



Dominion Mining Limited

Challenger Mine Production Update

Detailed design and construction plans for the expansion of the processing plant to production levels of 120,000 ounces per annum are currently being finalised. The expansion capital works are on schedule to be completed by the end of the December 2009 quarter with increased production from January 2010.

Over the June quarter there is an emphasis on underground mine development in preparation for the expansion, including the development of the high grade M3 shoot, which is expected to continue until early in the December quarter.

Production for the June quarter is forecast to be around 22,000 ounces at a cash operating cost of A\$520 per ounce (instead of the previous guidance of 25,000 ounces at A\$450 per ounce). This is a consequence of:

- a reduction in mining rates due to mechanical problems with three of the four underground ore haulage trucks which necessitated the processing of stockpiled low grade ore;
- a longer than scheduled mill shutdown due to the requirement to replace a cracked bearing in the mill; and
- an increase in mine development for the expansion.

Production for the current financial year is anticipated to be in the order of 100,000 ounces at a cash cost of A\$450 per ounce.

A handwritten signature in black ink, appearing to read 'Jonathan Shellabear', with a horizontal line extending to the right.

Jonathan Shellabear
Managing Director

For further information please contact:
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