

SIGATOKA IRON SANDS

Pre-Feasibility Study Indicates a Robust Mineral Sand Mining Project

HIGHLIGHTS

- PFS concludes that Sigatoka Project is both profitable and robust
- Products from dredge mining will be magnetite concentrate, non-magnetic bulk heavy mineral concentrate, industrial sand and gravel
- Project modelling indicates NPV at 7.5% discount rate of \$US236.9 million and IRR of 55%
- Project capital is estimated at \$US83.2 million, with a Payback of less than two years after commencement of full production

The Directors of Dome Gold Mines Ltd ("Dome" or "the Company") are pleased to announce that a Pre-Feasibility Study ("PFS") Report on the Sigatoka Iron Sands Project in Fiji ("Sigatoka") has been received from The Mineral Sands Consultancy, who was commissioned by Dome to carry out this work in late 2014. Sigatoka is held 100% by Dome's wholly owned subsidiary, Magma Mines Ltd, and the PFS is a comprehensive document that is required to support the Company's application for a mining lease.

Commenting on the report, Dome CEO, Jack McCarthy, stated:

"We are very much encouraged by the emergence of such a robust project from the PFS. The key to the economics is the generation and sale of multiple product lines, making the currently weak iron ore prices much less of a concern."

Key parameters to emerge from the PFS are:

PRODUCTION

- Mining by conventional dredging with standard gravity and magnetic processing
- Magnetite sand: 351,000 tpa @ >58% Fe
- Non-magnetic heavy mineral concentrate: 260,000 tpa
- Industrial sand: 1,960,000 tpa
- Gravel: 684,000 tpa

ECONOMICS

- NPV_{7.5%} (pre-tax, ungeared basis): \$US236.9 million
- IRR: 55%
- CAPEX: \$US83.2 million
- Payback: less than 2 years

Estimates of product outputs are based on a mining rate of 1,400t/hr of the JORC 2012 resource estimate, in which 19.3% of the resource is in the indicated category and 80.3% is in the Inferred category (see Dome ASX release dated 10 October 2014). There is a lower level of geological confidence associated with an inferred mineral resource and there is no certainty that further exploration will result in determination of indicated mineral resources or that the production targets themselves will be realised.

Commenting further on the strength of the project, Mr McCarthy said:

“It is important to emphasise that the total CAPEX of \$83 million is not all needed up front – development would be staged, with river dredging generating significant income in Year 3 while capital is still being spent developing the on-shore dunal mining.”

Mr McCarthy added:

“Dredging the river for flood mitigation purposes is a high priority for the Fijian Government and represents a rapid development path for us, with low entry barriers and the generation of multiple products for sale.”

Work on the PFS began in October 2014 and was completed in February 2015. The PFS utilised analytical and metallurgical work by Robbins Metallurgical Pty Ltd, performed for the Company after sonic drilling of the deposit began in September 2012, as well as a conceptual study completed by AMC Consultants Pty Ltd in 2012, the initial JORC 2012 resource estimate reported by Dome in October 2014 and an Environmental Impact Assessment (“EIA”) report completed in early December 2014.

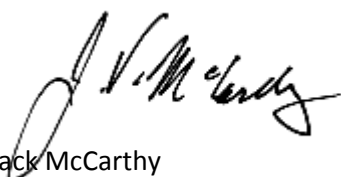
The PFS assumes that mining will be by conventional dredging of both the river bed and nearby dunal deposits, with mining operations in both areas to be conducted simultaneously, although river dredging will commence about a year earlier than dunal mining. At forecast production the project will generate 351,000 tpa of magnetite concentrate (>58% Fe). Non-magnetic bulk heavy mineral concentrates will amount to 260,000 tpa, while the industrial sand (1,960,000 tpa) and gravel (684,000 tpa) that will be generated as a result of the deepening of the Sigatoka River bed for flood mitigation purposes are important co-products. Markets for all of these products exist already, either in Fiji or elsewhere in the Pacific region.

Based on Dome’s initial JORC 2012 resource estimates, the mine would have an operating life in excess of ten years. Addition of materials from the extensive parts of the sand deposits that are yet to be sonic drilled and included in an upgraded JORC 2012 resource estimate are expected to extend that life considerably.

Looking ahead, the Company will proceed expeditiously to obtain a Mining Lease (“ML”) at Sigatoka to provide the necessary tenement security and allow completion of the Definitive Feasibility Study (“DFS”) recommended by the PFS consultants. Grant of the Sigatoka ML will require formal approval by government of the EIA, a process now underway, followed by vetting of other documentation, including the JORC 2012 Resource Estimate Report and the Pre-Feasibility Study Report.

Dome's first priority is to facilitate the grant of the proposed Sigatoka ML, which is expected within a few months of acceptance of the Company's application by the Mineral Resources Department. Meanwhile, the existing tenement (SPL1495) is in the process of renewal, securing continuity of tenure. At the same time, product marketing investigations will commence, aiming to consolidate the PFS results and provide firm data for the DFS to follow.

For further information about Dome and its projects, please refer to the Company's website [www.domegoldmines.com.au] or contact the Company at (02) 8203 5620.



Jack McCarthy
Chief Executive Officer

COMPETENT PERSON'S STATEMENT:

The information in this report that relates to the Pre-Feasibility Study Report is based on information compiled by Harold Hines, who is a consultant working for H&N Investments Pty Ltd, trading as The Mineral Sands Consultancy and has been engaged by Dome Gold Mines Ltd to prepare the documentation for the Sigatoka Iron Sand Project on which the Report is based, for the period ended 6 February 2015. Mr Hines is a Fellow of The Australian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the Style of mineralisation and type of deposit described in the Pre-Feasibility Study Report, and to the activity for which he is undertaking, to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Hines consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

ABOUT DOME

Dome is an Australian mining company which listed on the ASX on 22 October 2013. The Company is focussed on gold, copper and mineral sands in Fiji, where it holds four highly prospective exploration tenements. The Company's objective is to become a major force in the mining industry of Fiji by the discovery and development of mineral resources within its Fijian tenements.

On August 25, 2014 Dome shareholders approved the merger of Dome with Magma Mines Ltd, owner of the Sigatoka project and this is now the Company's flagship project in Fiji. Sigatoka is a mineral sand project containing abundant heavy metals including magnetite. Drilling to establish a resource estimate for the project is partially completed with commencement of production at Sigatoka by conventional dredging and wet processing expected within two years.

Our other projects are the Nasivi-Yaqara Delta heavy mineral sand project, the Kadavu epithermal gold project, which bears similarities to the Emperor Gold Mine at Vatukoula, and Nadrau porphyry copper-gold project, which may be like that at the nearby Namosi Project.

Dome's Board and Management team has a high level of experience in Fiji, and Dome has been actively exploring in Fiji since 2008.