



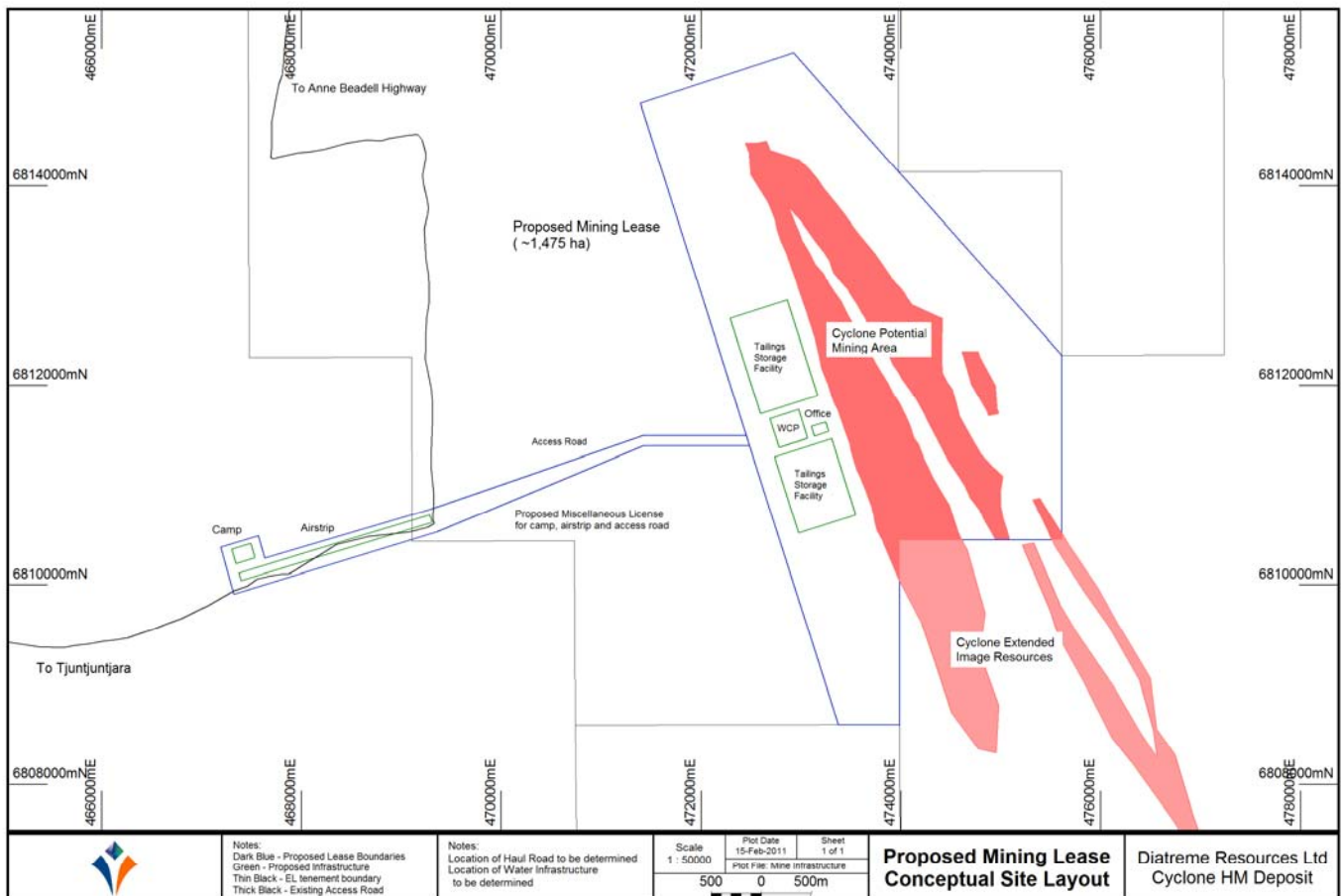
ASX : DRX

Company Announcement Office
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 Level 4, 20 Bridge Street
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17 February 2011

UPDATE
CYCLONE HEAVY MINERAL SANDS PROJECT
Proposed Mining Lease Conceptual Site Layout

In an ASX update dated 3 February 2011, the Company indicated that it was preparing a mining lease application over the Cyclone Deposit and that it was addressing the need for licenses to cover infrastructure requirements. The figure presented below is a conceptual site layout plan for the proposed mining lease and associated infrastructure over the Cyclone Deposit. It does not cover the nearby Zephyr HM Deposit. Further work is being undertaken to fully establish leases and licenses needed for an initial mining operation at Cyclone.





At this stage of planning, the proposed mining lease will be approximately 1,475 ha in area and will extend to the southern boundaries of the Company's EL 69/1920 (Wanna Lakes), abutting the "Cyclone Extended" mineral resource reported by Image Resources NL (ASX:IMA).

The Cyclone Deposit resource stands at 132.1Mt at 2.3% HM (at 1% cut-off grade) containing 3.1Mt HM, of which >40% is classified as Measured Resource. Table 1 below, as released in the Company's announcement dated 5 October 2010, details the resource.

TABLE 1: CYLONE RESOURCE ESTIMATE

Category	HM cut-off %	Material Mt	HM %	HM Mt	Slimes %	Oversize %	Percentage in HM				Zircon Kt	Rutile Kt
							Zircon %	Rutile %	HiTi %	Alt Ilm %		
MEASURED	2.0	29.5	3.4	1.02	3.7	4.4	31.4	11.9	17.7	10.2	319	121
MEASURED	1.5	40.1	3.0	1.20	4.1	4.8	31.7	12.3	17.4	10.1	381	147
MEASURED	1.0	49.7	2.7	1.32	4.5	5.3	32.2	12.7	16.8	10.0	426	169
INDICATED	2.0	30.9	3.2	0.98	3.7	5.0	32.5	13.1	17.5	12.6	319	129
INDICATED	1.5	48.8	2.6	1.29	4.0	5.5	32.3	13.0	17.8	12.9	417	168
INDICATED	1.0	72.2	2.2	1.59	4.2	6.0	32.3	12.7	18.0	12.8	513	202
INFERRED	2.0	2.2	2.4	0.05	2.9	8.4	32.7	12.8	21.5	19.5	17	7
INFERRED	1.5	6.3	2.0	0.12	3.3	9.0	33.3	11.3	22.8	21.3	41	14
INFERRED	1.0	10.2	1.7	0.17	3.6	8.9	33.6	10.9	23.0	21.4	58	19
TOTAL	2.0	62.6	3.3	2.05	3.7	4.8	32.0	12.5	17.8	11.7	655	257
TOTAL	1.5	95.1	2.7	2.61	4.0	5.5	32.1	12.6	17.9	12.3	840	329
TOTAL	1.0	132.1	2.3	3.08	4.3	5.9	32.4	12.6	17.9	12.4	998	388

Table Notes

- Rounding may generate differences in last decimal place
- A constant SG of 1.7 has been used to derive material tonnes
- Slimes refers to material <53um
- Oversize refers to material >2mm
- Mineral Assemblage derived from QEMSCAN analysis
- HiTi - Ti-Fe oxides (HiTi and leucoxene) containing 70 - 95% TiO₂
- Altered Ilmenite - Ti-Fe oxides containing 55 - 70% TiO₂

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Competent Person Statement

The information in this report, insofar as it relates to Exploration Results and Mineral Resources is based on information compiled by company personnel under the supervision Mr David Jelley, of David Jelley Pty Ltd, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Jelley has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Jelley consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.