

ASX CODE          DOM

ISSUED CAPITAL

103,327,059 fully paid ordinary shares

DIRECTORS

Peter Joseph            – Chairman  
Jonathan Shellabear   – Managing Director  
Ross Coyle             – Exec Director  
Peter Alexander       – Non-Exec Director  
John Gaskell           – Non-Exec Director

KEY MANAGEMENT

Jonathan Shellabear   – Managing Director  
Peter Bamford         – GM Operations  
Ross Coyle             – CFO & Company  
                                 Secretary  
Tony Poustie          – GM Exploration

REGISTERED OFFICE

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Managing Director

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# **Dominion Mining Limited**

ABN 37 000 660 864

## **QUARTERLY REPORT**

**31 MARCH 2010**

## SUMMARY

## Challenger Mine Operations

- Quarterly production of **20,510 ounces** of gold at an operating cash cost of **A\$692/ounce** and production for the 9 months of **58,197 ounces** of gold at an operating cash cost of **A\$667/ounce**.
- The results for the quarter were adversely impacted due to lack of access because of poor ventilation to some higher grade stopes at lower levels. This resulted in a greater proportion of lower grade ore mined from the M2 shoot.
- Ventilation upgrade completed with the exhaust fan successfully commissioned in late February and fully operational by mid-March enabling an acceleration of M2 shoot development at depth. The resultant increase in grade facilitated production of 9,001 ounces for the month of March.
- Plant expansion completed and commissioned on schedule and on budget with increased annual production rates anticipated to build to around 120,000 ounces per annum over the June 2010 quarter.
- The lower than anticipated gold endowment of the M1 shoot in the lower levels experienced during the September and December quarters continued throughout the March quarter. However, ongoing modeling of the **M2 Shoot**, integrating the latest development and underground drilling data, is demonstrating both a larger footprint and increasing gold endowment of the shoot in the lower development levels. Results from drilling include **2.7 metres grading 156.4 g/t, 5.25 metres grading 66.4 g/t, 3.75 metres grading 99.1 g/t, 3.0 metres grading 389.2 g/t, 11.25 metres grading 187.7 g/t, 5.25 metres grading 99.6 g/t, 4.5 metres grading 213.8 g/t and 4.6 metres grading 235.5 g/t gold**.

## Exploration

## Challenger

- Continuity of the **M3 Shoot**, below the levels of currently defined reserves, has been confirmed with intersections including **14.3 metres grading 15.7 g/t, 3.6 metres grading 16.9 g/t and 8.1 metres grading 25.5 g/t gold**.
- Limited drilling to evaluate the **Aminus Zone (located close to the M1 Shoot)** has confirmed the high grade potential of this undeveloped target with an intersection of **2.0 metres grading 85.5 g/t gold**.

## Western Australia

- High priority targets defined by coincident copper geochemical anomalies, extensive copper anomalism (**up to plus 1% copper**) in shallow interface drilling and strong induced polarisation (chargeability) anomalies at the **Bartel and Chapman Prospects within the Calingiri Project**. Follow up drilling is planned for the June quarter.
- Drilling in the June quarter is also planned to test high priority targets at the **Northling Project (copper)** and at the **Blue Dam Project (gold)**.

**Corporate**

- Revenue for the quarter of **A\$23.80 million** was generated from the sale of **19,712 ounces** of gold at an average price received of **A\$1,207/ounce** generating a gross cash margin of **A\$9.81 million** and a net operating cash surplus after development and all capital expenditure of **A\$0.94 million**.
- For the nine months revenue was **A\$66.85 million** from the sale of **58,356 ounces** of gold at an average delivered price of **A\$1,146/ounce** generating a gross cash margin of **A\$28.29 million** and a net operating cash deficit after development and all capital expenditure of **A\$5.95 million**.
- **Interim cash dividend of A\$1.99 million** (2 cents per share) paid on 31 March. In addition to the payment of the cash dividend, 77,708 new shares were issued under the Company's Dividend Reinvestment Plan.
- Cash and bullion of **A\$15.79 million** at the end of March, comprising cash of **A\$12.65 million** and bullion of **A\$3.14 million** and was after the payment of the interim cash dividend.

**OPERATIONS (Challenger Gold Project – Dominion 100%)****Production**

During the quarter a total of 20,519 ounces was produced from processing 141,314 tonnes at a grade of 4.92 g/t at a cash operating cost of A\$692/oz.

Gold production was adversely impacted due to the later than initially planned completion of the ventilation upgrade with mining of ore rescheduled from higher grade zones to immediately accessible lower grade areas of the M2 shoot.

The completion of the ventilation upgrade and commissioning of the exhaust fan during February allowed access from early March to levels at the base of the mine with higher grade ore. The M2 shoot development at depth was accelerated which resulted in an increase in grade with production of 9,001 ounces achieved for the month of March.

Development of these lower levels will continue to be prioritised to catch up with long term schedules previously planned with the operation now anticipated to be on track to build production levels to around 120,000 ounces over the June 2010 quarter.

The plant expansion progressed as planned and was completed on time and on budget and successfully commissioned during the quarter. Plant availability was reduced by a four day shutdown required to integrate the thickener, ball mill, cyclone tower and gravity circuit changes into the existing treatment plant circuits. Despite the shutdown the treatment plant achieved 95.9% availability during the quarter with gold recovery of 92.1%.

		Quarter Ended 31 March 2010	Quarter Ended 31 March 2009	9 Months Ended 31 March 2010	9 Months Ended 31 March 2009
Tonnes Mined (including low grade)	(tonnes)	107,967	107,185	327,337	316,629
Ore Processed	(tonnes)	141,314	108,025	383,231	323,991
Head Grade	(g/t)	4.92	7.38	5.07	7.87
Recovery	(%)	92.1%	93.8%	92.6%	94.0%
Gold Produced**	(ounces)	20,510	25,141	58,197	77,424
Cash Operating Cost*	(A\$/oz)	\$692	\$459	\$667	\$430
Mine Development		\$6.01 million	\$4.75 million	\$16.67 million	\$13.58 million
Sustaining Capex		\$1.72 million	\$1.08 million	\$3.87 million	\$3.85 million
New Tailings Storage Facility		0	0	\$1.53 million	0
Ventilation Shaft		\$0.53 million	\$2.40 million	\$4.56 million	\$3.37 million
Plant Expansion and Thickener		\$0.62 million	0	\$7.65 million	0
Gold Sold	(ounces)	19,712	25,309	58,356	77,215
Average Price Received	(A\$/oz)	\$1,207	\$1,220	\$1,146	\$1,131

\*\* Gold production is actual gold poured during the period and does not reflect changes in the balance of gold in circuit. Cash operating cost refers to the cost of gold poured and produced and includes all expenditures directly incurred on mining, crushing and processing net of all movements in deferred mining expenditure and stockpiles plus site overheads. These costs do not include royalty payable to the South Australian Government of 3.5% of revenue (from 1 January 2009, previously \$13/ounce) and a production royalty of A\$4 per ounce to local indigenous groups.

A total of A\$6.01 million was spent on underground mine development during the quarter.

A further A\$2.86 million was incurred on other capital works which included the completion and commissioning of the plant expansion and underground ventilation upgrade including the installation and commissioning of the exhaust fan. The ventilation upgrade has been designed to provide air flows for the mine down to 1,200 metres below surface (zero RL).

Work also continued on the upgrade to the underground power supply which involved the reaming of a 200 mm diameter hole, 730 metres deep to distribute a second electric cable to sustain future power requirements to the base of planned mining levels. The power supply upgrade is scheduled to be completed during the next quarter.

