

SCOPING STUDY CONFIRMS STRONG ECONOMICS FOR DART MINING'S UNICORN PROJECT

Scoping Study Highlights

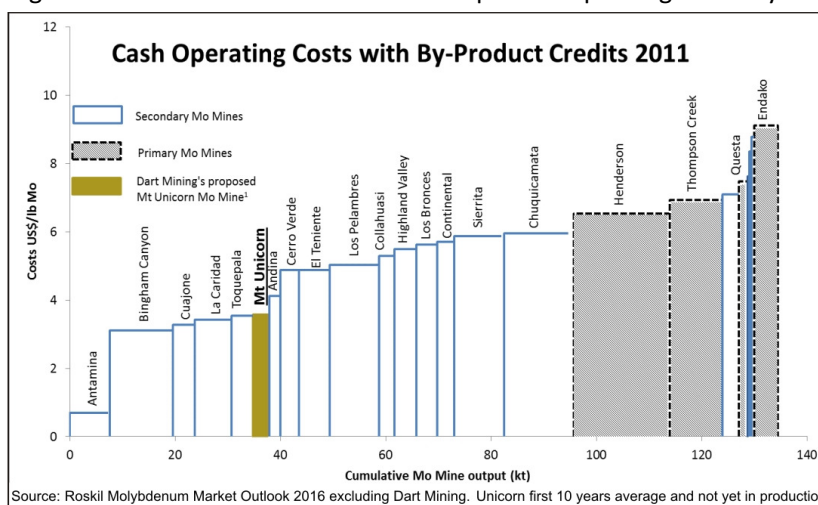
- Initial mine life of 14 years with strong potential to increase to 20 years
- 10Mtpa production gives best financial result due to economies of scale
- Pre-tax IRR 27% at a discount rate of 10%
- Payback less than 2.5 years
- NPV (100% equity) \$255million based on initial 14 year mine life.
 - **Additional 6 year mine life could add approx \$50 - 70million NPV**
- \$3.58 cash cost / lb (net of credits) places Unicorn in lowest cost quartile
- Cash positive at \$8 / lb Mo (net of credits)
- Capital cost \$304million with production targeted to commence mid-2016

Dart Mining NL (ASX : DTM) is pleased to announce the completion of the scoping study for the Unicorn Mo + Cu + Ag project in North Eastern Victoria. The scoping study has produced very positive financial results and demonstrates the potential for Unicorn to become a viable, long mine life operation.

Dart Mining in conjunction with Ausenco Services (a leading Australian engineering and project management company), Arcon Mining Services (a leading Perth based engineering and project management company), Braemar Seacope (one of the world's largest ship charterers and provider of logistics services) and Taylor Mine Planning (a specialist mine planner) investigated three operational scenarios (5Mtpa / 7.5Mtpa / 10Mtpa) for Unicorn. The economies of scale provided by the higher annual production throughput of 10Mtpa delivers the best financial outcome for the project.

"Completion of the scoping study for the Unicorn Project is the culmination of many months of technical evaluation and we now have a clear focus and pathway for moving Unicorn closer to production," said Lindsay Ward, Dart Mining's Managing Director.

"We are very pleased with the results of the scoping study and believe that there is still upside that may result from further refining of mine and mill operating scenarios and expanding the current resource which remains open at depth to give a 20 year mine life."



Graph 1. Operating Cash Cost Mine + Mill Cash Cost (US\$/lb Mo)

Whilst the world Molybdenum market is currently depressed with an average Moly price over the last six months of US\$12.83 / lb, independent international metals and minerals research company Roskill, are predicting that demand for Molybdenum will remain strong and continue to grow at between 4 - 6% per year with prices to recover to US\$18.50 / lb (current \$) by 2016 when Unicorn is planned to move into full production. Unicorn's low forecast operating cash cost is a significant advantage with the project being cash flow positive at a US\$8.00 / lb Moly price (net of credits).

