



DMC MINING LIMITED

ACN 121 513 620

10 July 2007

Dear Shareholder

PROSPECTUS TO FACILITATE SECONDARY TRADING OF SHARES AND OPTIONS

At a General Meeting of members held on 15 May 2008, Shareholders approved the Share Issue and the Option Issue in connection with the acquisition of the Mayoko Iron Ore Project.

The Company refers to the following issues of its securities:

1. on 19 May 2008 of a total 11,000,000 Options exercisable at \$0.20 to consultants to the Company in connection with the acquisition of the Mayoko Iron Ore Project who are entitled to accept securities without disclosure under section 708 of the Corporations Act (the Option Issue); and
2. on 19 May 2008 in accordance with a Facilitation Agreement a total of 7,583,333 Shares to consultants to the Company in connection with the acquisition of the Mayoko Iron Ore Project ("the Share Issue") who are entitled to accept securities without disclosure under section 708 of the Corporations Act pursuant to the Facilitation Agreement between the Consultants and the Company dated on or about 7 December 2007 (Facilitation Agreement).

The Company offers securities pursuant to this prospectus dated 9 July 2008 in accordance with s708A(11) of the Corporations Act to facilitate the secondary trading of the Share Issue and the Option Issue.

- The offer of 2,000 New Shares in the capital of the Company at a price of \$0.025 per Share to raise \$50.00; and
- The offer of 2,000 New Options expiry 30 June 2009, exercisable at 20c each in the capital of the Company at a price of \$0.025 per Share to raise \$50.00

The Company is pleased to announce the important dates for the offer are as follows:

- | | |
|---|--------------|
| • Lodgment of Prospectus with ASIC | 9 July 2008 |
| • Offer Opens | 10 July 2008 |
| • Closing Date | 11 July 2008 |
| • Deferred Settlement trading commences | 15 July 2008 |

In referring to the Prospectus, the Company informs investors and their professional advisers that they are able to obtain, free of charge, a copy of the Prospectus by either emailing or writing to the Company at its registered office during normal business hours during the Offer Period, or by visiting the Company's website at www.dmcmining.com.au or ASX website www.asx.com.au.

Yours sincerely,

Bruce Franzen
Company Secretary
DMC Mining Limited