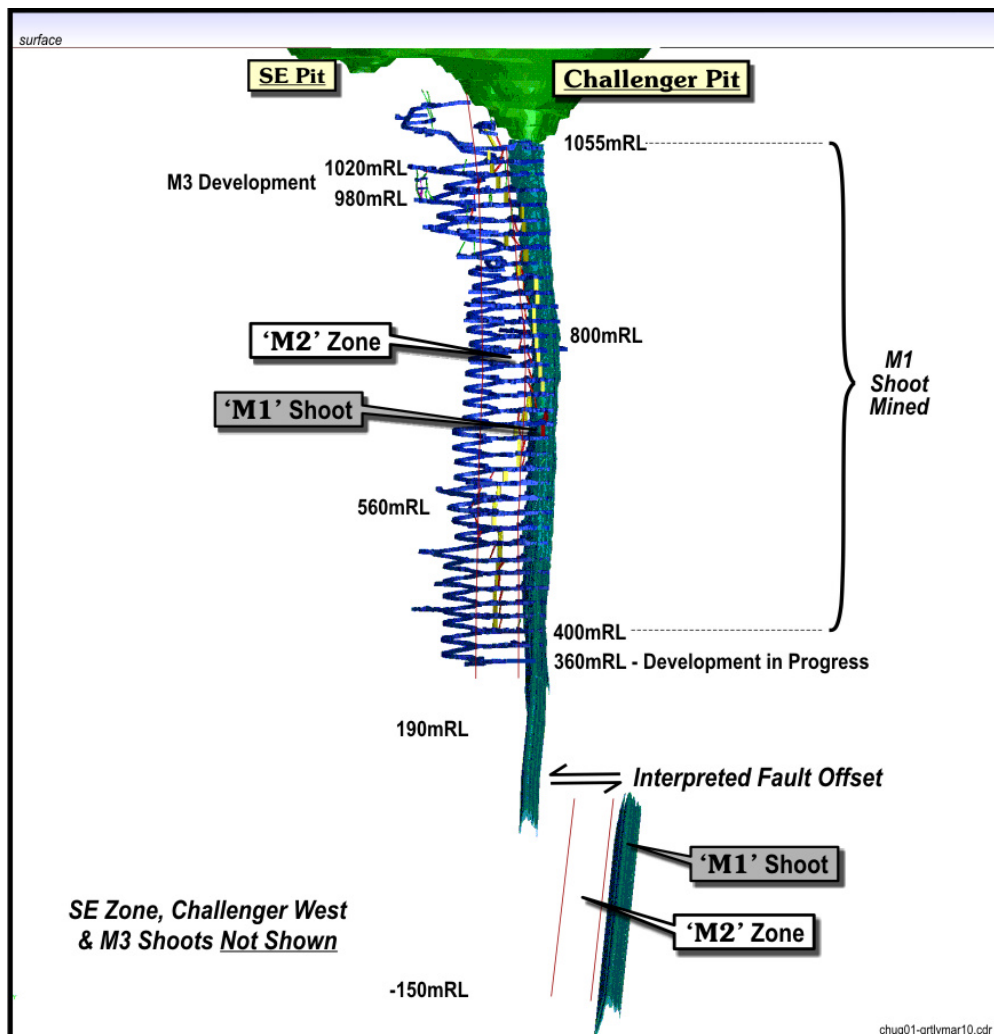
**Underground Development & Mining**

The decline was not significantly developed during the quarter and had reached just below the 360 level at the end of March.

The M2 shoot was partly developed between the 560 and 520 levels and between the 940 and 760 levels with development slowly progressing on the lower levels between the 420 and 360 levels. During the last six months development to access the M2 shoot has progressed on 17 mining levels.

Ore was stoped from the 400 and 380 levels within the M1 shoot and from parts of the M2 shoot between the 580 and 520 levels, and from the 840 and 820 levels. In addition supplementary tonnes of ore were provided from the M3 shoot and the Shadow zone.

The M3 shoot was mined using hand-held mining methods and initial stoping on the 980 level has yet to be completed. The slow pace of mining and geological complexity within this ore shoot has determined that future mining will use mechanised methods. The high grade Shadow Zone was successfully mined between 680 and 700 levels using hand-held mining methods.



Challenger underground showing current level development

**Evaluation of the Continuity of the Challenger Shoots (currently defined reserves)**

Underground drilling has continued to demonstrate the continuity of high grade mineralisation in future mining levels of the Challenger shoots as highlighted by the following intersections.

*Underground Diamond Drilling Intersections*

Hole ID	Interval (m)	Au (g/t)	Level/RL	Shoot
10CUD0709	2.00	46.58	522	M2
10CUD0712	1.40	74.33	520	M2
10CUD0713	5.00	35.22	515	M2
10CUD0683	2.00	88.68	490	M2
10CUD0681	1.29	351.56	485	M2
09CUD0625	4.64	23.11	457	M2
09CUD0624	1.00	43.09	455	M2
09CUD0621	0.60	680.09	446	M2
10CUD0643	13.30	21.44	361	M2
10CUD0649	1.21	73.31	351	M2
10CUD0650	2.00	23.82	350	M2
10CUD0650	0.70	134.29	350	M2
10CUD0648	1.65	58.37	350	M2

*Underground Percussion Drilling Intersections*

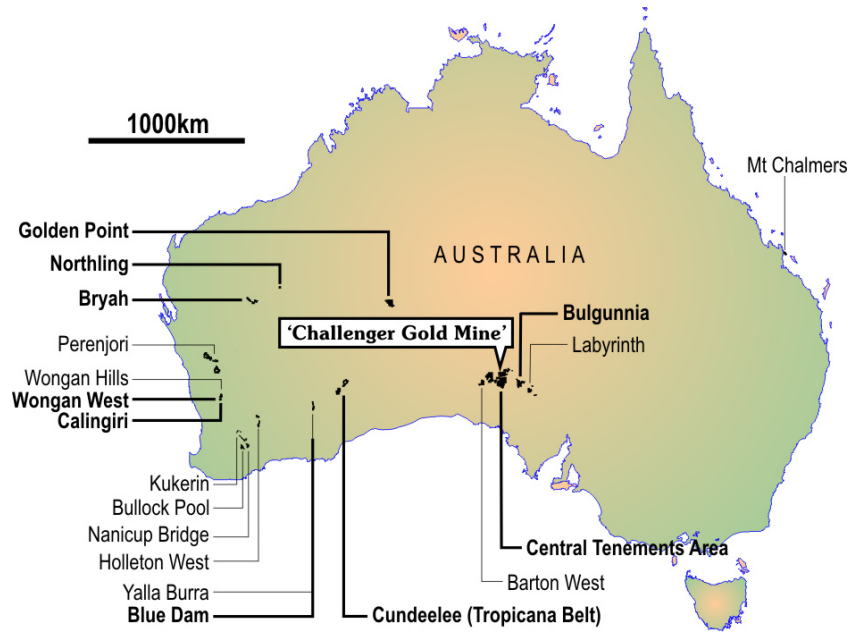
Hole ID	Interval (m)	Au (g/t)	Level/RL	Shoot
10CUS6903	2.25	16.75	390	M1
10CUS7240	2.25	38.39	390	M1
10CUS7281	2.25	34.50	390	M1
10CUS7427	2.25	136.61	390	M1
10CUS7428	3.00	28.33	390	M1
10CUS7435	2.25	99.55	390	M1
10CUS7444	3.00	31.79	390	M1
10CUS7451	3.75	21.73	390	M1
10CUS7454	2.25	30.31	390	M1
10CUS6797	4.50	18.86	830	M2
10CUS6798	4.50	22.87	830	M2
10CUS6801	2.70	48.25	830	M2
10CUS6986	3.75	64.26	830	M2
10CUS7199	6.00	24.93	830	M2
10CUS6983	11.25	187.68	790	M2
10CUS7034	3.00	43.35	770	M2
09CUS6635	7.20	17.81	590	M2
10CUS6714	2.40	59.69	550	M2
10CUS6721	3.00	27.19	550	M2
10CUS6958	6.00	16.62	550	M2
10CUS6960	3.00	34.93	550	M2
10CUS6962	3.75	99.10	550	M2
10CUS6963	3.00	389.20	550	M2
10CUS6964	2.25	393.82	550	M2
10CUS7126	6.30	40.59	430	M2
10CUS7130	6.00	27.42	430	M2
10CUS7134	9.00	69.41	430	M2
10CUS7136	2.25	74.37	430	M2
10CUS7141	6.75	16.12	430	M2
10CUS7214	5.40	32.33	430	M2
10CUS6685	2.70	156.43	410	M2
10CUS6690	2.70	35.12	410	M2
10CUS6696	11.70	22.12	410	M2
10CUS6697	3.60	20.33	410	M2
10CUS6704	5.25	66.39	410	M2