ASX ANNOUNCEMENT

17 October 2012

ASX Code: DTM

Investment Data

Shares on issue 182,937M
Unlisted options 8.35M

Shareholders

Top 20 Hold 36%

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

Managing Director

Mr Lindsay Ward

Executive Director

Mr Dean Turnbull
Manager – Exploration

Non-Executive Directors

Mr Stephen Poke
Mr Richard Udovenya

Contact Details

Dart Mining NL
Level 2
395 Collins Street
Melbourne VIC 3000
Australia

Mr Lindsay Ward

Phone: +61 (0)3 9621 1299

Email: lward@dartmining.com.au

Visit our webpage:

www.dartmining.com.au

Basis of Scoping Study

The scoping study looked at three mining rates (5Mtpa / 7.5Mtpa / 10Mtpa) with ore being drilled and blasted, then moved by front end loader to in pit crushers for delivery to twin inclined ore passes using gravity to feed the ore down to a conveyor decline beneath the open pit. The crushed material is captured in twin apron feeders that progressively feed the ore onto a conveyor for transport to the processing plant.

Processing will use a conventional SAG, ball and pebble crushing comminution circuit, flotation, filtration concentrate storage, load-out and associated site infrastructure requirements. Separate molybdenum and copper/silver concentrates will be produced for sale. The base case of 7.5Mtpa was used as the basis of design and costing with scaled estimates then established for mining and throughput for the 5Mtpa and 10Mtpa cases.

The favourable project location (see below) compared to many other potential Australian resource projects, will enable Unicorn to be a residential mine and not a fly-in / fly-out operation, resulting in significant cost savings.

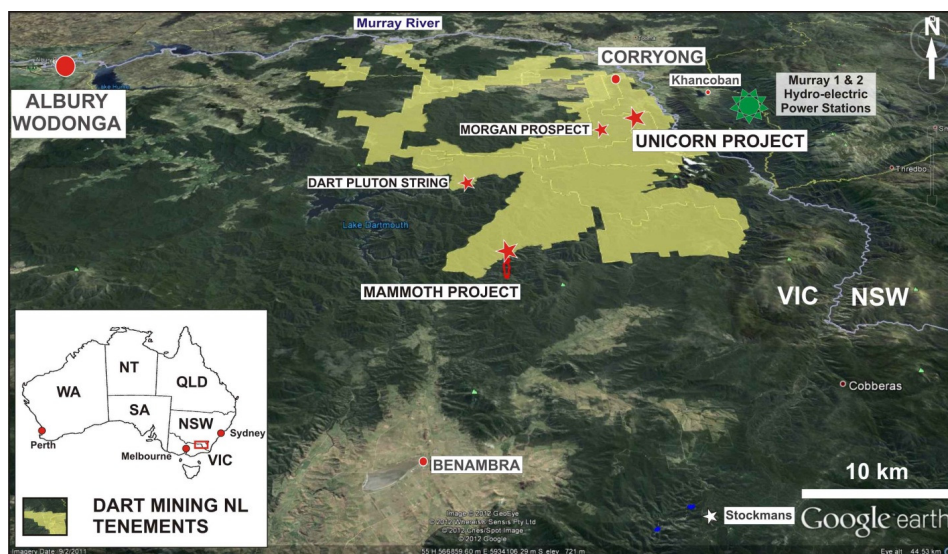
Dart engaged independent experts to provide specialist input into the scoping study components:

- Unicorn Deposit Resource Estimation – AMC Consulting Pty Ltd, August 2012
- Unicorn scoping study mining report – Taylor Mine Planning, Sept 2012;
- Summary of metallurgical test results – AMML Pty Ltd, Nov 2011
- Scoping Study Report (plant design capital and operating costs) – Ausenco Services Pty Ltd, August 2012,
- Unicorn Molybdenum Project peer review of scoping study report - Arccon Mining Services Pty Ltd, September 2012
- Unicorn Project Mine to Port Study – Braemar Seascope Pty Ltd, September 2012
- Molybdenum Market outlook to 2017- Roskill Information Services Ltd, July 2012
- Unicorn pre-production budget estimate - Taylor Mine Planning, August 2011

Location

Dart Mining's Unicorn project enjoys a very favourable location near Corryong in North Eastern Victoria. Corryong is a large regional support town of approximately 1,200 residents and has schools, supermarkets, a hospital, light engineering, sealed airstrip and other facilities to support a residential mining operation.

Corryong is approximately 1.5 hours' drive from Albury / Wodonga, a regional city of approximately 150,000 residents located on the border of NSW and Victoria, some 4 hours' drive from Melbourne and approximately 5 hours' drive from Sydney. Albury is a regional industrial hub and supports numerous heavy industries including a major paper mill so engineering, fabrication and specialist skills are available within easy driving distance.



