



DARTMININGNL

# Potential for a world class Mo + Cu + Ag porphyry mine in a new Australian porphyry province

Lindsay Ward  
Managing Director

ASX : DTM  
June 2013



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# DTM CASHED UP + MOVING FORWARD

**Cash \$6.3M with burn rate ~\$240,000 / month  
PLUS \$0.85M R&D Refund PLUS \$4.7M 2<sup>nd</sup> Red Kite Tranche<sup>1</sup>**

**Victoria re-affirming it's commitment to resource development  
Single contact point, project facilitation, statutory timeframes**

**Strategy 1 - Progress Unicorn Prefeasibility**

**Strategy 2 – Growth DTM Tenements NE Vic – Gold + Porphyry's**

**Strategy 3 – Growth M&A – Gold and Base Metals**

<sup>1</sup> Refer ASX announcement 12 March 13. Second tranche subject to meeting key milestones



# DTM INVESTMENT HIGHLIGHTS

- Unicorn deposit – **potentially a long life Mo + Cu + Ag porphyry mine**
- Red Kite (US metal merchant) invests upto A\$10M – **detailed due diligence**
- Prefeasibility underway – **fully funded, as is regional exploration**
- High grade from surface – **very low strip ratio / available infrastructure**
- Very positive metallurgy – **no known native title, flora or fauna issues**
- NPV \$255M initial 14 years (100% equity) – **+6yr life<sup>1</sup> adds \$50 - 70M NPV**
- 2.5 year payback – **pretax IRR 27% (discount rate 10% / 100% equity)**
- \$304M capital – **all up cash cost @ \$8/lb<sup>2</sup> Mo (onsite, logistics, smelting)**

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<sup>1</sup> Still to be geologically defined and included in a JORC Resource, <sup>2</sup> Net of credits

# ABOUT RK MINE FINANCE – RED KITE

- RK Mine Finance specializes in providing development, acquisition and bridge financing to miners of precious & non-ferrous metal ([www.RKMineFinance.com](http://www.RKMineFinance.com))
- Red Kite Group – **~\$3.5B under management<sup>1</sup> (~\$1.7B mine finance exclusively)**
- Large global metal merchant – **NY, London, Shanghai, HK, Sydney, Bermuda**
- Red Kite \$10M DTM investment<sup>2</sup> – **major confidence boost for Unicorn**
  - Red Kite rewarded from production – **3% NSR royalty @A\$8.5M (2 tranches)<sup>3</sup>**
  - Equity A\$1.5M (2 tranches) invested<sup>1</sup> – **10% premium to 20 day VWAP**
  - Currently ~4.5% shareholding – **will move to ~9% with 2<sup>nd</sup> tranche**
  - Red Kite detailed due diligence – **confidence in Unicorn & management**



\$8.6M (AUD)  
Equity and Off  
take Agreement  
(August 2012)



\$50M Equity, Loan  
and Off take  
Agreement  
(November 2012)



\$20M Equity,  
Royalty and Off  
take Agreement  
(November 2012)



\$20M Royalty  
Agreement  
(February 2013)

<sup>1</sup> 30 April 2013    <sup>2</sup> Refer ASX announcement 12 March 13    <sup>3</sup> Second tranche subject to meeting key milestones



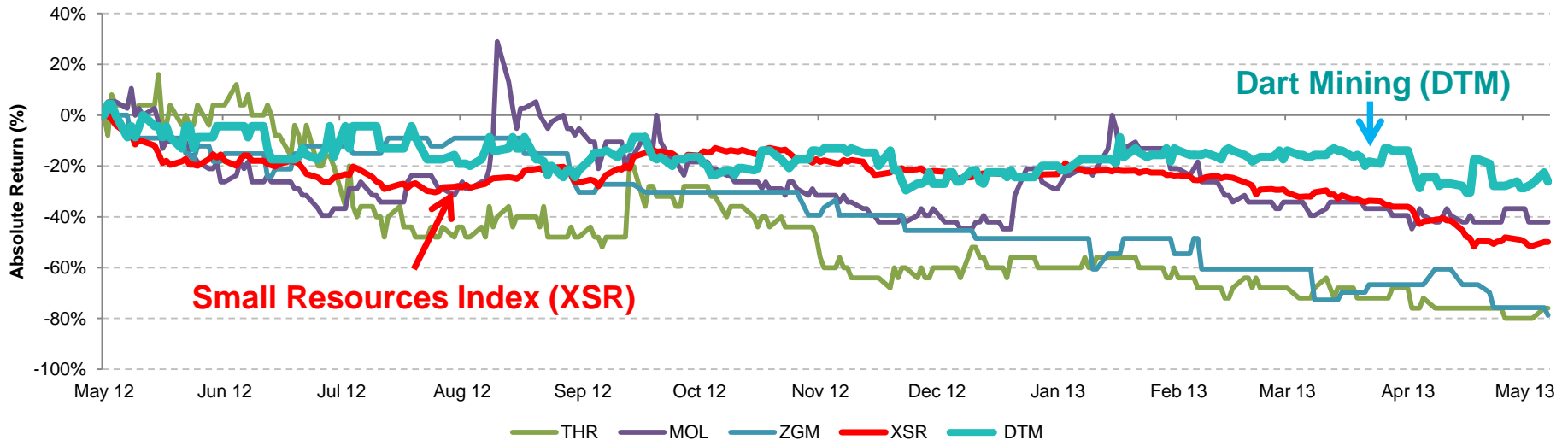
# DTM CORPORATE STRUCTURE

**ASX Code:** DTM  
**Shares on issue:** ~207m  
**Market cap:** ~\$17m  
**Directors:** 11.6m shares (~5.6%)  
**Top 20:** 40%  
**Cash:** ~US\$6.3m – 1 June 2013  
**Expenditure :** ~65% Exploration / ~35% Corporate

## Unlisted Options:

- 8.35m \$0.15 options (expiry Dec 2013)
- 100K \$0.18 options (expiry Mar 2017)
- 100K \$0.22 cent (expiry Mar 2017)
- 3m \$0.15 options (expiry Dec 2015)
- 3m \$0.15 options (expiry Dec 2016)
- 4.27m \$0.11 options (expiry 7 May 2016)

**Relative Share Price Performances  
 Australian Molybdenum Explorers / Developers**





# HANDS ON AND COHESIVE BOARD



## **Lindsay Ward – Managing Director**

Experienced senior executive having worked at CEO & GM level across the mining, power generation, mineral processing, ports, rail and logistic industries



## **Chris Bain – Chairman**

Well regarded corporate advisor, who has been instrumental in numerous resource based acquisitions, IPOs and capital raisings. Chris is a qualified geologist & mineral economist



## **Dean Turnbull – Executive Director**

Instrumental in pegging Dart Mining's tenements. Leads the Corryong based exploration team. Extensive exploration and mine geology experience



## **Stephen Poke – Non-Executive Director**

Experienced resources industry executive with a strong focus on mining and exploration drilling

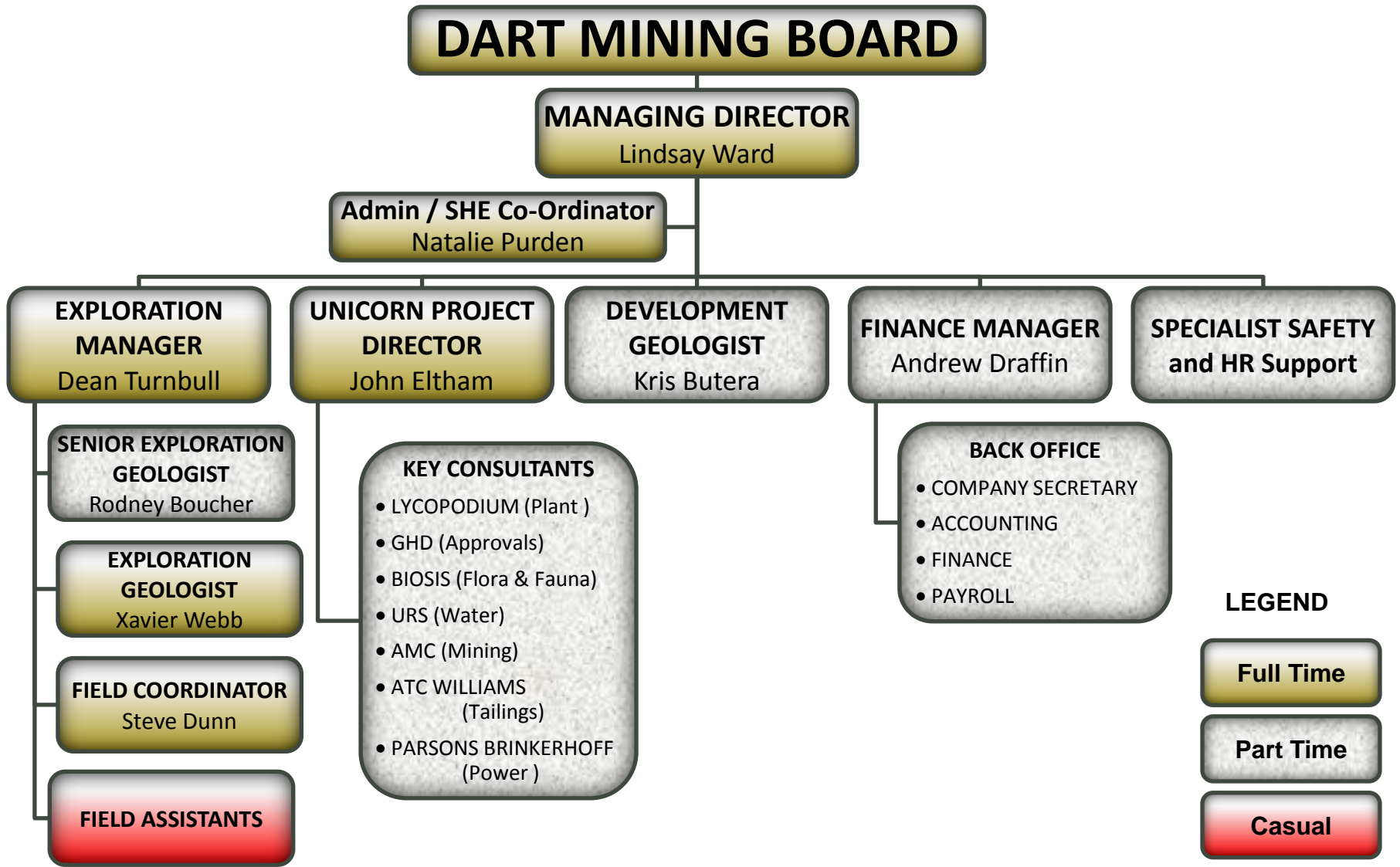


## **Richard Udovenya – Non-Executive Director**

Specialises in corporate, corporate governance and commercial law in the natural resources sector with a focus on ECM activities, including IPOs for ASX and AIM listings. Legal adviser to Australian & international resource companies