Hole ID	Interval (m)	Au (g/t)	Level/RL	Shoot
10CUS6822	6.00	18.89	410	M2
10CUS7387	3.80	32.00	410	M2
10CUS7389	3.75	24.70	410	M2
10CUS7392	5.25	99.57	410	M2
10CUS7395	2.25	48.81	410	M2
10CUS7398	4.50	213.77	410	M2
10CUS7408	4.50	20.86	410	M2
10CUS7269	3.75	57.15	390	M2
10CUS7273	3.75	32.61	390	M2
10CUS7285	3.75	46.48	390	M2
10CUS7473	3.75	14.59	390	M2
10CUS7474	4.60	235.43	390	M2
10CUS7004	3.00	15.24	1015	M3
10CUS7332	2.00	95.60	1010	M3
10CUS7333	2.00	61.21	1010	M3
10CUS7344	4.00	14.12	1010	M3
10CUS7417	2.00	26.39	1010	M3
10CUS7457	2.00	93.83	1010	M3
10CUS7462	2.00	44.29	1010	M3
10CUS7465	2.00	17.33	1010	M3

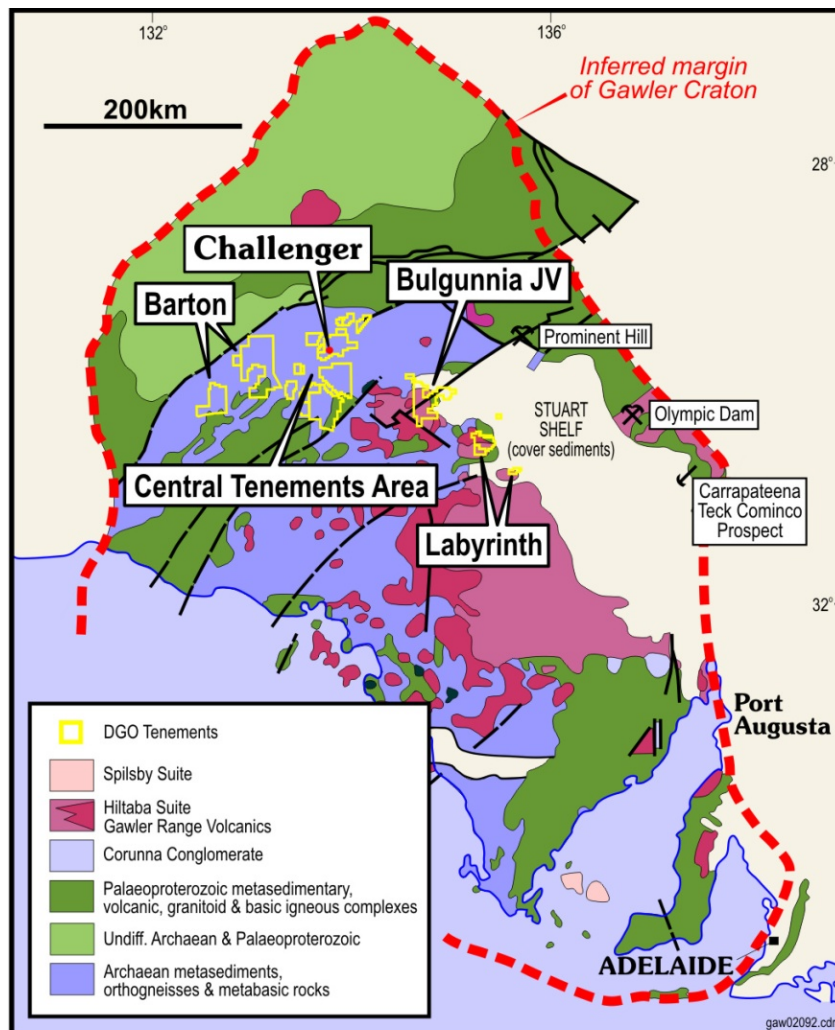
### Occupational Health and Safety

There were no Lost Time Injuries during the quarter and the site had reached 99 days free of Lost Time Injuries by the end of March.

EXPLORATION PROJECTS



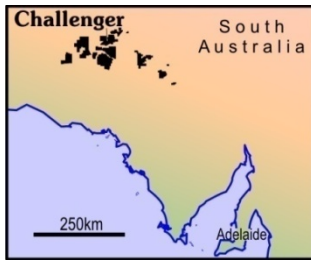
SOUTH AUSTRALIA



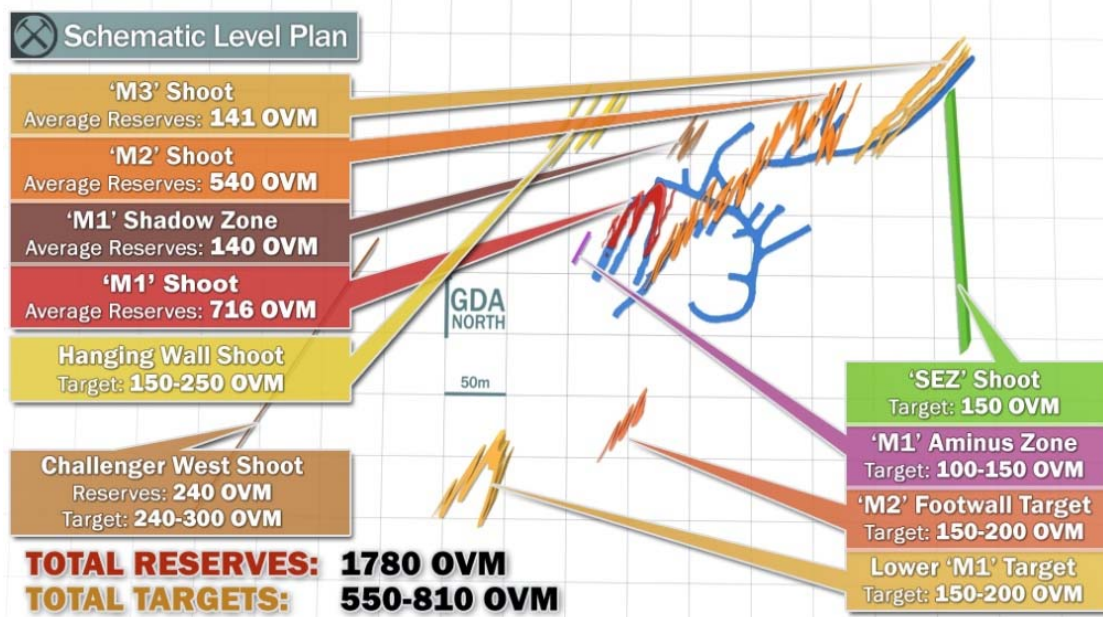
South Australia Projects



**Challenger (100%)**



As outlined in the December 2009 quarterly report, further evaluation of the depth extensions of the Challenger shoot system will be based on underground drilling when suitable access from the underground development is available. In the meantime exploration is focussed on evaluating targets that are close to the existing development but outside of current reserves.



Within the March quarter this exploration activity has been limited due to the requirement for underground drilling to be focussed on the detailed definition of the **M2 Shoot** at multiple levels as part of development in advance of planned mining. This drilling, and the ongoing development, is demonstrating a significantly expanded footprint of this shoot.