Unicorn has excellent support infrastructure with abundant water onsite, an unsealed country road to within approximately 1 kilometre of the proposed mill site and the National Electricity grid within 14 kilometres of Unicorn. The advantages of existing infrastructure should not be underestimated when determining project economics.

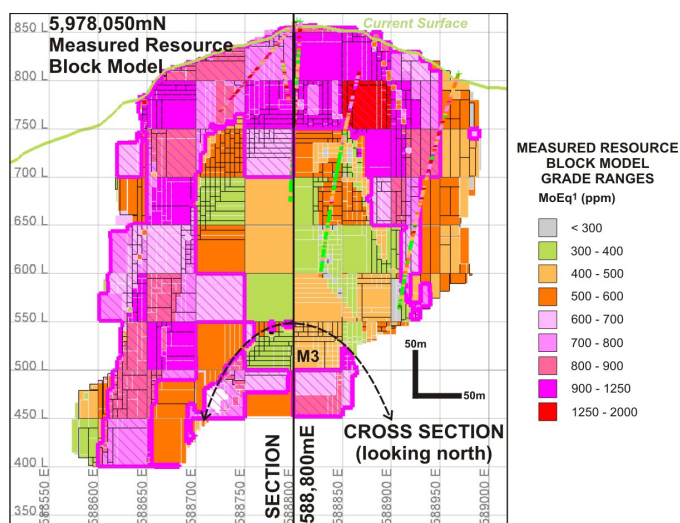
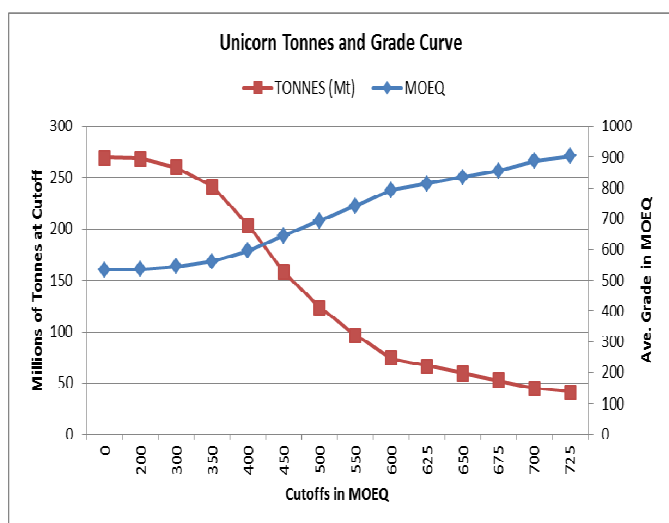
JORC Resource

AMC Consultants Pty Ltd (AMC) completed geological modelling and a block model (refer below) of the Unicorn deposit and estimated an updated total Measured, Indicated and Inferred Mineral Resource of 203 million tonnes at 0.06% MoEq¹ at 0.04% MoEq¹ cut off reported according to the JORC Code. At the higher cutoff of 600ppm MoEq¹ the resource includes 54million tonnes at 809ppm MoEq¹ from surface which greatly improves the projects economics as it maximises early cash flows.

The Resource remains open at depth below 450 metres (400m RL). It should be noted that high grade mineralisation such as 13.8m @ 0.09% Mo (including 2 metres at 0.48% Mo) has been intersected in DUNDD005 at a depth of 538 metres. This is some 200 metres below the current Mineral Resource base and confirms the potential subject to further drilling to extend the mine life to 20 years and to intersect at depth more high grade stacked Mo horizons typical of Climax style porphyry intrusives such as Dart Mining's Unicorn project and Henderson in Colorado, USA.

Dart Mining supplied all drill hole data and lithological solids/wireframes to AMC who provided a geostatistical review, variography and the block model estimate using ordinary kriging.