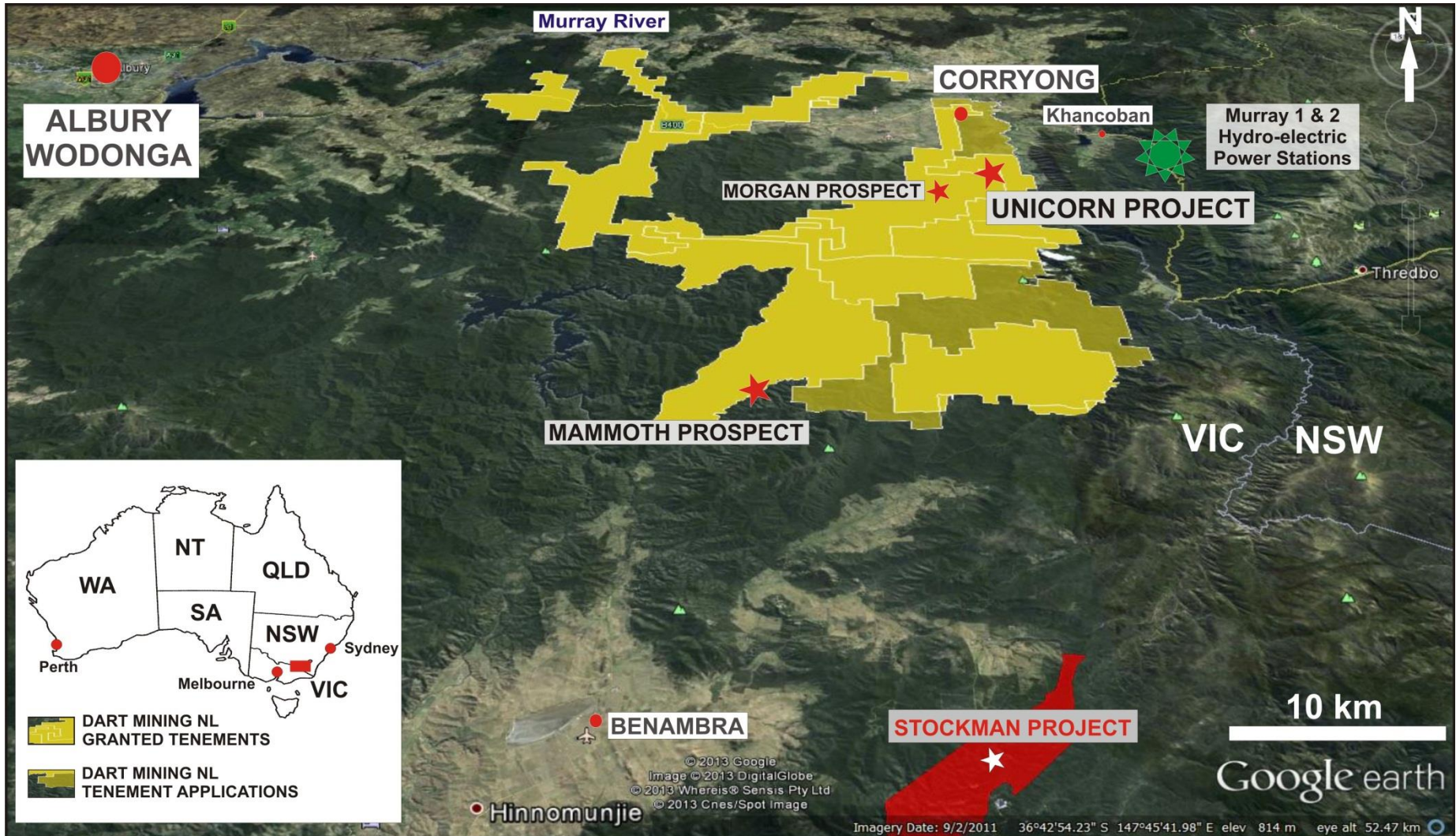


# RESOURCING FOR GROWTH

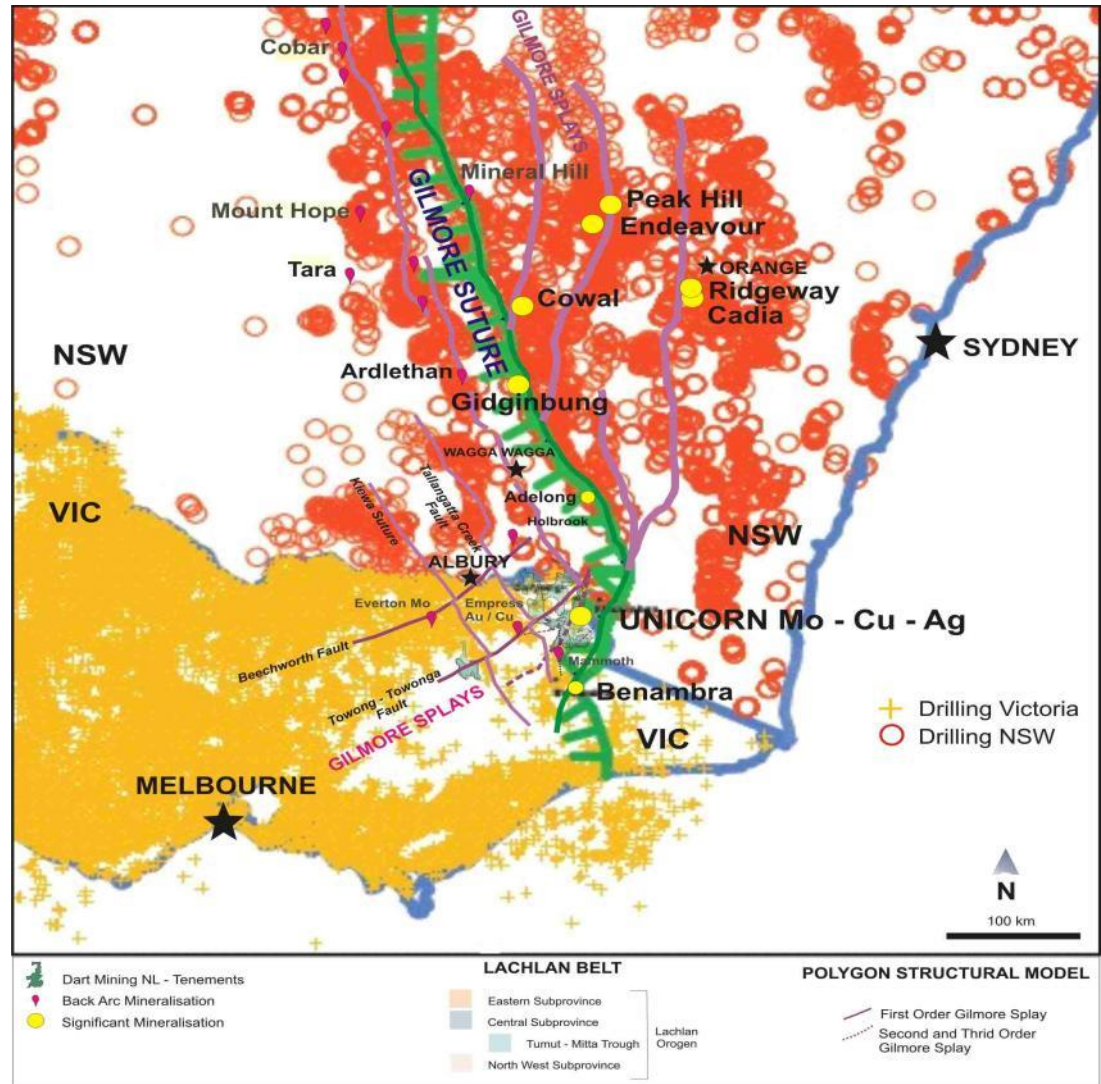




# PROJECT LOCATION ADVANTAGE

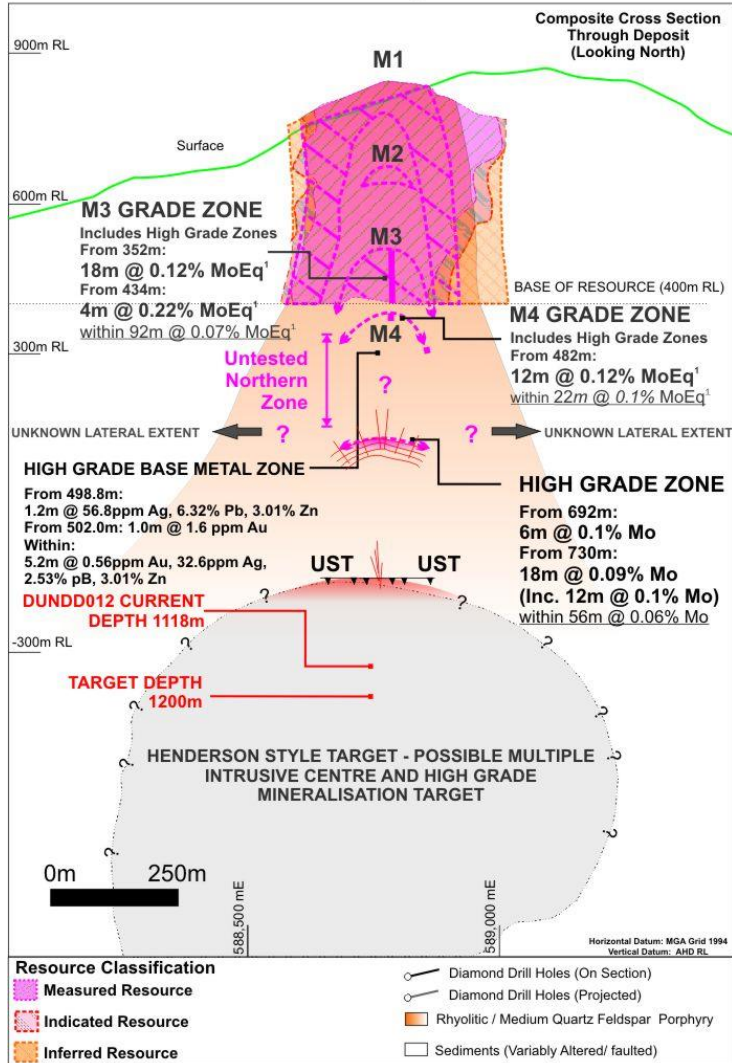


- Gilmore splays are known hosts of major ore bodies
  - ✓ Cadia / Ridgeway / Nth Parkes in NSW
  - ✓ Benambra in Victoria
- Gilmore suture flexes across into Victoria with a series of splay faults
- DTM has ~2,000km<sup>2</sup> of tenements across this strategic structural zone