Limited underground exploration drilling has targeted the **Aminus** and **M3 Shoots** with the following significant intersections returned:

*Underground Diamond Drilling Intersections*

Hole ID	Interval (m)	Au (g/t)	Level/RL	Shoot
10CUD0649	2.00	85.53	337	Aminus

*Underground Percussion Drilling Intersections*

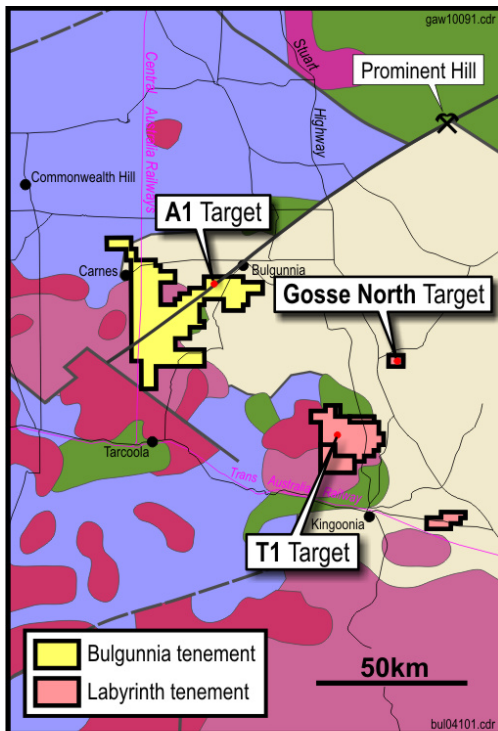
Hole ID	Interval (m)	Au (g/t)	Level/RL	Shoot
10CUS6851	14.30	15.73	570	M3
10CUS6853	3.60	8.44	570	M3
10CUS6856	3.60	16.91	570	M3
10CUS6862	8.10	25.50	570	M3

**Iron Road Joint Venture**

Iron Road limited (IRL) have commenced a major drilling programme within the JV area. This follows extensive magnetic and gravity surveying which has reportedly defined extensive targets for hematite direct shipping ore (DSO).

Iron Road may earn a 51% interest in the iron ore rights by expending \$1 million by 1 August 2010 and by issuing \$500,000 worth of IRL shares to Dominion.

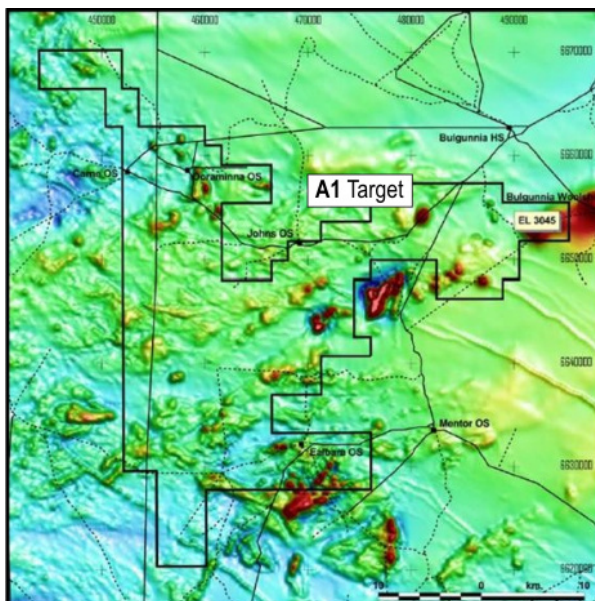
**Bulgunnia JV**



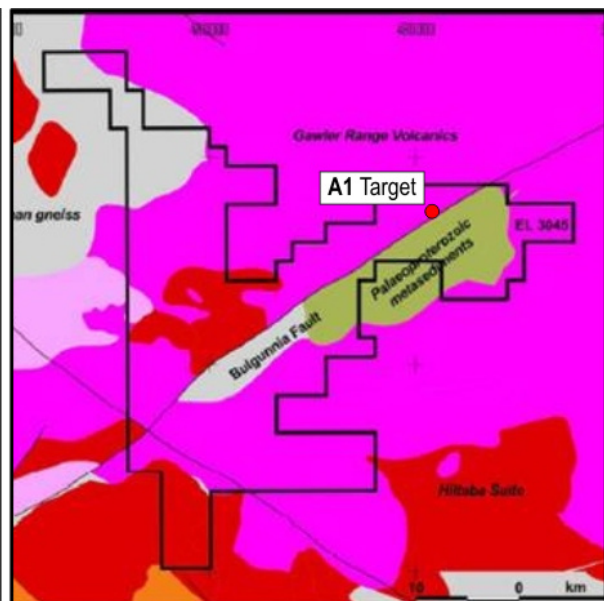
Minotaur Exploration has withdrawn from the Bulgunnia JV and has transferred its interest (67.5%) to Dominion for no cost. Dominion now holds 77.5% with Resolute retaining a 5% free carried interest. BHP Billiton hold the remaining 17.5% (contributing) interest.

A technical review of the project has highlighted a number of Olympic Dam/Prominent Hill (IOCG) type targets that merit further evaluation. Of particular interest are a series of magnetic/gravity anomalies that flank the Bulgunnia Fault, a regional structure that also flanks the Prominent Hill copper-gold deposit 100 km to the northeast. Previous exploration has not effectively tested these targets.

*Bulgunnia and Labyrinth Projects - IOCG Targets*



*Bulgunnia JV - Magnetic image*

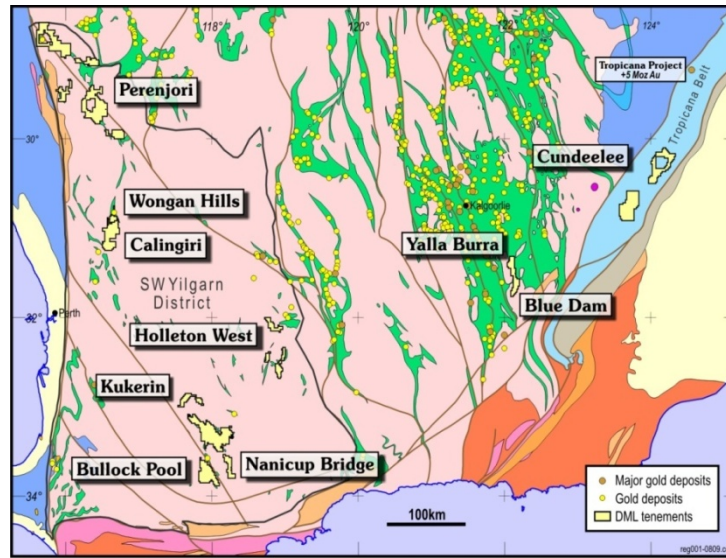


*Interpreted basement geology*

A proposal has been submitted to obtain PACE funding (from the SA Government) for a drilling programme to test the priority A1 Target.

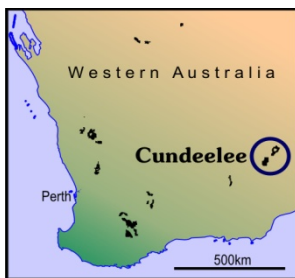
WESTERN AUSTRALIA

Yilgarn and Tropicana Belt Districts

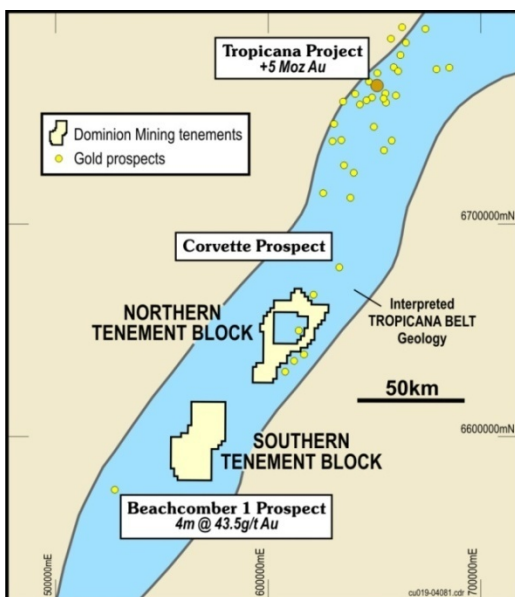


Western Australia Projects - Geological districts and gold deposits

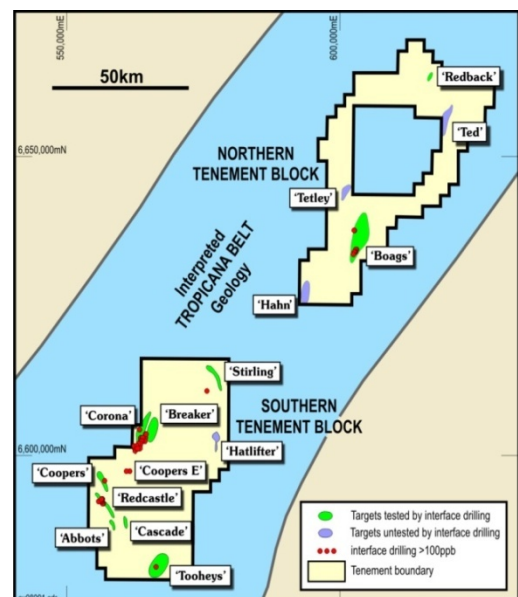
Cundelee Project (Tropicana Belt) (100%)



Dominion’s Cundelee Project comprises an area of approximately 1,260 square kilometres and lies within a distinctive NE-SW trending geological belt that hosts the + 5 million ounce Tropicana gold project, and a number of recently discovered gold prospects. Unlike other gold districts in WA this belt had no historical gold mining and, until the last few years, very little exploration activity.



