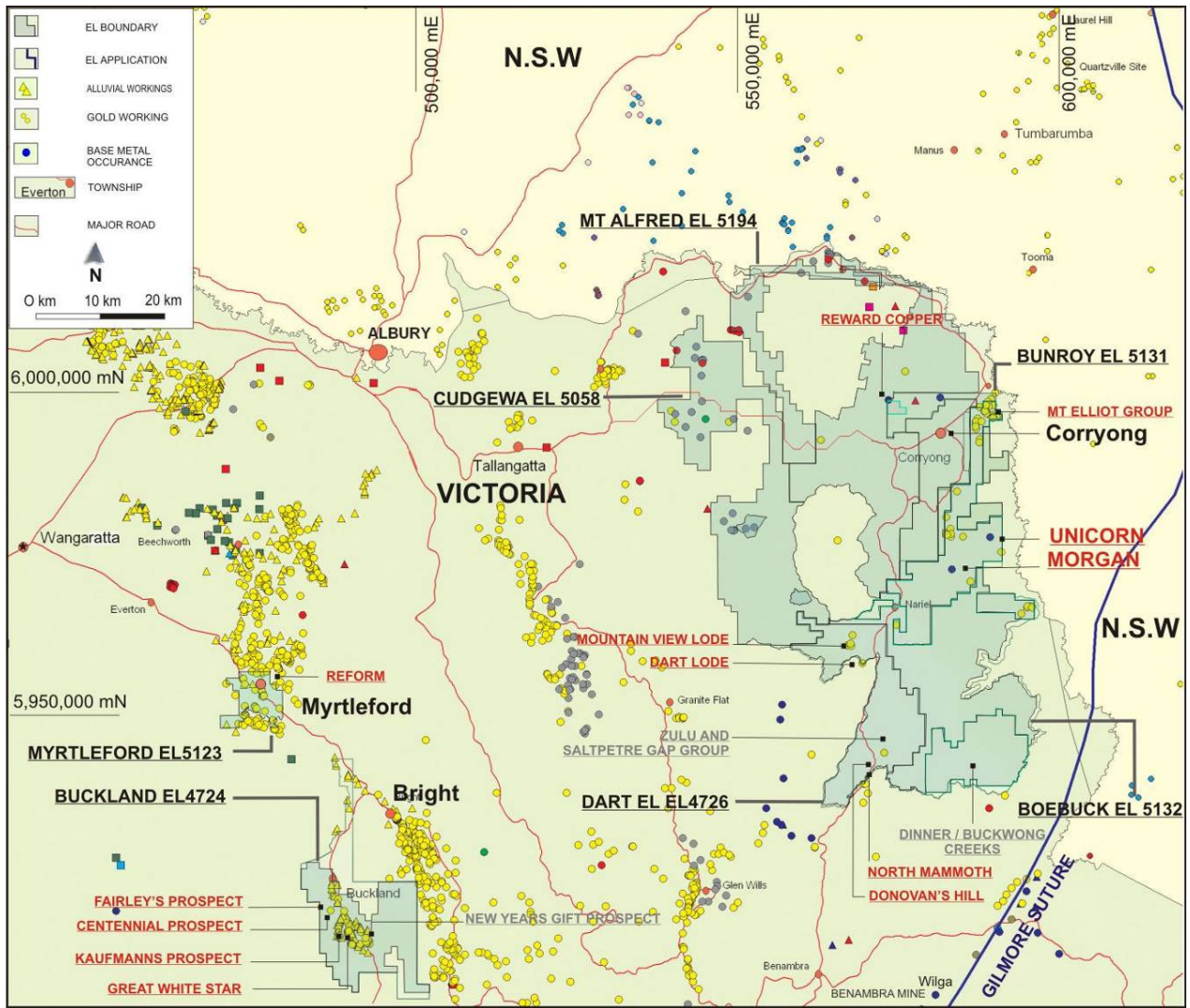


Figure 2: Unicorn IP drill targets