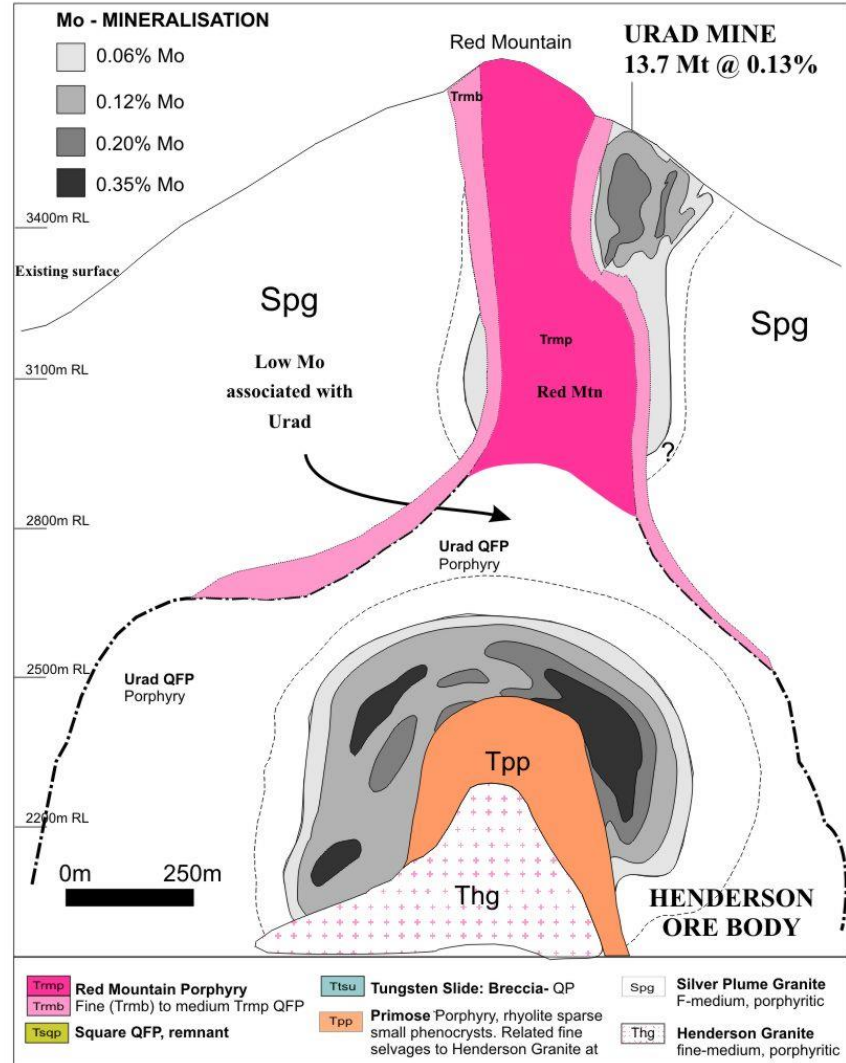


# HIGH GRADE ZONES CONTINUE BELOW 700m DEPTH

## UNICORN Mo - Cu - Ag DEPOSIT



## CLIMAX MOLYBDENUM COMPANY - HENDERSON MINE



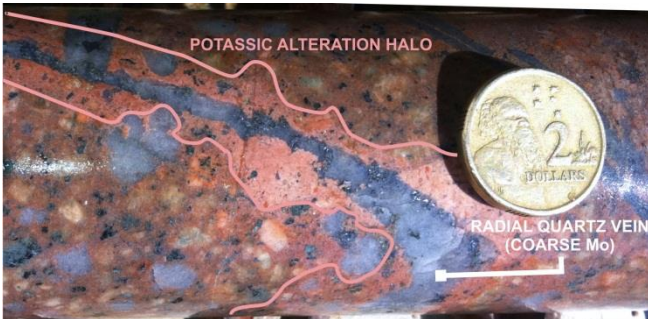
Unicorn Mineral Resource (Left) showing a composite cross section through the entire deposit with the M1, M2, M3 and M4 Grade Zones and the Mineral Resource area from surface to 400m RL (approximately 450m below surface). The conceptual Henderson style target associated with multiple intrusive centres is also illustrated. The Henderson Mine Geological cross section (Right) at the same scale (Modified composite section compiled from: Wallace 1978-1995, Seedorf & Einaudi 2004 and Banks 2009).

# HIGH GRADE ZONES CONTINUE BELOW 700m DEPTH



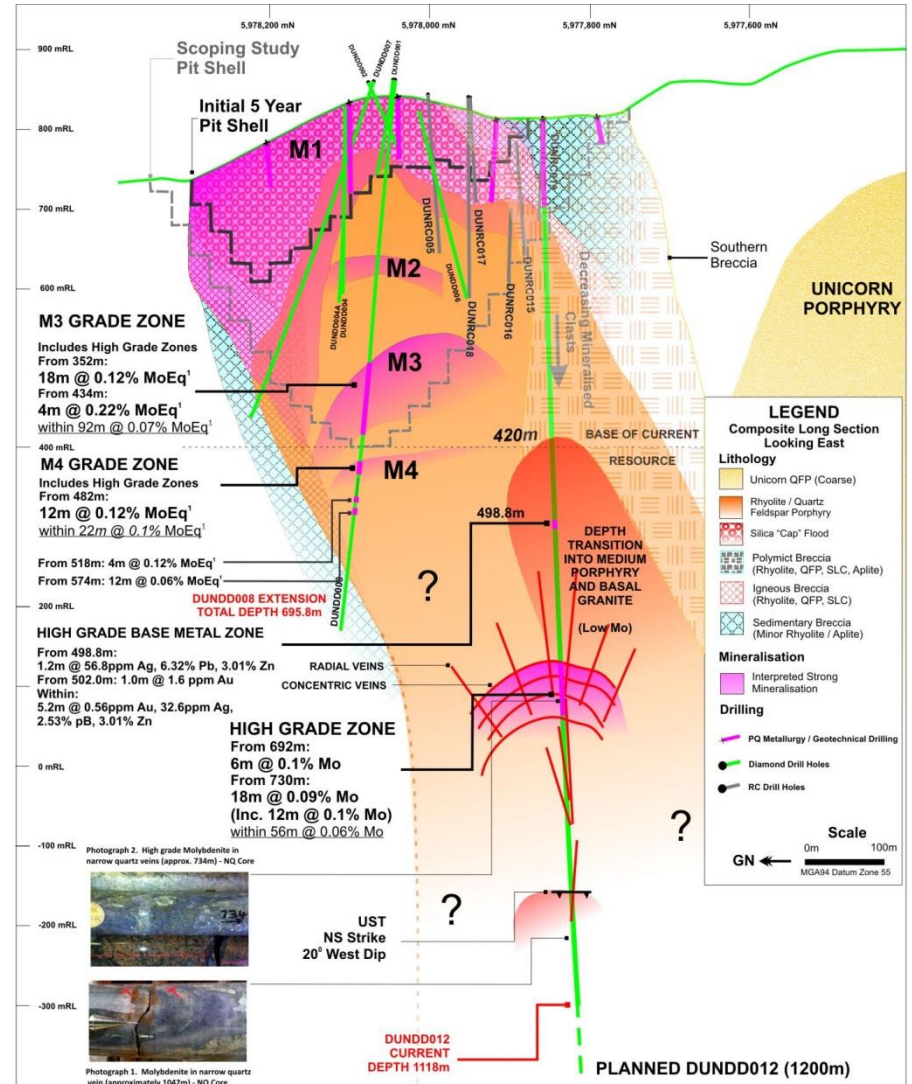
DUNDD012 - 990m DEPTH (UST - Down Hole)  
(North - South Strike and approx 20° W Dip)

Additional Rhyolitic Pulse showing UST  
- Pulse centre to the east of drilling.

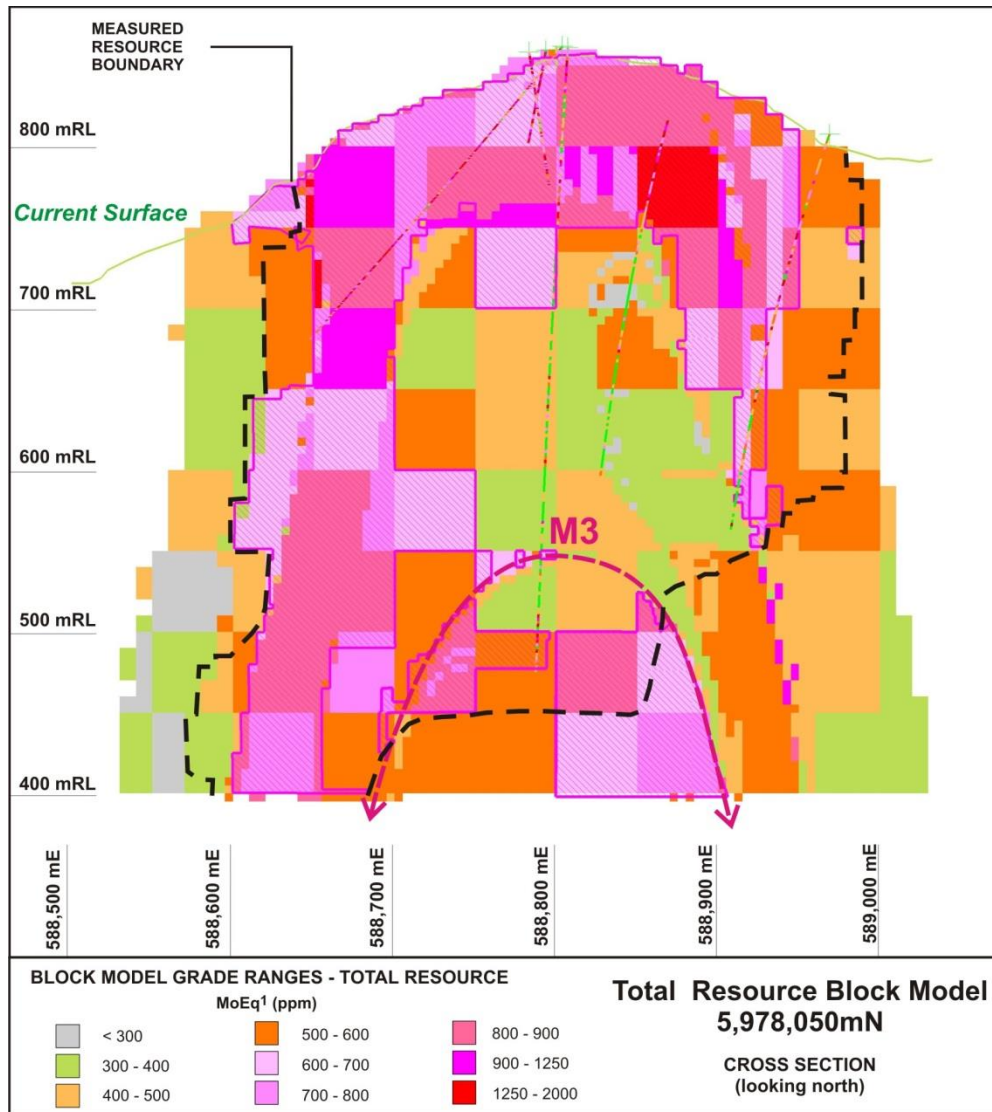


DUNDD012 - 990m DEPTH  
(East - West Strike and approx 70° N Dip)

Coarse visible Mo within radial veins  
showing strong Potassic alteration halos.