Cundelee Project - Regional location



Cundelee Project - target areas

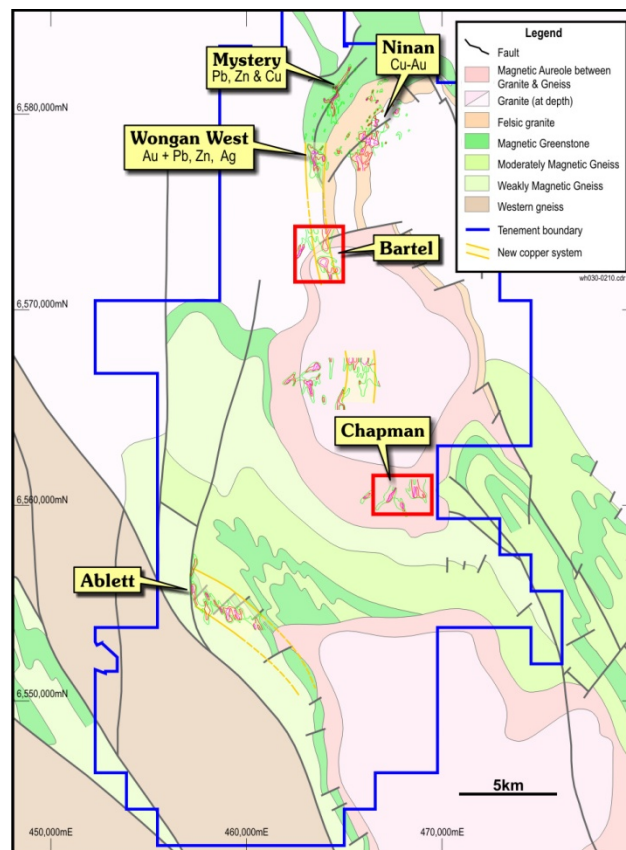
In light of recent exploration discoveries on adjacent tenements, and an emerging structural model for the Tropicana gold deposits that highlights the importance of internal north-south controls to mineralisation within a broader north-east structural domain, Dominion re-assessed the major mineralised domain faults known to occur within the Cundeelee tenement package. Several structural positions where the north-west faults either turn or are offset by north-south structures were identified. The **Boags** and **Hatlifter Prospects** are the most notable as they coincide with surface gold anomalism.

Plans to drill these targets are in progress.

### Calingiri Project (100%)



Exploration activity at the Calingiri Project during the quarter involved interface drilling (**Ablett** and **Chapman Prospects**), induced polarisation (IP) geophysical surveys (**Bartel** and **Chapman Prospects**) and additional regional surface geochemistry.



Wongan Hills and Calingiri Projects

### Interface Drilling

Interface drilling evaluated several previously untested copper in soil anomalies at **Chapman**, whilst at **Ablett** drilling was aimed at further defining the recent gold-copper intercepts (December 2009 quarter) associated with a favourable structural setting.

Table - Significant Copper Intercepts Chapman Project (>900ppm Cu)

Hole ID	Coordinates (GDA 94)	Dip/Azi	Interval (m)	Width (m)	Cu ppm
10CAAC057	468900E / 6560600N	-90/090	21 - 25*	7	3663.00
		<i>including:</i>	<i>24 - 25*</i>	<i>1</i>	<i>8124.00</i>
10CAAC060	468600E / 6560600N	-90/090	0 - 19*	19	1269.00
10CAAC061	468500E / 6560600N	-90/090	24 - 30*	3	917.00
10CAAC066	468950E / 6560600N	-90/090	15 - 24*	9	943.00

