

ASX ANNOUNCEMENT UNICORN PROJECT UPDATE

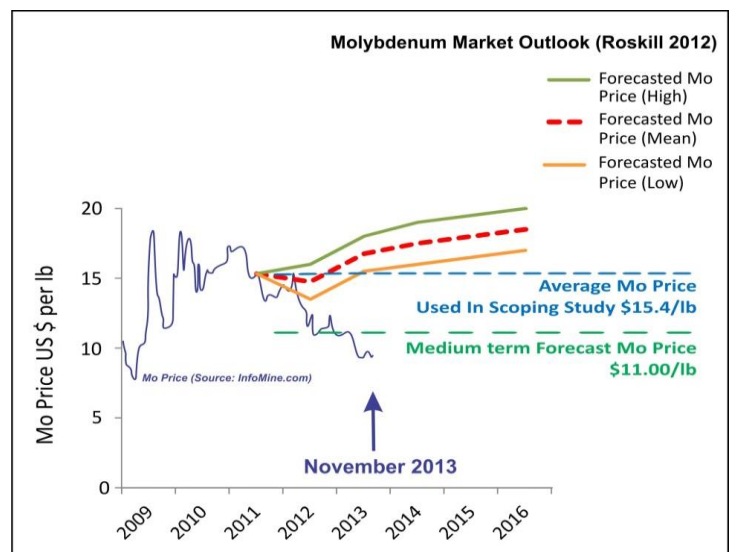
Dart Mining (ASX:DTM) announced in October 2012 the results of the scoping study for its promising Unicorn molybdenum, copper silver project located in north-east Victoria. It has subsequently been actively progressing both the pre-feasibility study and environmental approvals for Unicorn.

With the technical studies to determine the mining methodology, process plant site, tailings and water management system, power supply and logistics now substantially complete, the Unicorn Project is at a critical point where significant commitments will have to be made in coming weeks if the project plan, which contemplates the commencement of construction in Q3 2015, is to be met.

While Dart Mining remains well funded (~\$4.5M cash at bank as at 31 October 2013), the Board is very aware of the costs that will be required to complete a full scale Environmental Effects Statement (EES) including extensive flora, fauna and aquatic species field studies, detailed plant and mine design, resource drill out, purchase of offset land and comprehensive data capture of wind, rainfall and river flows in both the Biggara and Thowgla Valley catchments.

As the funding to complete the prefeasibility study and to maintain overall project momentum toward a decision to mine will be materially in excess of both the current cash resources of Dart Mining and any future net cash received from Orion Mine Finance (formerly Red Kite Mine Finance) if it elects to move forward with the second tranche of its funding, the Board has undertaken a full review of the Unicorn Project before committing to further major expenditure on the Project. This review has also highlighted the significant difference between forecast and current molybdenum price from that used in the Scoping Study, a factor that will make raising the additional funds required to deliver the project very difficult.

Following the review, the Board of Dart Mining has decided to defer or slow down certain critical steps in the pre-feasibility study and approvals process.



Other than the current depressed molybdenum price, one of the key reasons for this decision follows further metallurgical studies into the difficulties in the separation of zinc (Zn) from the copper (Cu) concentrate within the sedimentary and igneous breccia portion of the resource (an issue that was highlighted, along with other challenges, in the 30 September 2013 Quarterly Report released to the market on 17 October 2013). It is currently not known if all or only a portion of these ore types are impacted by the Zn / Cu separation issue, with significant further work required to determine the magnitude of the issue and how it may affect the overall project design.

18 November 2013

ASX Code: DTM

Investment Data:

Shares on issue 207M

Unlisted options 19.8M

Substantial Shareholders:

Top 20 Holdings 40%

Key Projects:

Unicorn Porphyry Mo-Cu-Ag

Board & Management:

Chairman:

Managing Director:

Executive Director:

Non-Executive Directors:

Mr Chris Bain

Mr Lindsay Ward

Mr Dean Turnbull

Mr Stephen Poke

Mr Richard Udovenya

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Morgan Porphyry Mo-Ag-Au

Mountain View Au

Dart Mining will continue to press for a solution to the issue, noting that if it remains unresolved it will significantly impact the economics of the Project. In light of the current and medium term forecast molybdenum price, and the Zn / Cu separation issue proceeding to completion of the prefeasibility study under the current scope of the project is not considered prudent.

Nevertheless, Dart Mining is now investigating whether the project scope could be modified to identify a lower cost smaller scale project that is viable at the forecast lower molybdenum price.

The Board believes the decision to slow progress, although regrettable in terms of delivery of the Project, is totally appropriate. In the intervening time, Dart Mining intends to undertake the following activities:

- it will continue to work towards satisfying the conditions precedent to the second tranche of the funding from Orion Mine Finance (which conditions must be satisfied by the sunset date of October 2014);
- it will look to resolve the metallurgical issues i.e. the efficient separation of Zn from the Cu;
- it is investigating whether the project scope could be modified to identify an alternative, lower cost smaller scale project that is viable at the lower forecast molybdenum prices; and
- it will continue towards completion of the tailings dam studies and finalising the EES study program (which is a key input into the Ministerial EES Guidelines).

The above activities will place Dart Mining in a position to move quickly ahead with the Project if and when the metallurgical issues are resolved and/or molybdenum prices, equity markets and the exchange rates are more favourable than at present.

In addition, Dart Mining will continue with the Unicorn Project exploration activities in and around the highly prospective areas surrounding the Unicorn Project with a view to identifying value adding projects that, when combined with the Unicorn Project, will improve the overall economics of that Project.

While Dart Mining is disappointed to be slowing down progress on the Unicorn Project, it is a prudent decision. Dart Mining remains committed to using its available funds to add value for shareholders. Apart from continuing to maintain Unicorn and explore for further porphyry targets in North East Victoria, Dart Mining will continue to look at other opportunities such as the option over the Nerrina Gold project announced recently.