# HIGH GRADE FROM SURFACE



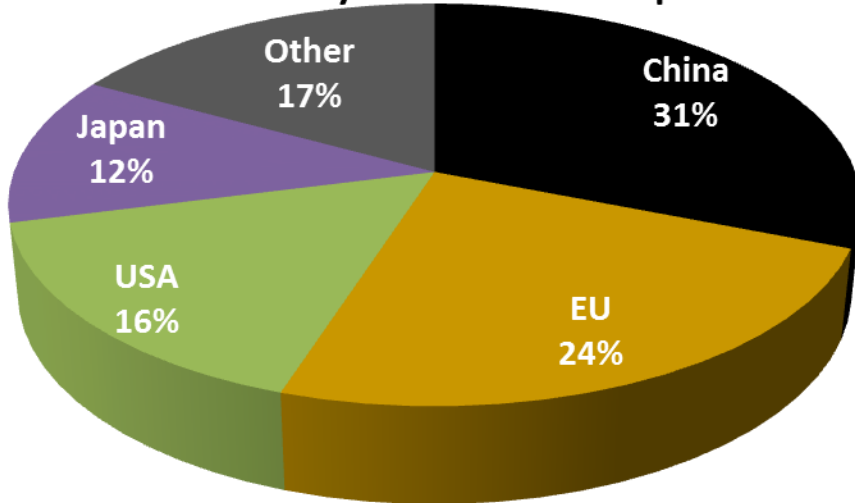
- 203Mt JORC Measured + Indicated + Inferred Resource at 0.06% MoEq<sup>1</sup>
- 102Mt Measured Resource at 0.07% MoEq<sup>1</sup> including
  - ✓ 54Mt Measured Resource at 0.08% MoEq<sup>1</sup> from surface
- Insitu Metal - Measured and Indicated Resource
  - ✓ Mo – 50.4 Kt
  - ✓ Cu – 75.9 Kt
  - ✓ Ag – 14.9 Moz
- Metallurgy
  - ✓ Mo 92% + Cu 96% + Ag 83%
  - ✓ 51% Mo con + 23% Cu/Ag con

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



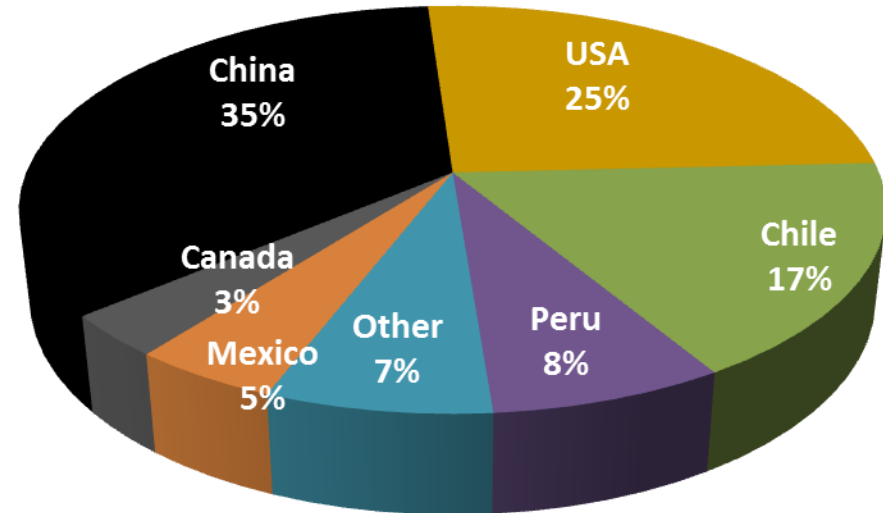
# ABOUT MOLYBDENUM

## Global Molybdenum Consumption



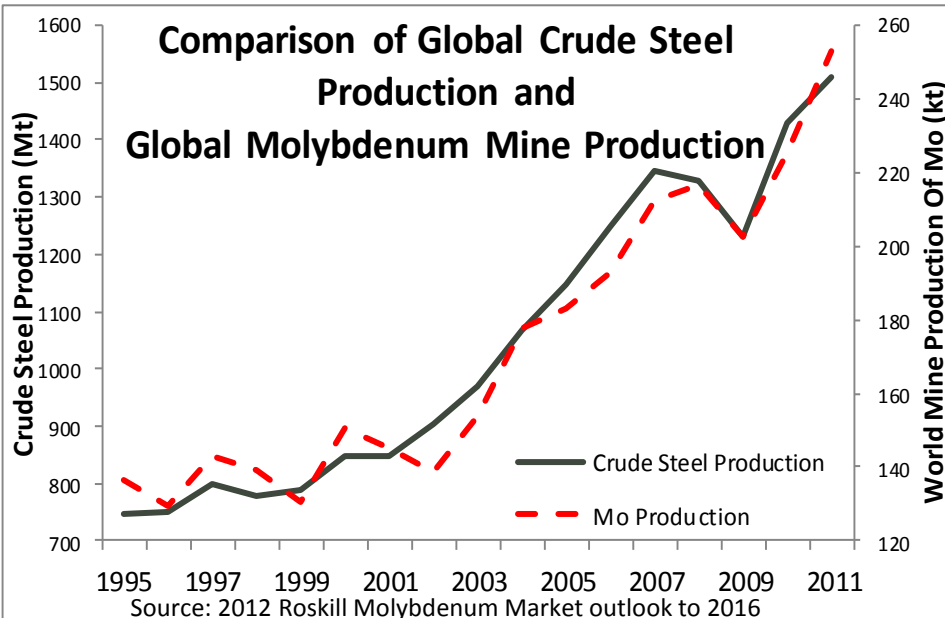
Source: 2012 Roskill Molybdenum Market outlook to 2016

## Global Production



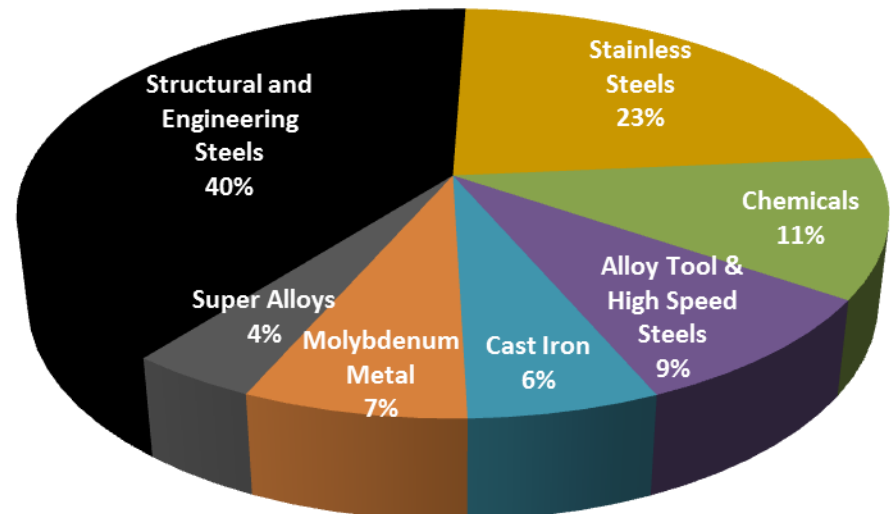
Source: 2012 Roskill Molybdenum Market outlook to 2016

## Comparison of Global Crude Steel Production and Global Molybdenum Mine Production



Source: 2012 Roskill Molybdenum Market outlook to 2016

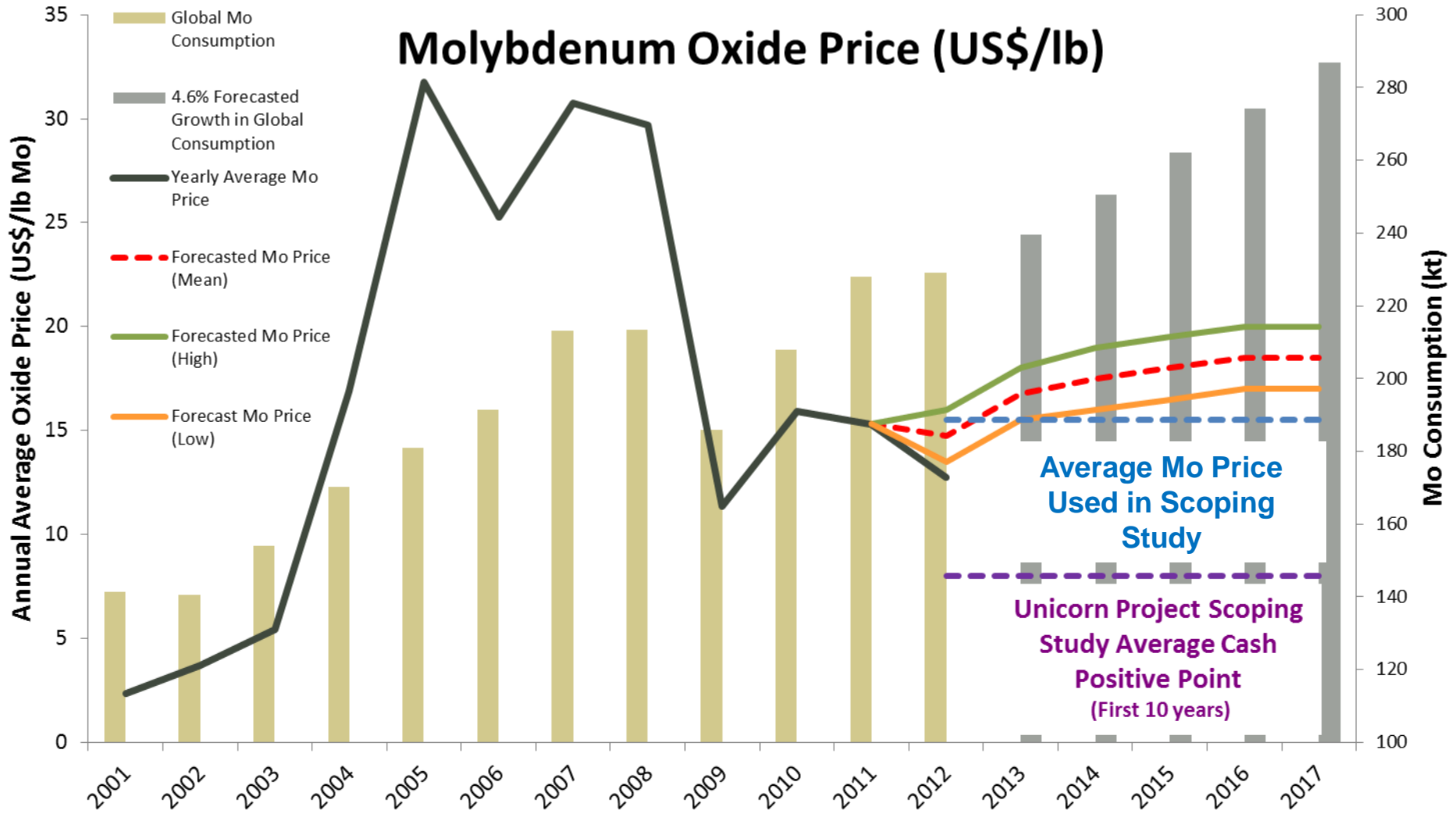
## First Uses of Molybdenum



Source: 2012 Roskill Molybdenum Market outlook to 2016



# MOLYBDENUM MARKET FORECASTS



Source: 2012 Roskill Molybdenum Market outlook to 2016 excluding Dart Mining plus Company reports. Note: Unicorn not yet in production



# SCOPING STUDY PARTNERS



**Unicorn Block Model Estimation**  
AMC Consulting Pty Ltd,  
a leading mining consultancy



**Unicorn Scoping Study Mining Pre-Production Estimation**  
Taylor Mine Planning, specialist  
mine planner

**Metallurgical Test Work**  
AMML Pty Ltd, an established  
minerals testing laboratory  
specialising in flotation test work



**Unicorn Scoping Study Plant Design Capital and Operating**  
Ausenco Services Pty Ltd, a leading  
Australian engineering and project  
management company



**Unicorn Molybdenum Project Peer Revision of Ausenco Processing Plant Study**  
Arcon Mining Services Pty Ltd, a  
leading Perth based engineering  
and project management company.