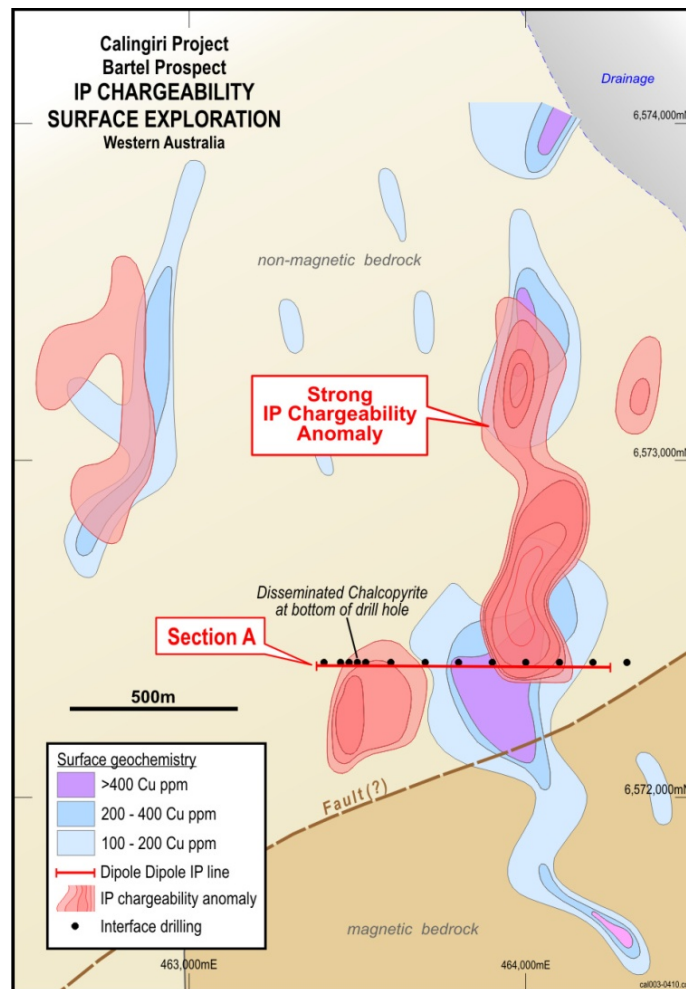
\*bottom of hole intercept

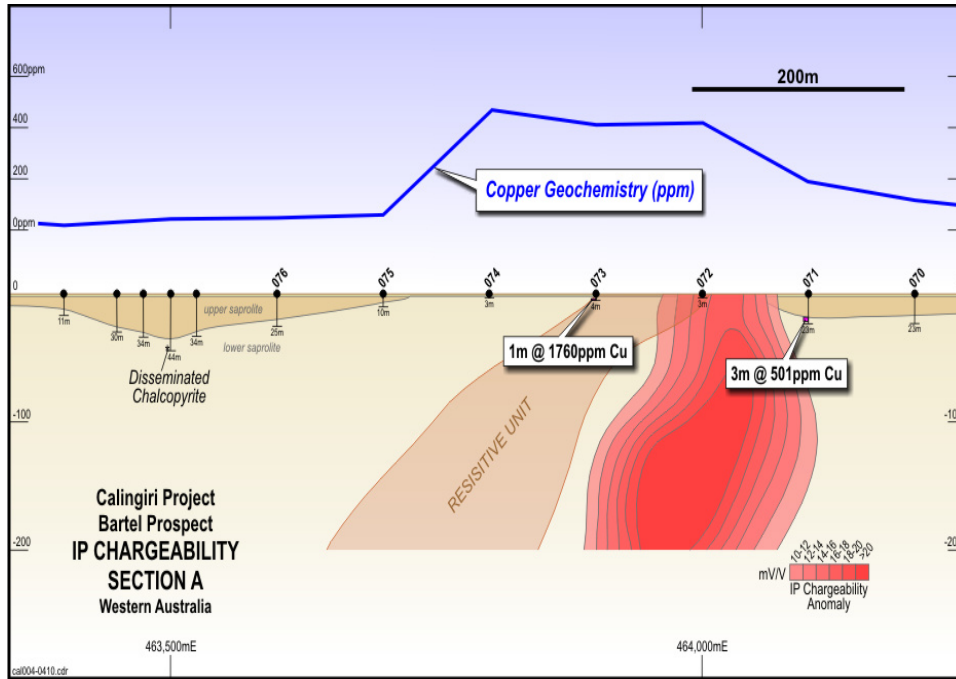
Assay results are just coming to hand, and as such the assessment of the results presented in the table above is in progress. However, following the earlier detection of significant bedrock copper values, using a portable XRF unit, from the **Chapman** drilling a decision was made to carry out reconnaissance IP traverses (discussed below) which in turn have shown a significant underlying anomaly warranting deeper drilling.

Induced Polarisation Surveying

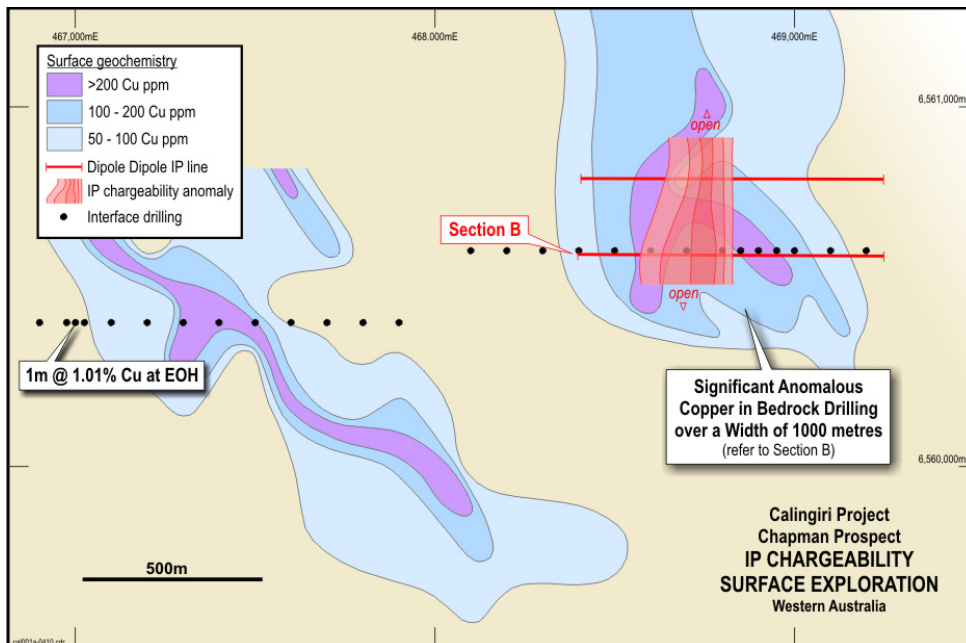
Recent surface geochemistry and subsequent reconnaissance interface drilling during the December 2009 quarter identified a significant copper in soil anomaly (peaking at 1748ppm Cu) with corresponding bedrock copper mineralisation in shallow interface drill holes at the **Bartel Prospect**.

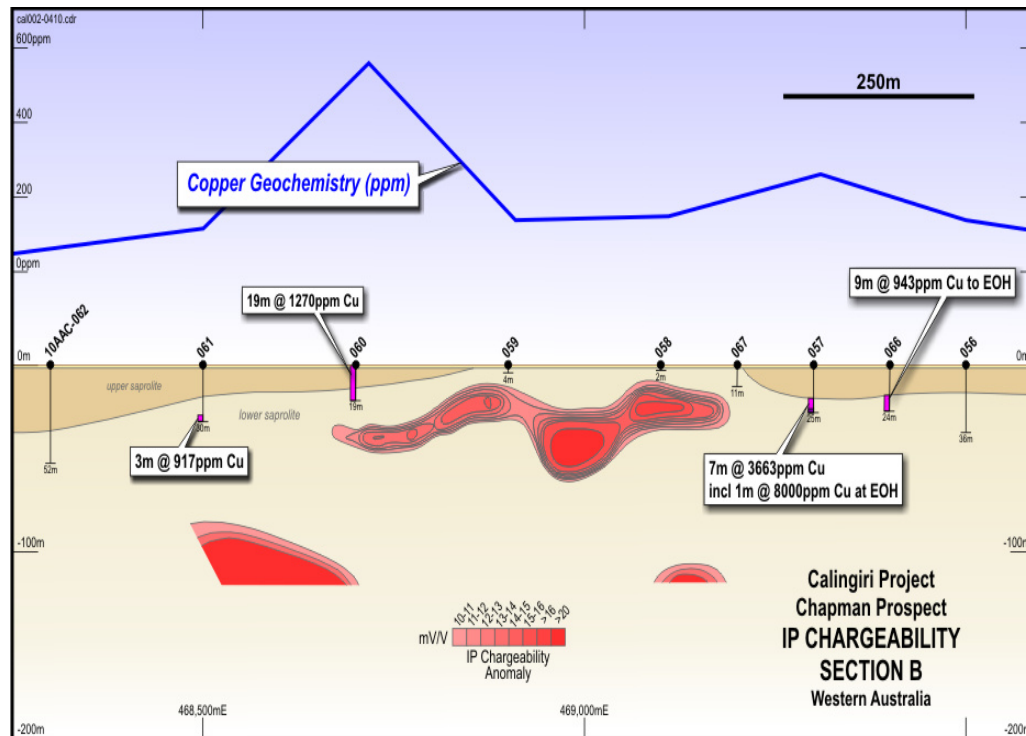
An offset pole dipole (3D) survey at the **Bartel Prospect** defined a significant chargeable anomaly (potentially due to strong sulphide mineralisation) directly beneath the anomalous copper in soil geochemistry. This chargeable anomaly lies within the footwall of a more resistive (less conductive) unit.





In response to the identification of significant bedrock copper mineralisation from the interface drilling at the **Chapman Prospect** using the handheld XRF unit (discussed above) two dipole-dipole IP traverses were completed targeting the eastern most Chapman copper soil anomaly. Both traverses (located 200 metres apart) defined a flat lying chargeable source (potentially due to a layer of supergene sulphide mineralisation), up to 600 metres wide, directly beneath the recent shallow interface drilling which returned anomalous copper values over a 1,000 metre wide zone.





The combination of significant surface and bedrock copper geochemistry overlying strong IP anomalies (indicative of sulphide mineralisation) at **Chapman** and **Bartel** define high priority exploration targets that will be drill tested as soon as possible.

### Wongan Hills Project (80%)



Previous exploration at Wongan Hills has defined both a very extensive system of copper-gold mineralisation (the **Ninan Prospect**) and outlined a parallel multielement geochemical anomaly (zinc, lead, copper, gold, arsenic, tin, and tungsten as well as important 'pathfinder elements indium, bismuth and antimony) at the **Mystery and Wongan West Prospects**. It is thought that these results demonstrate regional prospectivity for Golden Grove style volcanogenic hosted massive sulphide (VHMS) copper-gold and copper, lead, zinc and silver deposits.

Follow up interface drilling was completed during the quarter at the **Wongan West Prospect**. This drilling tested a number of gold and base metal targets outlined by interface drilling in the December 2009 quarter. In addition, previously untested gold in soil geochemical anomalies further to the east were also targeted.

Results, just received, are tabulated below. Assessment is in progress but further end of hole intersections of plus 1 g/t gold are noteworthy.

