

01 June 2010



DMC MINING LIMITED

ACN 121 513 620

DMC ACKNOWLEDGES REVISED CAPE LAMBERT OFFER

TAKE NO ACTION with respect to the revised Cape Lambert Offer until DMC Directors provide a recommended course of action

West African iron ore explorer and developer, DMC Mining Limited (**ASX: DMM**) ("**DMC**" or the "**Company**") wishes to advise Shareholders that it has today received notice from Cape Lambert Resources Limited ("**Cape Lambert**") that Cape Lambert has increased the consideration payable under its unconditional cash offer from \$0.50 to \$0.53 per DMC Share ("**Revised Cape Lambert Offer**").

The DMC Board of Directors ("**DMC Directors**") recommends that Shareholders **TAKE NO ACTION** until such time as the DMC Directors have had an opportunity to consider the Revised Cape Lambert Offer in light of the competing off-market, conditional takeover offer from Meijin Energy Group Limited ("**Meijin**").

The DMC Directors will provide Shareholders with a recommended course of action shortly.

If you have any questions regarding the Revised Cape Lambert Offer or the offer from Meijin, please contact the DMC Shareholder Information Line on 1800 606 449 (from within Australia) or + 61 2 8256 3382 (from outside Australia).

Yours faithfully
DMC Mining Limited

David Sumich
Managing Director

For more information contact:

David Sumich
Managing Director
DMC Mining Ltd
Tel: +61 8 9486 1909
info@dmcmining.com.au

Duncan St John
Vice president
RBC Capital Markets
+61 2 9033 3307
duncan.stjohn@rbccm.com

Warrick Hazeldine
Director
Purple Communications
+61 417 944 616
whazeldine@purplecom.com.au