JORC CLASSIFICATION	MoEq ¹ Cut off Grade (ppm)	TONNES (Mt)	Mo Eq ¹ (ppm)	Mo (ppm)	Cu (ppm)	Ag (g/t)
MEASURED	400	102	664	367	599	3.58
INIDICATED	400	35	576	362	414	2.75
INFERRED	400	66	502	332	332	2.15
TOTAL	400	203	596	355	480	2.97
Including						
MEASURED	600	54	809	411	827	4.61



The tonnes grade curve for Unicorn (above) demonstrates good continuity and gives confidence that the resource estimate can be relied on across a range of cutoff grades. The MoEq¹ cutoff of 400ppm selected for the JORC Resource estimate used the formulae:

$$\text{MoEq}^1 \text{ (ppm)} = \text{Mo}(\text{ppm}) + (\text{Cu}(\text{ppm})/3.44) + (\text{Ag}(\text{ppm}) \times 34.3)$$

The prices used to arrive at the constants for the formulae were based on market prices from 22 June 2012 to 23 August 2012 and were:

Molybdenum = AU\$25,871 /t

Copper = AU\$7,525.70 /t

Silver = AU\$27.60/t

A 400ppm MoEq¹ (ppm) cutoff (using the formulae at the prices above) was chosen as it represents an in-ground value that equates approximately to the mining and processing costs, after recovery losses for one tonne of ore from the Unicorn project.

Metallurgy

Dart Mining engaged Australian Minmet Metallurgical Laboratories Pty Ltd (AMML) to undertake scoping study metallurgical test work for the Unicorn Deposit. Whilst further metallurgical testing will be required as the project moves to prefeasibility studies, a summary report from AMML highlighted that:

- The two representative ore samples tested were very amenable to high Mo and Cu recoveries by flotation with recoveries of up to 92.3% Mo / 96.1% Cu / 82.6% Ag achieved;
- Mo and Cu are two distinctly separate phases, both are relatively coarse and not mineralogically linked in any way;
- Grind size of 75 microns was used to achieve these recoveries. This is a typical grind size however, initial testing shows maintaining high metal recoveries appears achievable at a coarser grind size;
- Saleable grades of Mo concentrate (51% Mo) and Cu / Ag concentrates (23% Cu) were produced and with further test work it is expected that the metal percentages for Cu can be improved;

The scoping study has assumed conservative recoveries of 90% for both Mo and Cu with Ag at 80%.