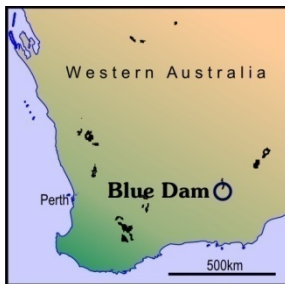
Table – Wongan West – Significant Gold Intercepts

Hole ID	Coordinates (GDA 94)	Dip/Azi	Interval (m)	Width (m)	Au (g/t)
10WWAC020	463575E / 6578225N	-90/090	48-50*	2	0.23
10WWAC022	463650E / 6578150N	-60/090	39-48	9	0.19
		<i>including:</i>	<i>45-48</i>	<i>3</i>	<i>0.39</i>
10WWAC025	464900E / 6578325N	-60/090	45-54	9	0.11
10WWAC026	464850E / 6578325N	-60/090	39-45	6	0.65
		<i>including:</i>	<i>39-42</i>	<i>3</i>	<i>1.18</i>
10WWAC028	464750E / 6578325N	-60/090	30-36	6	0.14
10WWAC029	464700E / 6578325N	-60/090	27-39	12	0.13
10WWAC030	464650E / 6578325N	-60/090	24-48	24	0.17
		<i>including:</i>	<i>27-33</i>	<i>6</i>	<i>0.32</i>
10WWAC031	464550E / 6578325N	-60/090	60-66*	6	0.19

\*bottom of hole intercept

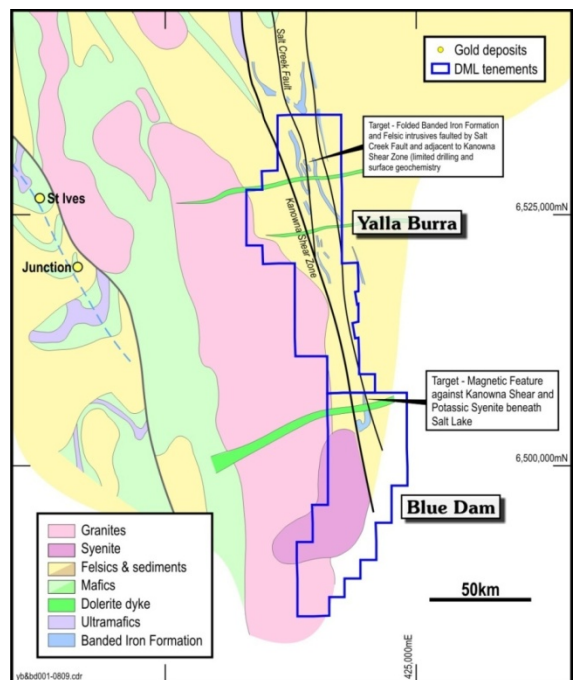
The majority of the Wongan West prospect is subject to a farm-in agreement with Red River Resources Limited and Iron Mountain Limited under which Dominion has earned an 80% interest.

**Blue Dam Project (option to acquire 90%)**



A geological interpretation for the Blue Dam Project has identified a folded magnetic unit, which is truncated by the Kanowna Shear, and lies adjacent to a magnetic syenite intrusive. This target lies beneath lake sediments and is untested by drilling. Planned evaluation will involve aircore drilling using a track mounted drill rig.

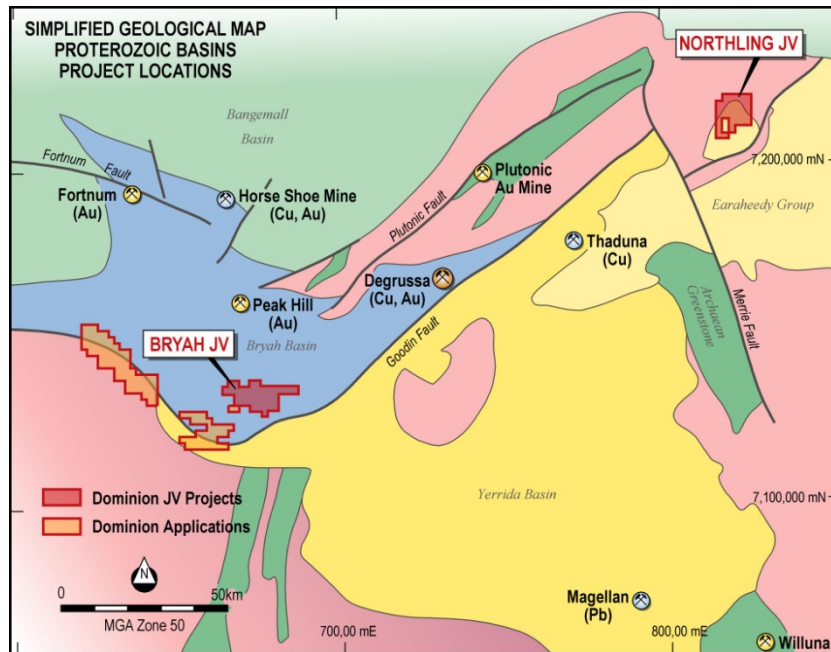
A heritage survey was completed in the December 2009 quarter and drilling planned for late March 2010 has been delayed pending grant of the licence and necessary Government approvals.



Yalla Burra and Blue Dam Projects



**Bryah, Yerrida and Earahedy Basins**



The high grade copper gold discovery at Sandfire Resources NL's DeGrussa Prospect in the Bryah Basin has significantly changed the perceived copper-gold exploration potential in the district. During the year, Dominion has focussed on identifying quality exploration ground, prospective for copper-gold mineralisation, within the north Murchison Proterozoic Basins of Western Australia. At present Dominion has two joint ventures (Northling and Bryah JVs), and several tenement applications, in the region.

**Northling Project (earning 70%)**

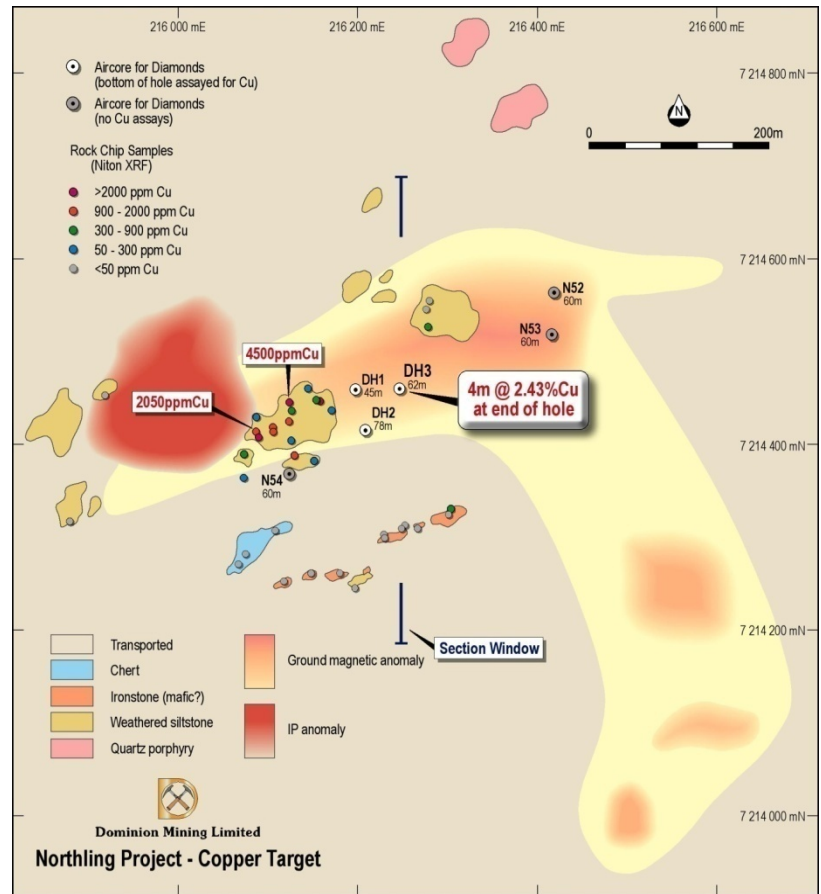


The Northling JV Project represents an opportunity for rapid success as limited historical drilling has intersected 4m @ 2.43% Cu, in a chlorite-sericite schist at the end of hole, adjacent to a underlying magnetic unit.

