



21 December 2010

Dear Optionholder,

### **Renounceable 1 for 3 Rights Issue of Shares with Free Attaching Options**

On 20 December 2010 Dart Mining NL (“Dart” or the “Company”) lodged at the Australian Securities and Investments Commission and at the Australian Securities Exchange (ASX) a Prospectus for a 1 for 3 renounceable pro-rata rights issue of New Shares at an issue price of 6.5 cents per share, together with 1 free attaching New Option (exercisable at 10 cents and expiring on 31 December 2011) for every 2 New Shares issued (Rights Issue). Dart’s Prospectus is available on the ASX website and on Dart’s website at: [www.dartmining.com.au](http://www.dartmining.com.au) .

The Rights Issue, fully diluted will result in the issue of 39,515,336 New Shares and 19,757,668 attaching New Options and raise approximately \$2,254 million before costs, if all rights from existing shares are taken up. Dart has applied for quotation on ASX of both the New Shares and New Options issued pursuant to the Rights Issue.

Dart’s existing optionholders, including those who received their options as a result of the Placement completed on 17 December 2010, are advised that they must exercise any options before 5.00pm AEDT) on the record date of 31 December 2010 (at 5pm, AEDT), in order for any New Shares issued as a result to be eligible to participate in the Rights Issue. You are encouraged to read the Prospectus which was lodged with ASX on 20 December 2010 and consult your professional advisor or stockbroker prior to exercising your options.

**The purpose of the Rights Issue** is to ensure adequate funds are available to undertake an expanded exploration program of the Company’s Unicorn Mo-Cu-Ag project in north-eastern Victoria and surrounding tenements. The balance of the funds will provide the Company with underlying working capital and strengthen the balance sheet.

#### **Key highlights of the Offer include:**

- The Rights Issue provides eligible shareholders with an opportunity to increase their investment in DTM at a discount of approximately 25% to the volume weighted average price of Dart shares over the past three months up to 20 December 2010
- There will be one free attaching New Option for every 2 New Shares taken up under the offer. Each option will be exercisable at 10 cents and expires on the 31 December 2011
- Shareholders may apply for additional New Shares above their entitlement according to the conditions of the Offer
- The issue is a renounceable rights issue therefore shareholders not wishing to take up their entitlement in full or in part will be able to sell their rights on market

- The Rights Issue is partially underwritten by Patersons Securities Limited who is also acting as the Lead Manager to the Rights Issue.

The Prospectus for the Rights Issue together with personalised Entitlement Acceptance Form will be dispatched to shareholders on 7 January 2011.

Under the Rights Issue, persons in Australia and New Zealand, who are registered as holders of fully paid ordinary shares in the capital of Dart at 5.00pm (AEDT) on 31 December 2010 will be entitled to participate in the Rights Issue in respect of the number of shares in respect of which that person is then registered as the holder.

### **Important Dates for the Rights Issue**

The Rights Issue is open for acceptance by eligible shareholders from 7 January 2011 until the **Closing Date of 24 January 2011, at 5pm (AEDT)**.

Notice of Issue sent to Eligible Shareholders	22 December 2010
Shares trade 'ex-rights' and Rights trading commences on ASX	23 December 2010
Record Date to determine Entitlements under the Rights Issue	31 December 2010
Prospectus and Shareholder Application Form or Non-Shareholder Application Form (as the case may be) despatched	7 January 2011
Last day of Rights trading	17 January 2011
Securities quoted on a deferred settlement basis	18 January 2011
Closing Date for acceptances of Entitlements	24 January 2011
Allotment and issue of New Shares and New Options and end of deferred settlement trading	2 February 2011
Despatch of shareholding statements for New Shares and New Options	2 February 2011
Trading of New Shares and New Options expected to commence	7 February 2011

(Please note this timetable is indicative only and subject to change. The Directors reserve the right to vary these dates, including the Closing Date without prior notice. The Directors also reserve the right not to proceed with the whole or part of the offer any time prior to allotment. In that event, all Application Money will be returned without interest).

The timetable is indicative only and subject to change. The Directors may extend the closing date by giving at least 6 Business Days notice to ASX prior to the closing date.

The above information was provided to ASX on 20 December 2010. If you have any questions concerning the Rights Issue, or details contained in this letter or the prospectus, please contact your financial advisor, or the Company Secretary Andrew Draffin on 03 9620 0033.

Yours faithfully,



Christopher J Bain  
Chairman and Interim Chief Executive Officer