**Unicorn Project Mine to Smelter Study**  
Braemar Seascope Pty Ltd,  
September 2012, one of the  
world's largest ship charterers and  
provider of logistics services.



**Molybdenum Market outlook to 2017**  
Roskill Information Services Ltd, a  
leader in international metals and  
minerals research.





# SCOPING STUDY PRODUCTION PARAMETERS

- Initially open cut mine – **potential to move to underground**
- Residential mine within Corryong Community – **not fly in fly out**
- High grade from surface and outcrops – **very low strip ratio**
- Clear / Mine / Crush / Float / Tailings – **simple separation process**
- Targeting 20 year mine life – **10Mtpa ore / ~30Ktpa concentrate**
- 51% Mo Con (~3ktpa<sup>1</sup> Mo) – **23% Cu/Ag Con (~6Ktpa<sup>1</sup> Cu, ~0.8Moz Ag<sup>1</sup>)**
- Export in containers – **truck to Albury / train to Melbourne Port**
- Buy local - employ local - live local – **community support is key**

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<sup>1</sup> Average First 10 Years of Production from Scoping Study



# SCOPING STUDY / PEA - OCTOBER 2012

- Initial mine life 14 years – **strong potential to increase to 20 years**
- NPV \$255M initial 14 years (100% equity) – **+6yr life<sup>3</sup> adds \$50 - 70M NPV**
- 2.5 year payback – **pretax IRR 27% (discount rate 10% / 100% equity)**
- Onsite cash cost A\$3.58/lb<sup>2</sup> – **project cash positive at Mo US\$8/lb<sup>1</sup>**
- Exchange rate A\$1.00 : US\$0.90 – **average over initial 14 yr project life**
- 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

Unicorn Capital Cost (A\$)		Unicorn Operating Cost (A\$)	
Processing Plant	\$189M	Processing	\$6.31/t
Mine Development	\$56M	Mining	\$2.24/t
Mine Equipment	\$31M	Administration	\$0.23/t
Contingency	\$28M	Overheads	\$0.23/t
<b>Total</b>	<b>\$304M</b>	<b>Total</b>	<b>\$9.01/t</b>

<sup>1</sup>Net of credits   <sup>2</sup>Average A\$ first 10 years   <sup>3</sup>Still to be defined and included in JORC Resource



# CASE STUDY – ENDAKO MINE

## Unicorn Project (scoping study)

- Multi metal – Mo + Cu + Ag
- **High recoveries**
  - ✓ **Mo 92% + Cu 96% + Ag 83%**
- Two saleable concentrates
  - ✓ 51% Mo plus a 23% Cu/Ag
- **Strip Ratio ~0.2 : 1**
- Head grade
  - ✓ Measured 0.08% MoEq<sup>1</sup>
  - ✓ Total resource 0.06% MoEq<sup>1</sup>
- **~A\$304M to develop**
- Excellent infrastructure
- **Cash cost A\$3.58/lb<sup>2</sup>**

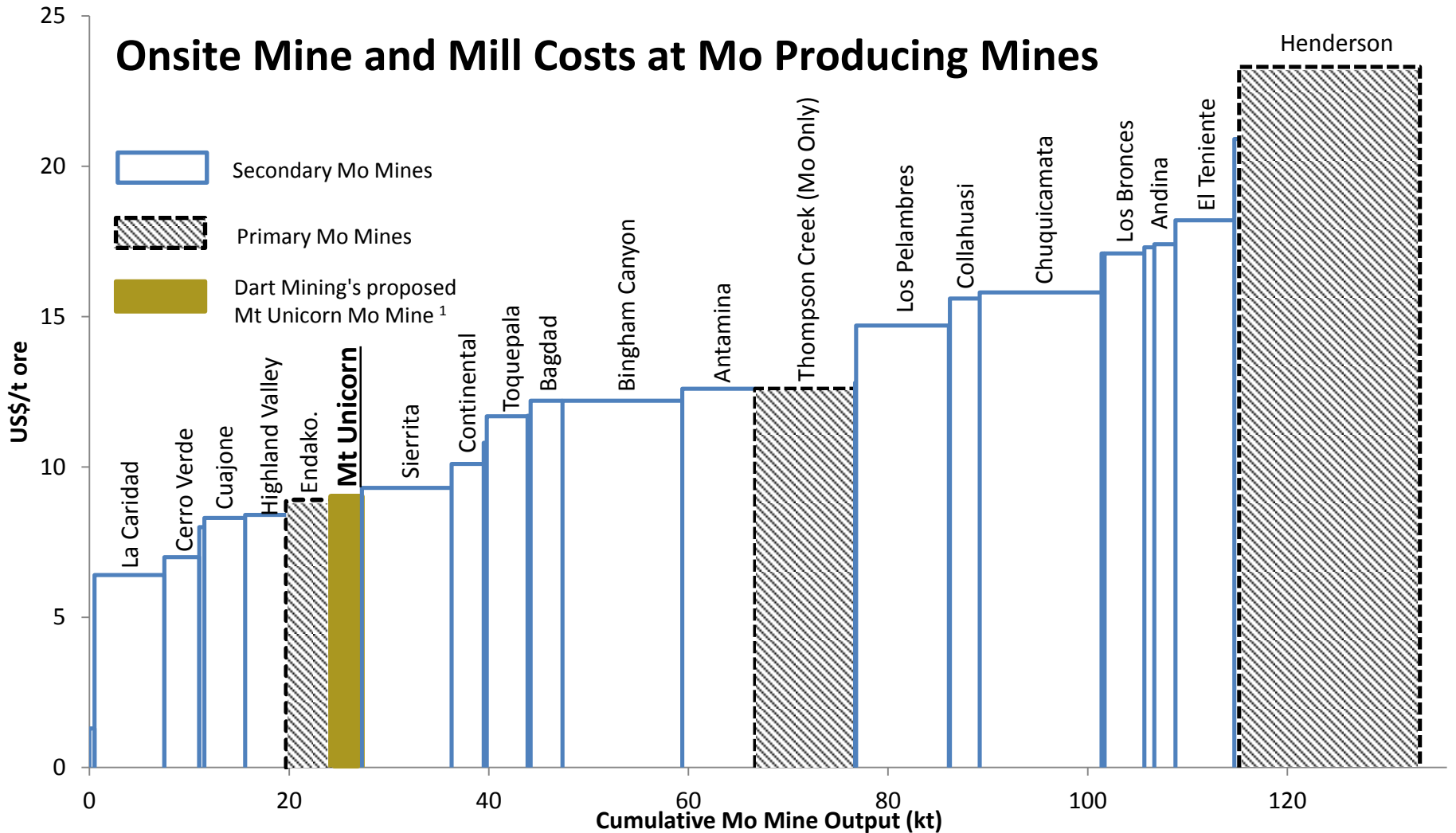
## Endako Mine BC (in operation)

- Single metal only – Mo
- **Low recovery**
  - ✓ **Mo 74%**
- Single concentrate
  - ✓ 51% Mo
- **Strip Ratio ~1 : 1**
- Head grade
  - ✓ Proven 0.047% Mo
  - ✓ Total resource 0.046% Mo
- **~\$600M recent upgrade**
- Excellent infrastructure
- **US\$8 – 9/lb cash cost**

<sup>1</sup> MoEq (ppm) = Mo (ppm) + (Cu (ppm) / 3.44) + (Ag (ppm) x 34.3)    <sup>2</sup> average first 10 years



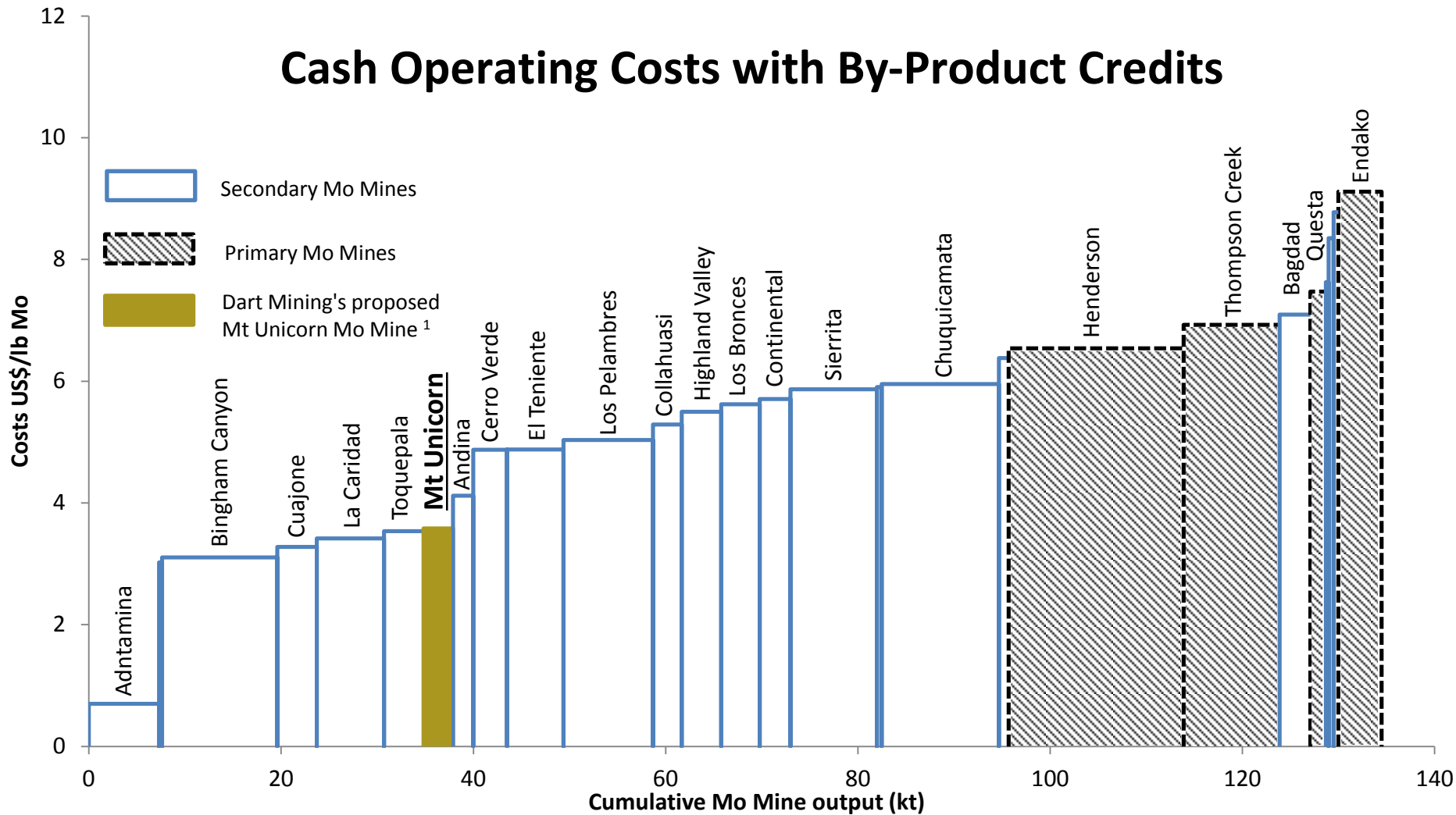
# TARGET ONSITE MINE + MILL COST / ORE TONNE