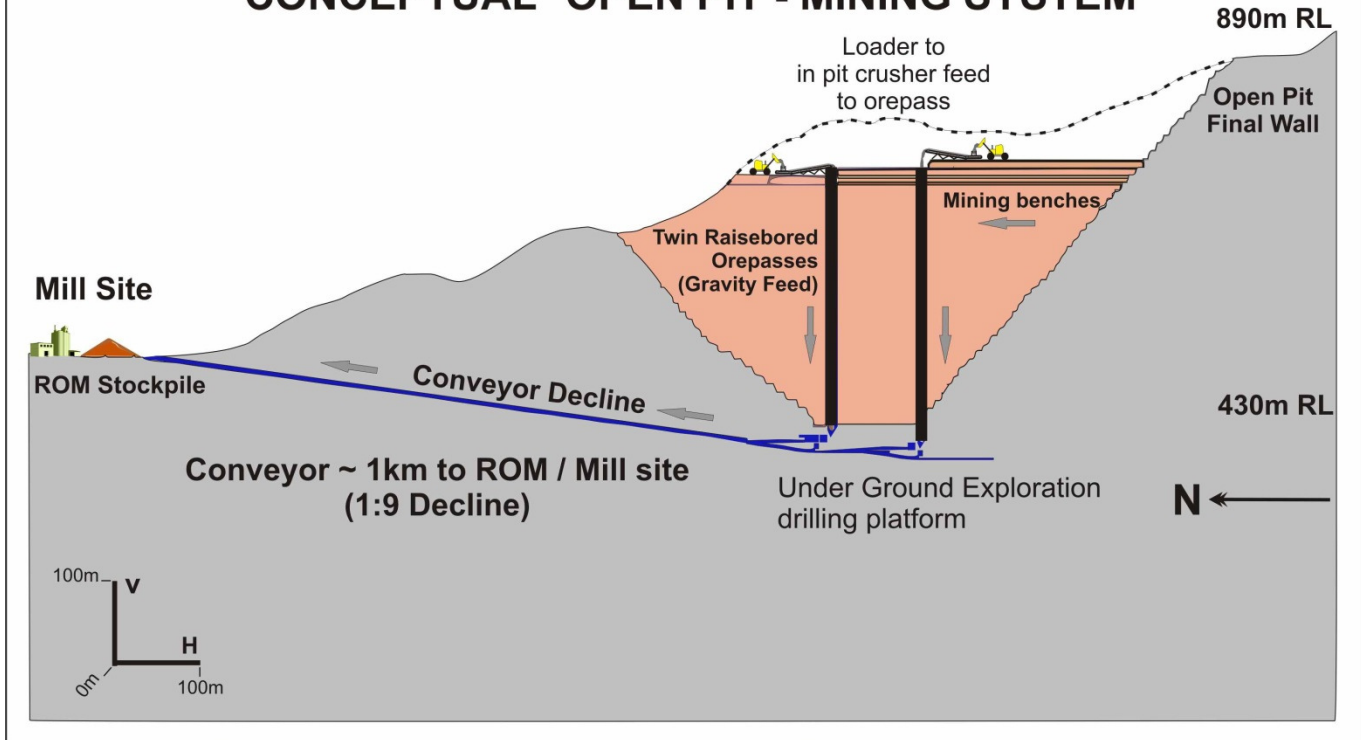
Mining

Taylor Mine Planning developed a scoping study mining plan and first principle cost estimate for the Unicorn Project. The study is based on the Measured, Indicated and Inferred JORC Resource block model provided by AMC. The block model was used to run a series of Whittle pit optimisations to establish the most economical pit shape and size for a series of varying input parameters.

Whilst a series of mining options were considered including traditional truck shovel and overland conveyor, the recommended approach was to use front end loaders to tram blasted ore to 1,000tph mobile in pit crushers for delivery to twin 3.5 or 4.0 metre diameter inclined ore passes. The ore is gravity fed down to a 1 kilometre long 5.5 x 5.5m adit extending from near the mill to beneath the current open pit design. The crushed material will be captured in twin apron feeders that progressively feed the ore to a trunk conveyor up the decline to the processing plant. It should be noted that the use of in-pit ore passes is not unique and is in use at several world class mining operations including Freeport's Grasberg Mine in PNG (www.fcx.com/operations/grascomplx.htm) and ZCMCs Kajaran mine in Armenia (www.zcmc.am/eng/our-operations/mining).

The adit is positioned strategically to be below the high grade M3 zone which represents the current base of the Resource and could, subject to further studies and drilling, provide an opportunity to access high grade ore by underground means or allow pit redesign to extract further open cut ore as the mine life is extended following later drilling.

UNICORN PORPHYRY DEPOSIT CONCEPTUAL* OPEN PIT - MINING SYSTEM



The simplistic approach to mining will only require a small support team to handle dozing, refuelling, roadway and pit bench maintenance. Given that the strip ratio averages approximately 8% for the initial 14 year mine life there is no plan to maintain a permanent truck / shovel fleet with waste currently assumed to be moved via the ore passes to the mill site and used for progressive tailings dam wall lifts.

At this stage, in keeping with the focus on a low manning operation and the available redundancy built into the proposed mining fleet, mining will occur on a 7 day week – single shift pit operation only. The processing plant has been designed to have sufficient stockpile capacity to achieve this approach to mining and will be supported by the ore passes where significant volumes of ore can be stored between mining shifts.

Processing

Ausenco was engaged by Dart Mining to prepare a concept study cost estimate (capital and operating) to treat a nominal 7.5 Mtpa of mined ore from Unicorn and to provide estimates factored from this base case for both the 5Mtpa and 10Mtpa cases. The report completed by Ausenco was then peer reviewed by Arccon and the resultant costs used as the basis for the financial model.