The project, located 170km north of Wiluna in Western Australia, occurs in an area of limited outcrop on the western edge of the Earahedy Basin within the Stanley Fold Belt. Local geology indicates a folded and steep dipping sedimentary package of rocks.

Previous exploration in the area has solely been for diamonds, with the most comprehensive work carried out by DeBeers in the early 1990s, and subsequently by Northling Pty Ltd, in the mid 1990's. Since this time no other exploration is reported to have occurred.

Of interest to Dominion is a magnetic feature in the centre of the tenement. This feature was tested with ground magnetics and drilling by De Beer's in 1991 (they did not assay for copper) and additional drilling by Northling Pty Ltd in 1994. One of the Northling Pty Ltd RAB holes (DH3), intersected copper sulphide mineralisation at the bottom of the hole grading 4m @ 2.43% copper from 58 – 62 metres (only last 4 metres of hole assayed for copper) associated with a strongly altered chlorite-sericite schist (2009 petrography). The geology above this mineralised interval, and also encountered in the other (shallow) holes, is a quartz arenite and does not appear to be related to the geology encountered in the mineralised interval. No magnetic susceptibility work has been completed at the bottom of these drill holes and it seems likely that the magnetic anomaly remains undrilled. Modelling of the ground magnetic data supports the concept that the target magnetic feature is dipping to the south just beneath the anomalous intercept.



During the quarter exploration has involved geochemical and geophysical surveys.

#### Geochemical Orientation Sampling

Initial orientation sampling, comprising 174 sample locations over 5 lines was designed to obtain a geochemical baseline signature over the ground magnetic anomaly. Ferruginous lag samples show a strong copper anomaly in the area where previous rock chips identified elevated copper. However finer fraction soil samples returned less anomalous results, indicating a leaching of copper in the soil profile.

Additional regional surface geochemistry is planned for the June 2010 quarter to cover the wider tenement area.

#### Ground Geophysics

A 3D IP survey (offset pole dipole) identified a chargeable anomaly directly overlying the copper in soil anomaly, but offset from the copper bearing drill hole. While this is not a strong chargeable feature resistivity mapping of the area indicates that the surface regolith is conductive. This would limit the effectiveness of the chargeability data in detecting any underlying sulphides.

The presence of strong copper geochemistry overlying a chargeable anomaly and lying adjacent to a drill hole with 4m @ 2.43%Cu (with alteration), still represents a high priority target and reverse circulation drilling is planned for the June quarter.

**Bryah JV (earning 70%)**



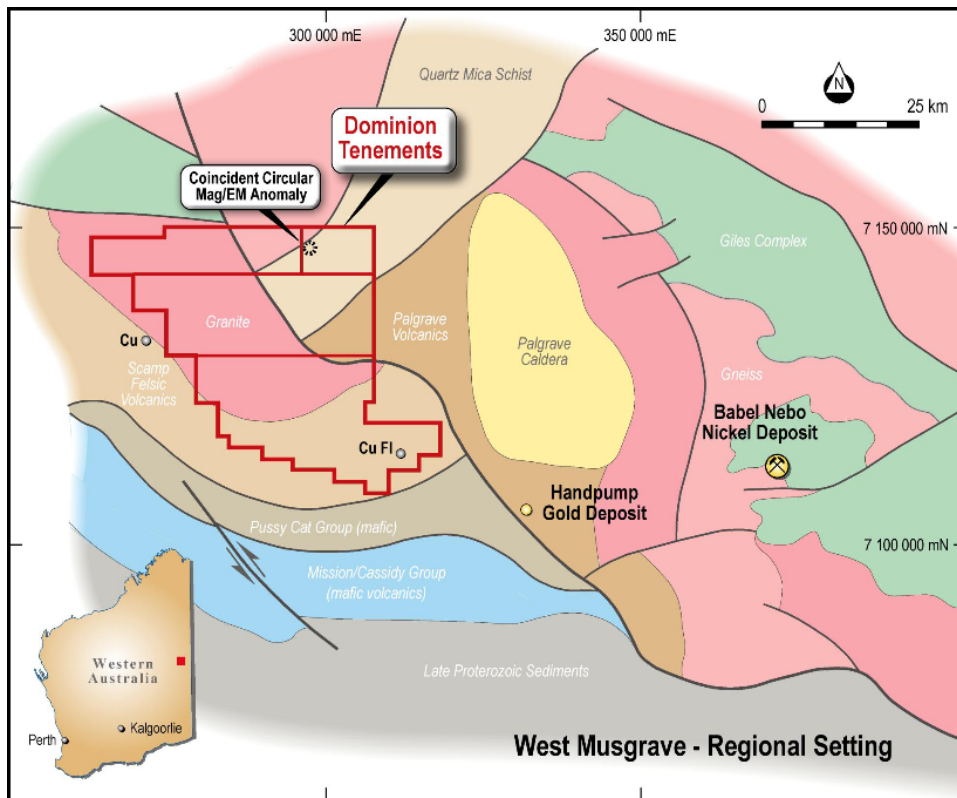
Dominion’s regional evaluation has identified this area to be prospective for volcanogenic massive sulphide (VMS) copper - gold deposits similar to the DeGrussa discovery.

Historical exploration on the tenement has focussed on identifying lode gold mineralisation and only limited surface copper exploration utilising shallow vacuum holes has been completed. These shallow vacuum holes (~2m deep) identified several >100ppm Cu in soil anomalies which are coincident with elevated arsenic and gold. No drilling of these anomalies has been undertaken and further surface geochemistry is warranted prior to systematic drilling.

An aggressive exploration programme will commence as soon as the tenement is granted.

**West Musgraves District**

**Golden Point Project (100%)**



New gold intercepts announced by Beadell Resources Limited (Beadell) in December 2009 at their Handpump Prospect in the West Musgrave Province herald the first significant gold intercepts from this region and may point to a new Mesoproterozoic gold province.

Dominion has applied for four exploration licences north-west of the Handpump Prospect. These tenements overlay a regional north-west domain fault that is evident in the regional gravity and magnetics

and lies adjacent to the Handpump Prospect and separates the western Mission and Cassidy Group (volcanics and sediments) from the eastern Giles Complex.

A detailed technical review has identified several areas that warrant first pass exploration. Of particular interest is a coincident circular magnetic and airborne electromagnetic anomaly which has never been drill tested.

Dominion intends to progress these tenements to grant as soon as possible.

#### **EXPLORATION/EVALUATION EXPENDITURE**

Group regional exploration (A\$1.09 million) and Challenger resource/reserve evaluation expenditure (A\$0.42) million) totalled A\$1.51 million for the quarter.

**CORPORATE**

Attributable revenue for the quarter was A\$23.80 million, generated from the sale of 19,712 ounces of gold at an average price received of A\$1,207 per ounce. For the nine months revenue totalled A\$66.85 million from the sale of 58,356 ounces of gold at an average delivered price of A\$1,146 per ounce.

Group cash (A\$12.65 million) and bullion on hand accounted as revenue (A\$3.14 million) totalled A\$15.79 million at 31 March 2010. This was after the interim dividend paid out in cash on 31 March 2010 of A\$1.99 million. In addition, 77,708 shares were issued under the Company's Dividend Reinvestment Plan. Cash on hand includes A\$1.43 million of restricted cash to support bank guarantees lodged as security to various statutory bodies.

During the quarter a royalty payment of A\$1.51 million calculated on 3.5% of revenue from gold sales generated from Challenger over the 6 months July to December 2009 was paid to the South Australian government.

At the end of the quarter 19,500 ounces (representing around 3% of current reserves) with an average delivered price of A\$1,094 per ounce were sold under forward sales contracts.



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**ATTRIBUTION**

*The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Peter Bamford, Tony Poustie and Paul Androvic who are full-time employees of the Company, members of the Australasian Institute of Mining and Metallurgy. Peter Bamford, Tony Poustie and Paul Androvic have sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Peter Bamford, Tony Poustie and Paul Androvic, consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.*