Source: 2012 Roskill Molybdenum Market outlook to 2016 excluding Dart Mining. <sup>1</sup>Unicorn first 10 years average and not yet in production



# TARGET CASH COST AFTER CREDITS

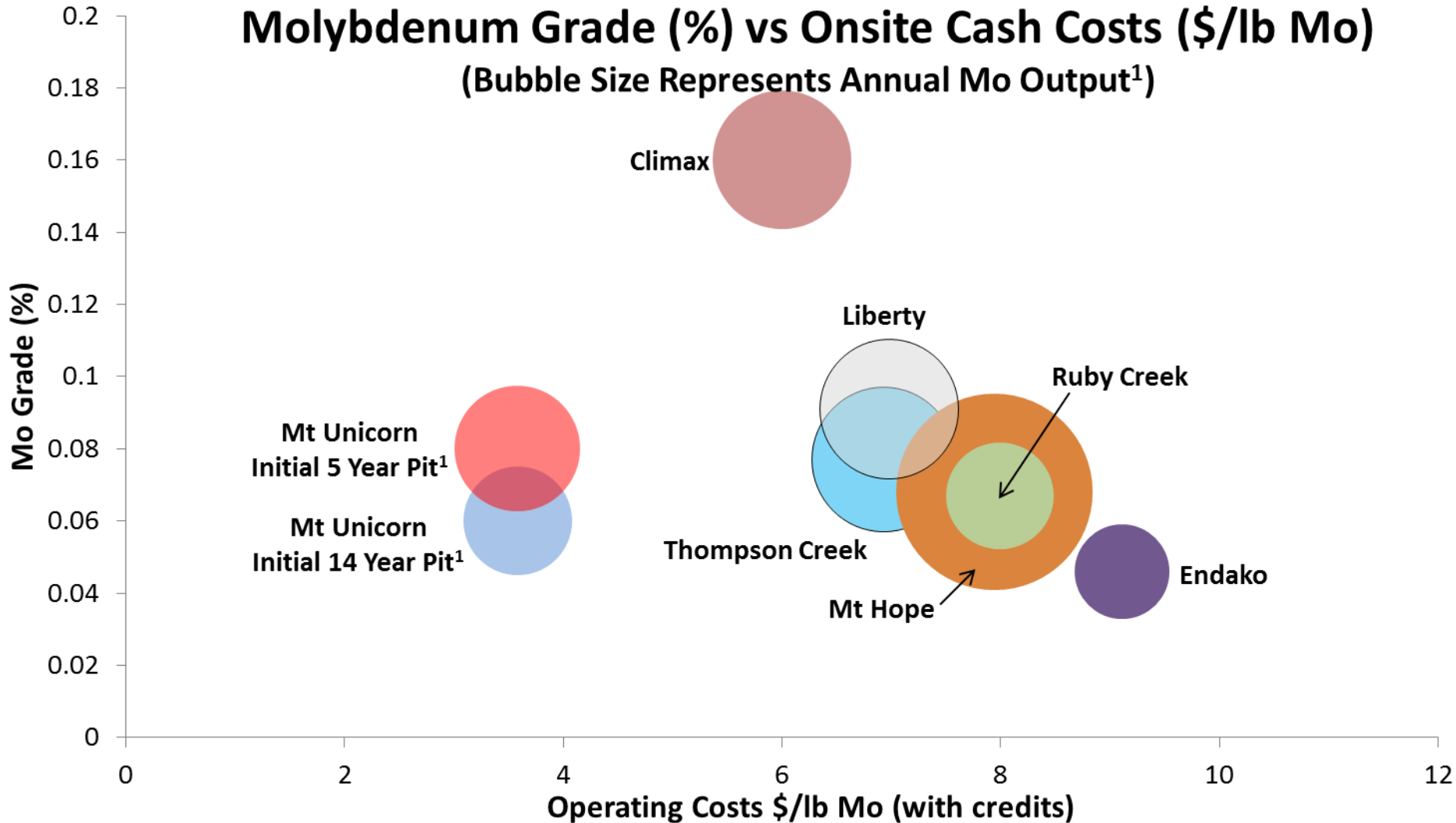


Source: 2012 Roskill Molybdenum Market outlook to 2016 excluding Dart Mining. <sup>1</sup>Unicorn first 10 years average and not yet in production



# PRIMARY Mo PROJECT COMPARISON

## Molybdenum Grade (%) vs Onsite Cash Costs (\$/lb Mo) (Bubble Size Represents Annual Mo Output<sup>1</sup>)



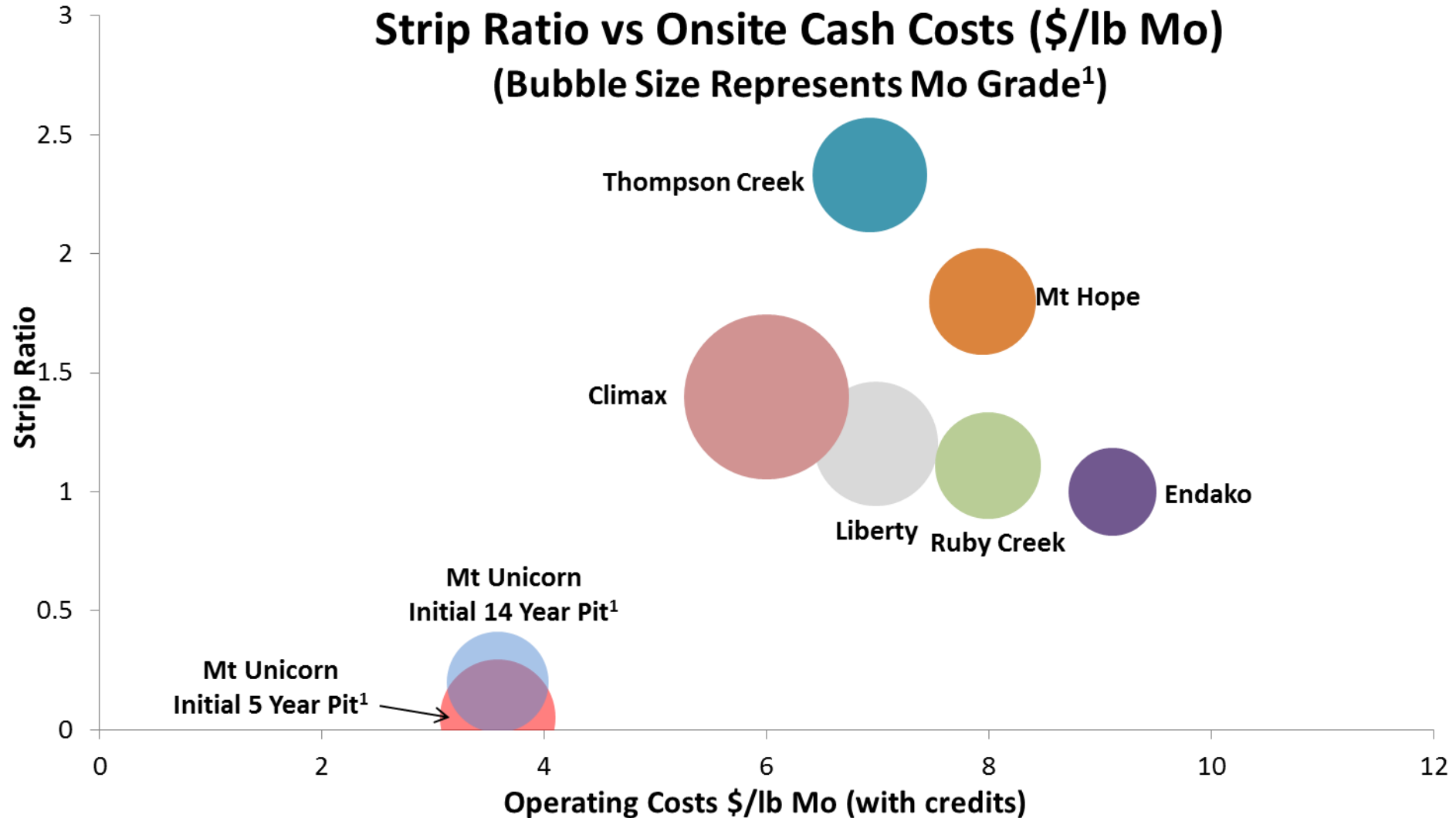
Source: 2012 Roskill Molybdenum Market outlook to 2016 excluding Dart Mining plus Company reports. Note: Unicorn not yet in production

<sup>1</sup> Mt Unicorn MoEq Output, (MoEq (ppm))=Mo (ppm) + (Cu (ppm) / 3.44) + (Ag (ppm) x 34.3)



# PRIMARY Mo PROJECT COMPARISON

## Strip Ratio vs Onsite Cash Costs (\$/lb Mo) (Bubble Size Represents Mo Grade<sup>1</sup>)



Source: 2012 Roskill Molybdenum Market outlook to 2016 excluding Dart Mining plus Company reports. Note: Unicorn not yet in production

<sup>1</sup> Mt Unicorn MoEq Grade, (MoEq (ppm))=Mo (ppm) + (Cu (ppm) / 3.44) + (Ag (ppm) x 34.3)



# PRE-FEASIBILITY STUDY PARTNERS

## Ecology & Cultural Heritage

Biosis are expert consultants in the field of Environmental, Ecology (fauna & flora) and Cultural Heritage Management throughout Australia



## Environmental and Approvals

GHD are a longstanding Global consultancy firm specialising in Environmental Management

## Metallurgical Test Work

AMML Pty Ltd, an established minerals testing laboratory specialising in flotation test work



**Water Management** URS is an Industry leader in sustainable water resource practices and technologies

## Unicorn Plant Design and Prefeasibility Study

Lycopodium is a leading Australian engineering & project management group, developing & commissioning major resource projects worldwide



## Tailings Storage & Management

ATC Williams are specialist consultants for the design, transport, storage & management of mine tailings

