



9<sup>th</sup> December 2009

ASX / Media Release

**DMC MINING LIMITED**

ACN 121 513 620

## Market Update – Republic of Congo

Australian iron ore exploration company, DMC Mining Limited (**ASX: DMM**) (“DMC” or “the Company”) is pleased to update the market on recent mining and exploration developments within the Republic of Congo (“ROC”).

### Key Points:

- **Xstrata plc** recently entered into an agreement with the owners of the early stage **Zanaga Iron Ore Project** in the Republic of Congo whereby Xstrata will fund a minimum of **USD\$50 million** towards ongoing exploration and a pre-feasibility study in return for an option to acquire a **50% interest** in the project. The Zanaga project is located approximately **100km** southeast of DMC’s 80% owned **Mayoko Iron Ore Project**.
- **MAG Industries** has recently commenced construction of a **600,000 tonnes per year potash project** near **Pointe Noire**.
- **Sundance Resources** is continuing exploration at its **Nabeba iron ore project** in the north of Republic of Congo.

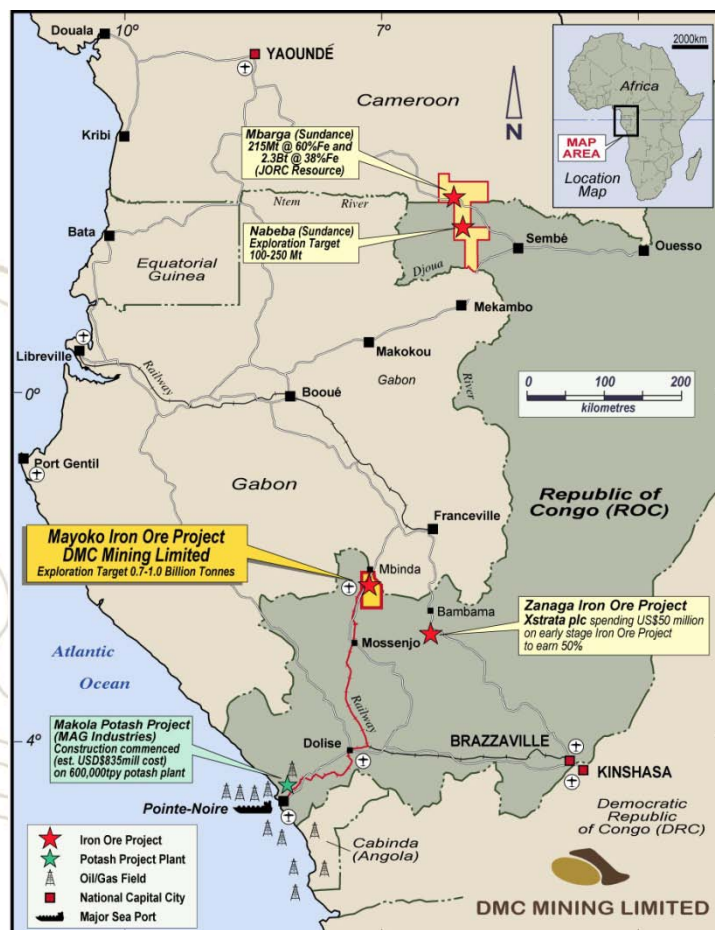


Figure 1 – Project Location Map

On 23rd November 2009, major global diversified mining group Xstrata plc (**LSE:XTA**) entered into an agreement with the owners of the nearby (100km southeast of DMC's Mayoko Iron Ore Project – refer Figure 1) early stage Zanaga iron ore project in the Republic of Congo whereby Xstrata will fund a minimum of USD\$50 million towards ongoing exploration and a pre-feasibility study in return for an option to acquire a 50% interest in the project. The Xstrata market release to the London Stock Exchange is available at:

[www.xstrata.com/media/news/2009/11/23/1500CET](http://www.xstrata.com/media/news/2009/11/23/1500CET)

Canadian listed resources company MAG Industries (**TSX:MAA**) ("**MAG**") has recently commenced construction at the Makola Potash Project near the port city of Pointe Noire. MAG has spent USD\$120 million to date on development of the project and construction costs are estimated to be USD\$835 million for phase 1. The planned production rate is 600,000 tonnes per year commencing 2012. MAG Industries' latest corporate update can be viewed at:

[www.magindustries.com/cmsdocs/home%20page/MAGINDUSTRIES-Corporate-presentationSeptember-2009.pdf](http://www.magindustries.com/cmsdocs/home%20page/MAGINDUSTRIES-Corporate-presentationSeptember-2009.pdf)

Australian iron ore company, Sundance Resources Limited (**ASX:SDL**) ("**Sundance**") is due to commence drilling at its Nabeba iron ore project in the Republic of Congo. The Nabeba project currently has an exploration target of 100 – 250 million tonnes @ 55 – 65% Fe. Sundance's market capitalisation is currently approximately A\$360 million.

Commenting on the recent event in the Republic of Congo, DMC Mining Managing Director, David Sumich said "These events indicate the increasing confidence the international mining community has towards the Republic of Congo as an exploration and mining jurisdiction. The Xstrata investment is a milestone for the Republic of Congo being the first foray into the country by a mining Major"

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### **About DMC Mining Limited**

DMC Mining is an Australian listed company (ASX: DMM) and its principal asset - currently held through its 80% owned subsidiary, is the Mayoko Iron Ore Project in the Republic of Congo ("ROC"), whereby a exploration target size of 0.7 – 1.0 Billion tonnes<sup>1</sup> of dominantly itabirite iron mineralisation was recently announced.

Based in Perth, DMC Mining listed on the Australian Securities Exchange in July 2007. DMC has completed an access agreement for use of the Mayoko to Point Noire Rail Line during the exploration phase of the Project. The rail line passes within 2.2km of the Mt Lekoumou deposit and connects directly to the wharf at the deep-water port of Pointe Noire. In addition, DMC has also completed a Memorandum of Understanding (MOU) with the Port Authority of Pointe Noire (PAPN). Under the MOU, DMC can undertake assessment and design of infrastructure required to export iron ore from the existing port or other areas nearby owned and operated by PAPN.

DMC currently has **78,925,867** ordinary shares on issue.

Website: [www.dmcmining.com.au](http://www.dmcmining.com.au)

<sup>1</sup>*The estimates of exploration target sizes mentioned in this release should not be misunderstood or misconstrued as estimates of Mineral Resources. The estimates of exploration target sizes are conceptual in nature and there has been insufficient results received from drilling completed to date to estimate a Mineral Resource compliant with the JORC Code (2004) guidelines. Furthermore, it is uncertain if further exploration will result in the determination of a Mineral Resource.*