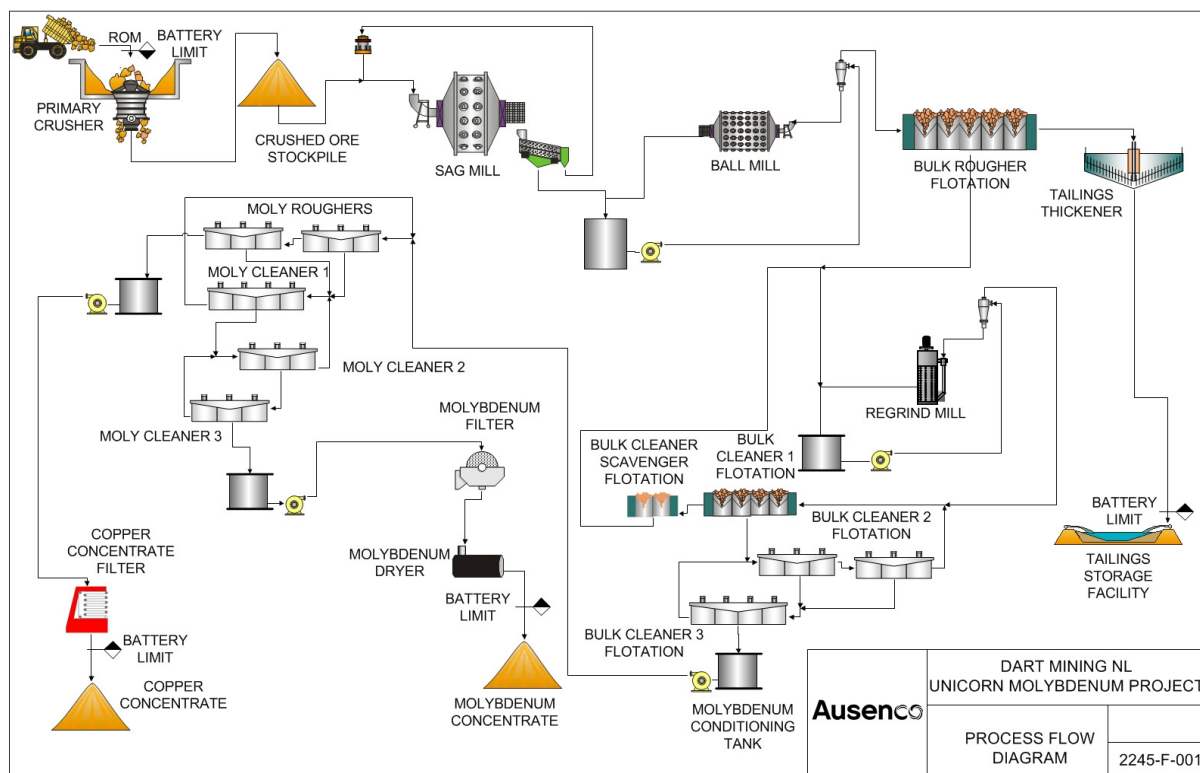
The process plant design incorporates a single line approach with a gyratory crusher, stockpile conveyor, coarse ore stockpile, SAG and ball mill grinding circuit, bulk flotation circuit including regrind, molybdenum flotation circuit, concentrate dewatering, molybdenum concentrate drying, concentrate load-out, tailings thickening facilities and utilities and supporting infrastructure.

The concentrator will use a conventional processing flow sheet (refer below inclusive of a primary crusher) and industry standard equipment. Concentrator operation will be monitored using a control system from a centrally located control room. Sampling and stream assay monitoring will be via an automated system linked to the control system.

Ausenco costed a conventional primary crusher configuration located near the ROM stockpile adjacent to the process plant. During the design process Dart Mining saw the potential to utilise in-pit mobile crushers feeding twin ore passes to an adit to deliver crushed ore via conveyor directly to a coarse ore stockpile (refer above). This approach eliminates the

capital and operating cost of a primary crusher in the plant costing and removes the need to maintain a trucking fleet and substantial haul road.

Ausenco did not provide a detailed costing for this option, however, the high level cost saving suggested by Ausenco has been reviewed and refined by Arccon and included in the overall scoping assessment. The cost basis for the mill both operating and capital used in the financial model is exclusive of the primary crusher.



Capital Costs

Separate to the processing plant capital costs that were developed by Ausenco and peer reviewed by Arccon, capital costs were developed by Taylor Mine Planning for the mine development, mining equipment, ore passes, conveyor tunnel and associated support facilities such as but not limited to site office, laboratory, magazine, bore field, access roads, drainage and site preparation for the mine. Where possible these development capital costs were cross-checked with industry and/or estimators familiar with the proposed work.