## Power Supply

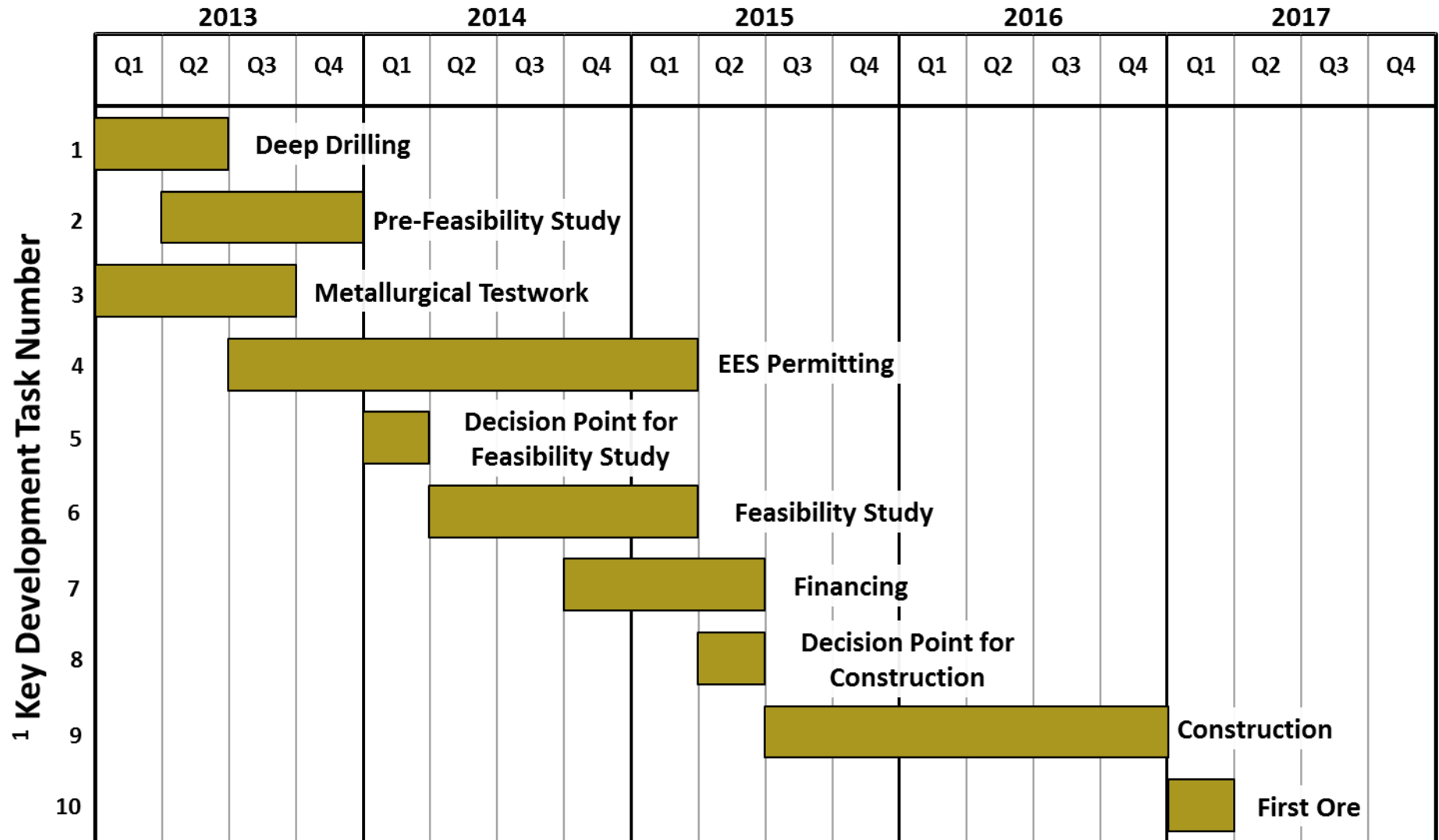
Leading Provider of engineering & project management services to the global power/energy market.







# INDICATIVE PATHWAY TO PRODUCTION



<sup>1</sup>Unicorn is not in production and there is no certainty that the pathway to production will occur



# COMMUNITY ALIGNMENT ADVANTAGE

**Victorian Government supports Unicorn via three drilling grants totalling \$240,000**

## **Corryong Courier Thursday 14/03/2013**

Page: 1  
Section: General News  
Region: Corryong VIC, AU  
Circulation: 1200  
Type: Regional  
Size: 125.54 sq.cms.

## **Investor backs mine**

The likelihood of a mine being established in the Biggara Valley is a giant step closer to reality following the announcement of a \$10 million investment by the US-based financial institution Red Kite.

Dart Mining has been progressing the Mt Unicorn project with its focus being molybdenum, copper and silver mineralisation.

RR Mine Finance, trading as Red Kite, yesterday agreed to purchase up to a three per cent Net Smelter Royalty (NSR) in the Unicorn project for cash of \$8.5 million and to inject new equity of up to \$1.5 million into Dart Mining.

"Red Kite's agreement to make a substantial investment is a real vote of

confidence in the Unicorn project," said Dart's managing director, Lindsay Ward.

"It will not only enable Dart Mining to accelerate the feasibility and approvals process but also sends a strong message to other potential Unicorn cornerstone investors and off-take partners that will be needed as Dart Mining moves forward with the project.

"Dart Mining has worked closely with Red Kite through a detailed due diligence process which involved a site visit by Red Kite's investment team and its appointed experts.

"The due diligence included a thorough review of the mining methodology, plant de-

sign, geological model, environmental impacts and the financial assumptions underpinning the Unicorn scoping study," Mr Ward said.

"Importantly, the arrangements with Red Kite specifically contemplate the introduction of a cornerstone investor to the Unicorn project. The preferred course for such an investor is likely to be by a direct investment into a joint venture established for the purpose of holding the Unicorn assets."

Red Kite's investment will be made in two tranches.

The first tranche will involve the purchase of a two per cent royalty in the Unicorn project for \$4.5 million.

*Cont. on page 2.*

# **Minister talks up Corryong mine plan**

BRAD WORRALL

THE Victorian Energy Minister never touched terra firma in his bid to visit the \$225 million mine planned for the Upper Murray yesterday.

But it didn't stop him talking it up, along with other mining projects in the state.

A cloud-bound Corryong condemned Michael O'Brien to circle above the town's airport before returning to Albury to re-fuel about noon.

Dart Mining is targeting 2016 as the start date for extracting molybdenum, copper and silver from Mount Unicorn.

In today's market the mineral wealth is es-

timated at more than \$225 million.

Construction is expected to generate 300 jobs, ongoing production for up to 20 years, 100 jobs.

Mr O'Brien said it was an exciting development and that his government was looking to reduce the bureaucracy around mining approvals.

"As a government and minister we are very keen to see developments like this because we know the wealth they bring to local communities," he said.

"What we are trying to do is streamline the processes so that companies looking to develop mining operations can do so.

"We need to protect the environment and we will protect water but we want to make it as easy as possible for mining operators to comply with regulations so that we get the benefit of jobs and the investment while protecting those environmental values."

Dart Mining is planning for a minimum 20-year mine life with a relatively small footprint of 400 metres by 450 metres digging into the ore-rich ridge just 20 kilometres from the town.

Final assessments of the size and quality of the deposit has confirmed the extent of the deposit.

But managing director Lindsay Ward said they still needed a cornerstone investor and the search was spreading around the globe.

"We have a confirmed resource and that is what investors want to see," he said.

"But the key to this mine's success is the town of Corryong. It is a support base to the mine; we don't need to have fly-in, fly-out workers, we don't need to build a camp to support the operation — it has houses, doctors, supermarkets all the things families will need."

## **Border Mail (Albury Wodonga)**

**Friday 1/03/2013**

Page: 11  
Section: General News  
Region: Albury-Wodonga, AU  
Circulation: 21347  
Type: Regional  
Size: 201.85 sq.cms.

## **Miner ready for new study**

Given the promising results from its latest scoping study, Dart Mining has advanced its Unicorn project in the Biggara Valley including commencing the pre-feasibility study process.

Dart's management team has been significantly strengthened with the appointment of John Eltham in the role of Project Director.

Mr Eltham brings a wealth of project development expertise to the

Unicorn project; in particular, from his most recent role as Executive General Manager Projects, where he led the Merlin Molybdenum/Rhenium Feasibility Study for Ivanhoe Australia.

"His knowledge of molybdenum processing and the market for the treatment of molybdenum concentrate will be invaluable in further advancing the Unicorn project," said Lindsay

Ward, Dart Mining's Managing Director.

"Having John's experience and reputation is a real bonus for Dart Mining and a vote of confidence in the project that John has decided to join the team," he said. "John will be based in Melbourne and will travel frequently to site in Corryong."

Mr Eltham is a qualified metallurgist with a substantial history of developing successful

green-field and brown-field complex mining, processing and associated infrastructure projects for Normandy Mining in Australia and overseas; and for Sino Gold's Jinfeng project in China and Newmont's Minahasa project in Indonesia.

In addition he has worked on project developments in Spain, Turkey, Greece, New Zealand, Papua-New Guinea and Ghana.

# STRIP RATIO ADVANTAGE



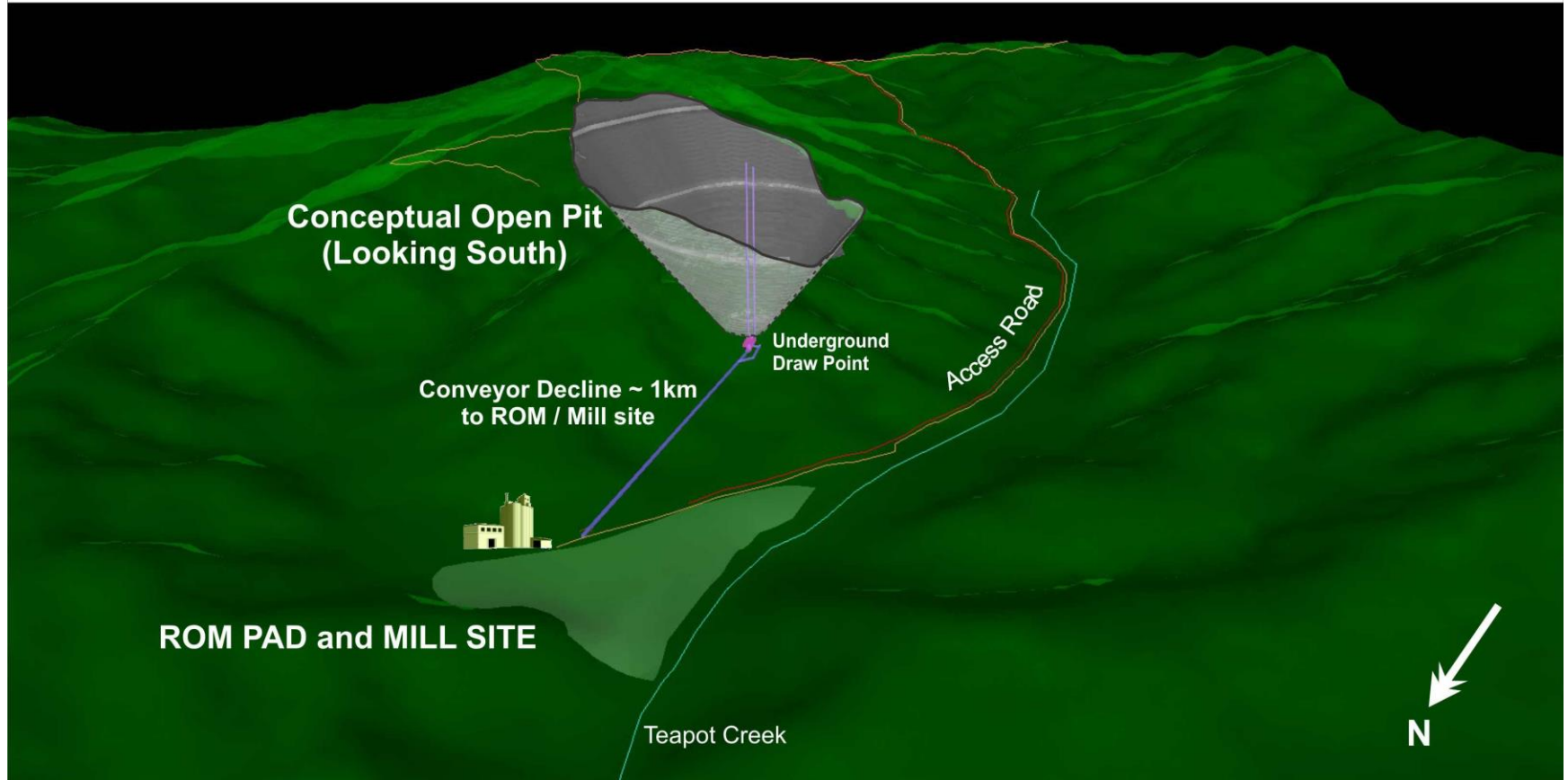
# INFRASTRUCTURE ADVANTAGE



**What Project Value Should Investors in Dart Mining Place on Existing Infrastructure?**



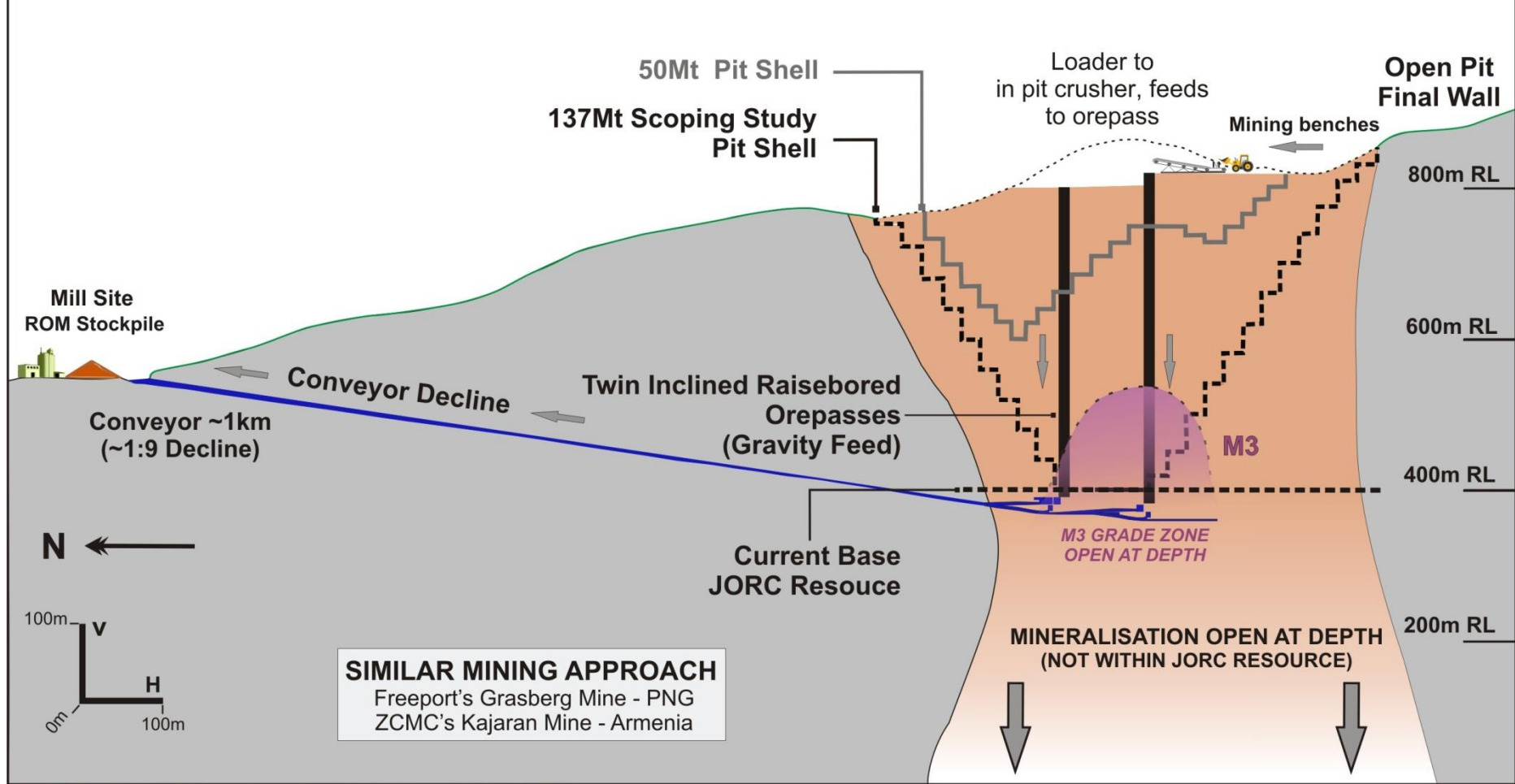
## UNICORN PORPHYRY DEPOSIT 3D SCHEMATIC VIEW - CONCEPTUAL\*\* OPEN PIT



\*\* The view is conceptual only. There has been insufficient exploration drilling, financial modelling & mine planning to accurately define the pit shape and it is uncertain if further drilling will enable this to occur.

# CONCEPTUAL MINING METHOD

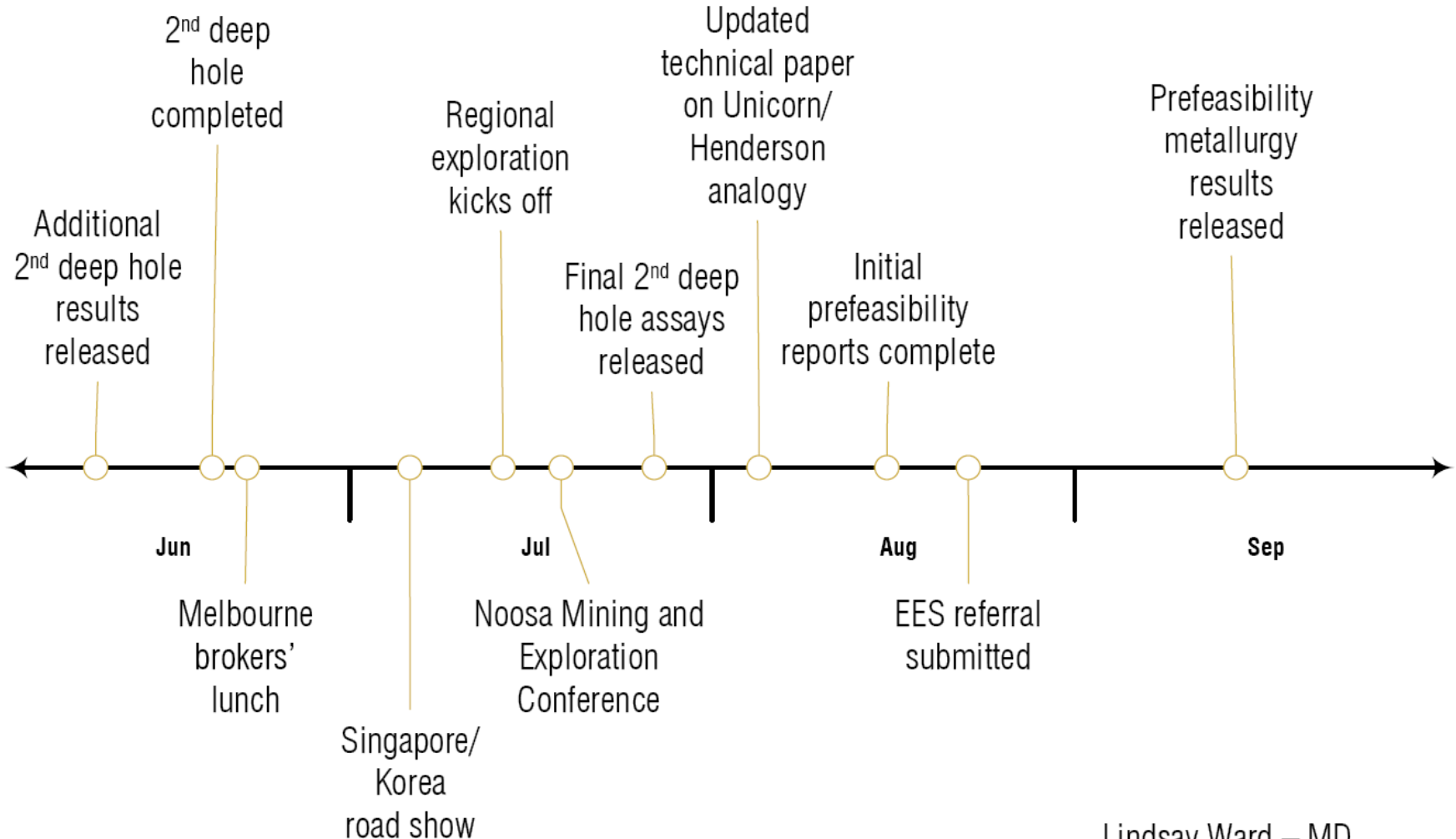
## UNICORN PORPHYRY DEPOSIT CONCEPTUAL OPEN PIT - MINING SYSTEM





# NEWS FLOW and KEY EVENTS

## Dart Mining planned news flow and key events as at June 2013





# DART MINING (DTM) – KEY TAKEAWAYS

- Red Kite invests up to A\$10M – **detailed due diligence completed**
- Prefeasibility & DTM fully funded – **cash ~A\$6.3m (plus ~\$5.5M<sup>1</sup> to come)**
- Very low strip ratio – **Lowest cost quartile onsite cash cost**
- High recoveries – **separate (Mo & Cu/Ag) saleable concentrates**
- Power, water, roads, logistics in place – **lower capital cost**
- Strong community support – **available workforce / not FIFO**
- No known heritage, flora or fauna issues – **simplified approvals**
- Current market presents opportunities – **DTM targeting growth**

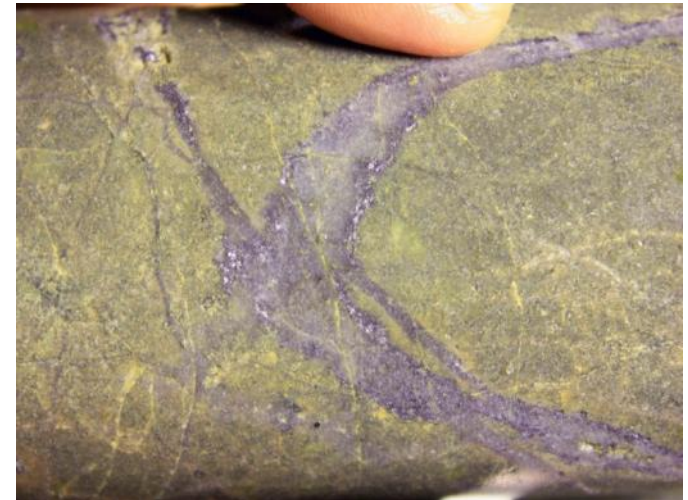
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<sup>1</sup>2nd Red Kite Tranche ~A\$4.7M subject to milestones & R&D refund ~\$0.8M. <sup>2</sup>Net of credits



# THANK YOU AND QUESTIONS

**MOLYBDENUM**  
**A SOFT, GREY, NON TOXIC MINERAL**  
**WITH PROPERTIES UNLIKE ANY**  
**OTHER ELEMENT**





# FURTHER DISCLAIMER

## **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 (including but not limited to further metallurgical test work to advance mineral processing design and the need to accurately cost the required tailings storage solution for the project). 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 projects 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.



DARTMININGNL

### ***Competent Person 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.*