An area requiring further work is the tailings dam. A site nearby the processing plant has been identified along with 3 other possible sites but as yet no engineering design studies have been undertaken. In addition to the \$15M allowed for initial tailings dam construction a further \$5M has been allowed every 5 years as sustaining capital to progressively increase tailing storage capacity.

Capital Cost Summary – 10Mtpa case

Processing Plant:	\$189M
Mine Development:	\$41M
Mine Equipment:	\$31M
Tailings Dam:	\$15M
Contingency:	\$28M
Total:	\$304M

Operating Costs

Operating costs for the processing plant were developed by Ausenco and peer reviewed by Arccon based on the three operating scenarios. Taylor Mine Planning developed mine operating costs from first principles. The costs for the 10Mtpa case are provided below.

Operating Cost Summary – 10Mtpa case

Processing:	\$6.31 per tonne processed
Mining:	\$2.24 per tonne processed
Administration:	\$0.23 per tonne processed
Overheads / Contingency:	\$0.23 per tonne processed
Total:	\$9.01 per tonne processed

Organisational Structure

A first principles organisational structure has been developed and fully costed as a standalone business. The intent is to have a fully integrated business where support services (asset management, maintenance, day operational support, safety, finance) are shared across both the mill and mine such that there is no duplication of effort. Both the mine and mill have been designed with a minimal approach to personnel numbers so as to ensure the cost competitiveness of the business can be maintained for the long term.

It is expected that a total of 84 personnel will be required on a residential basis in Corryong. Proposed salaries were initially sourced from the 2011 Hays salary data for Victoria and then peer reviewed against actual salaries for a large regional Victorian based mining and earthworks contractor. The Unicorn project will enjoy considerable labour cost savings to other remote located fly-in / fly-out Australian projects by being located in an attractive part of regional Victoria where employment opportunities are limited.

Logistics

Braemar Seascope prepared a preliminary estimation of the cost of moving approximately 30,000tpa of molybdenum and copper concentrates in loaded containers from the proposed Unicorn mine to Asia. The process will involve trucking bagged material from the mine site to the Ettamogah rail intermodal facility near Albury where the bags will be stacked two high in 20 foot containers and railed to the Port of Melbourne.

The containers will then be exported on “line of trade” vessels to Asia. The proposed logistics chain will not require Dart Mining to fund any capital and it will utilize existing facilities and services available at the Ettamogah facility and freight train service to Melbourne.

The alternative of trucking direct to Melbourne was also investigated but it was not competitive against the preferred solution. Future studies may look at a bulk export solution through the Port of Melbourne but it is difficult to see that this would be more cost effective.

Community and Government Support

Dart Mining has engaged extensively with the Corryong community and local Government regarding the Unicorn project. Two community meetings have been held where over 10% of the population have attended and been given the opportunity to ask questions about the project and its potential impacts on the community.

Fortunately, Unicorn should it be developed, will not require prime agricultural land to be disturbed being located on unrestricted crown land which is available for mining and is generally well away from nearby residents.

Environmental

Whilst no approvals for mine development have as yet been applied for, a work plan was approved by the Department of Primary Industries (DPI) with input from the Department of Sustainability and Development (DSE), which enabled clearing of bush for drill access tracks to occur earlier this year. This work plan was subsequently approved after native title, flora and fauna surveys were completed which gives Dart Mining a high level of confidence that there are no known native title, flora or fauna issues to be overcome at Unicorn.

Key Financial Parameters

- Initial mine life of 14 years with strong potential to increase to 20 years
- 10Mtpa production gives best financial result due to economies of scale
- Pre-tax IRR 27% at a discount rate of 10%
- Payback less than 2.5 years
- NPV real (100% equity) \$255 million based on initial 14 year mine life
 - **Additional 6 year mine life could add approx \$50 - 70million NPV to the project**
- \$3.58 cash cost / lb places Unicorn in lowest cost quartile (net of credits)
- Cash flow positive at a Mo price of \$8.00 / lb (net of credits)
- Capital cost \$304M with production targeted to commence 2016
- Exchange rate A\$1.00 : US\$0.90
- Average Mo price over initial 14 year mine life US\$ 15.40 / lb
- Average Cu price over initial 14 year mine life US\$ 3.80 / lb
- Average Ag price over initial 14 year mine life US\$ 32.5 / Oz

Conclusion

The scoping study strongly supports the economic potential of the Unicorn project under a robust set of financial and operational parameters. Planned activities over the next twelve months will ideally see additional metallurgy undertaken, prefeasibility designs and studies completed and the initial approvals process commenced.

Economic Potential

The Unicorn project remains at an early stage of planning and assessment and there are risks associated with the estimates of key parameters (see section below regarding risks). However, the data is sufficient to allow assessment to a scoping study level of accuracy and no technical issues have been identified at this stage that would prevent the project from advancing to a Pre-Feasibility study.

A key conclusion of the scoping study is that the project is considered to have positive economic potential.

Further Studies

Further studies are now required to increase confidence in the project's parameters and economics. In the coming months, Dart Mining will look to initiate a pre-feasibility study and to assess opportunities to extend the mine life, improve project economics and look at the potential of underground mining.

Risks and Further Work

The Project is currently at a scoping study stage of planning, with further work required to confirm the assumptions and optimise the development strategy.

Given the high level nature of a scoping study, there are a number of risks which need to be mitigated through further work. This will include further metallurgical test work to advance mineral processing design as well as the need to further develop and cost the required tailings storage solution for the project.

The study is conceptual in nature and includes JORC compliant Mineral Resources in the Measured, Indicated and Inferred categories. There is no certainty that the outcomes of the study will be realised.

About Dart Mining

Dart Mining NL (ASX:DTM) is a Melbourne based exploration and development company that has discovered a new mineralised porphyry province in north east Victoria. The Dart province hosts molybdenum (Mo), copper (Cu), silver (Ag), zinc (Zn), tin (Sn) and gold (Au) mineralisation in porphyry igneous intrusions. It lies adjacent to the Gilmore suture with numerous intersecting splay faults. NSW is a proven host of world class porphyry mines associated with splay structures off the Gilmore Suture such as North Parkes, Cadia and Ridgeway, as is the Stockman Copper, Zinc, Silver and Gold VMS project, which is at an advanced stage of development and located in Victoria approximately 35 kilometres south of Dart Mining's tenements.

The Unicorn project is Dart Mining's principal project. It is a molybdenum (Mo) + copper (Cu) + silver (Ag) Climax style porphyry that has similar geological characteristics to the world class Henderson primary Mo porphyry mine in Colorado, USA. Unicorn has a number of unique characteristics with its high grade zones from surface and the deposit outcrops. It is about 20 kilometres from major National Electricity Market infrastructure (hydro generation, switchyards and transmission lines), has abundant water, road access direct to the deposit, an existing logistics chain links the deposit to overseas roasters and the project is strongly supported by the local Corryong community.

Dart Mining also has extensive tenement holdings in north east Victoria that are largely underexplored with very strong potential for identifying additional mineralised porphyries. Specific exploration targets known to be mineralised include Morgan (Mo/Ag /Cu/Au), Mammoth (Cu/Ag/Au/Zn/Sn/Mo) and the Dart Pluton string (Au/Cu).

About Molybdenum

Molybdenum is both a traditional and new age / future metal with unique characteristics. Its primary use is as an essential metal in the manufacture of steel where it adds strength, hardness and toughness as well as increasing steels resistance to corrosion. Molybdenum also has a range of chemical uses including acting as a catalyst to remove impurities, including sulphur, during crude oil production. Molybdenum is also used in the paint and plastics industry.

Molybdenum has a growing use in the renewable energy sector where it is used in the manufacture of solar panels and has a potential use as the electrode plate for the separation of hydrogen and oxygen to produce hydrogen energy. Molybdenum is also used in nano technologies to make electrical goods smaller.

Molybdenum is traded on the LME and has worldwide demand of ~ 220,000 tonnes pa that is growing at 5% pa.

COMPETENT PERSON'S STATEMENT

Information in this report that relates to a statement of Exploration Results and Mineral Resources of the Company is based on information compiled by Dean Turnbull B.App.Sc.(Geol) Hons. M. AIG. Mr Turnbull is a Director and full time employee of Dart Mining NL and has sufficient experience relevant to the style of mineralisation and type of deposits under consideration and to the activity he has undertaken to qualify as a competent person as defined in the 2004 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves" (or "JORC Code"). Mr Turnbull has provided written consent to the inclusion in the report of the matters based on his information in the form and context in which it appears.