



DROMANA ESTATE LIMITED

ABN 58 090 000 276

1 July 2013

FURTHER HIGH GRADE COPPER RESULTS AT THE LONGONJO PROJECT

Corporate Directory

Board of Directors:

Gabriel Chiappini

Non- Executive Chairman

Geoff Bell

Non- Executive Director

Jerko Zuvela

Non- Executive Director

Garry Bell

Company Secretary

www.dromanaltd.com.au

Registered Office:

Suite 106,
1 Princess Street
Kew Vic 3101

Tel (03) 9855 1700
Fax (03) 9855 2353

ASX CODE: DMY

Highlights

- **Underground Adit sampling returns extensive high grade copper mineralization at the Cassenha Hill copper deposit, and demonstrates consistency of grade and width at depth;**
- **New surface sample results return anomalous copper values in fresh sulphides, extending the strike length for the Cassenha Hill copper prospect to over 3.5km in length;**
- **Highlights of underground sampling include:**
 - **4.1m @ 2.37% Cu**
 - **7m @ 1.72 % Cu**
 - **12.4m @ 1% Cu (including 2m @ 3.03% Cu)**
 - **19m @ 0.79% Cu (including 3m @2.06%)**
 - **3m @ 2.11 % Cu**
 - **3m @ 2.06% Cu**
- **Underground results from adit 2 (5m-30m below surface) correlate with historical high grade results returned by previous explorers; and**
- **Approximately 40m-50m zone of structurally controlled copper mineralization identified in adit 2 and overlying trench DTR1.**

Dromana Estate Ltd (ASX:DMY) is pleased to provide a further update on the results of its technical due diligence investigations on the Longonjo Project, located in south west Angola.

In addition to the already released surface sampling results (lodged with ASX 24th June 2013), Dromana has received the results from the 200m of underground sampling work it carried out with the main focus on adit 2. These results re-validate the works conducted by previous explorers to identify continuous high surface grade mineralisation that continues at depth through various adits operated by Portuguese explorers during the 1950's.

Dromana focused on the potential strike extent of the known mineralisation at Cassenha Hill, with mapping and sampling from a recent site visit identifying fresh sulphides and gossans along a 3.5km strike length. These samples returned anomalous copper values and requires further detailed investigation.



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OVERVIEW

The Cassenha Hill deposit sits within the larger 3670 km² Longonjo tenement area, and is highly prospective for copper, gold, rare earths and iron mineralization, much of which outcrops at various prospects within the tenement. During April-May 2013, a field visit was made to Cassenha Hill where outcropping, high grade copper oxide mineralization was mined in several adits and underground levels in the 1950s and 1960s.

Underground sampling by DMY during the field visit returned exciting copper results that were consistent and validated previous exploration and surface trench sampling (results of which have been previously announced to the ASX). Where mineralisation was forecast or previously intercepted, high or elevated grades were generally obtained in DMY sampling with variations within the range of normal sampling variance.

Notably a wide sub vertical copper mineralised zone was reflected in both trench DTR-1 and adit 2. DTR-1 was excavated between 10m and 35m immediately above adit 2 and highlights from within these intercepts are shown in the diagram below.

- **DTR-1** 50.6m at 0.98% Cu from 2m, and,
- **Adit 2** 42.95m at 0.67% Cu from 3m.

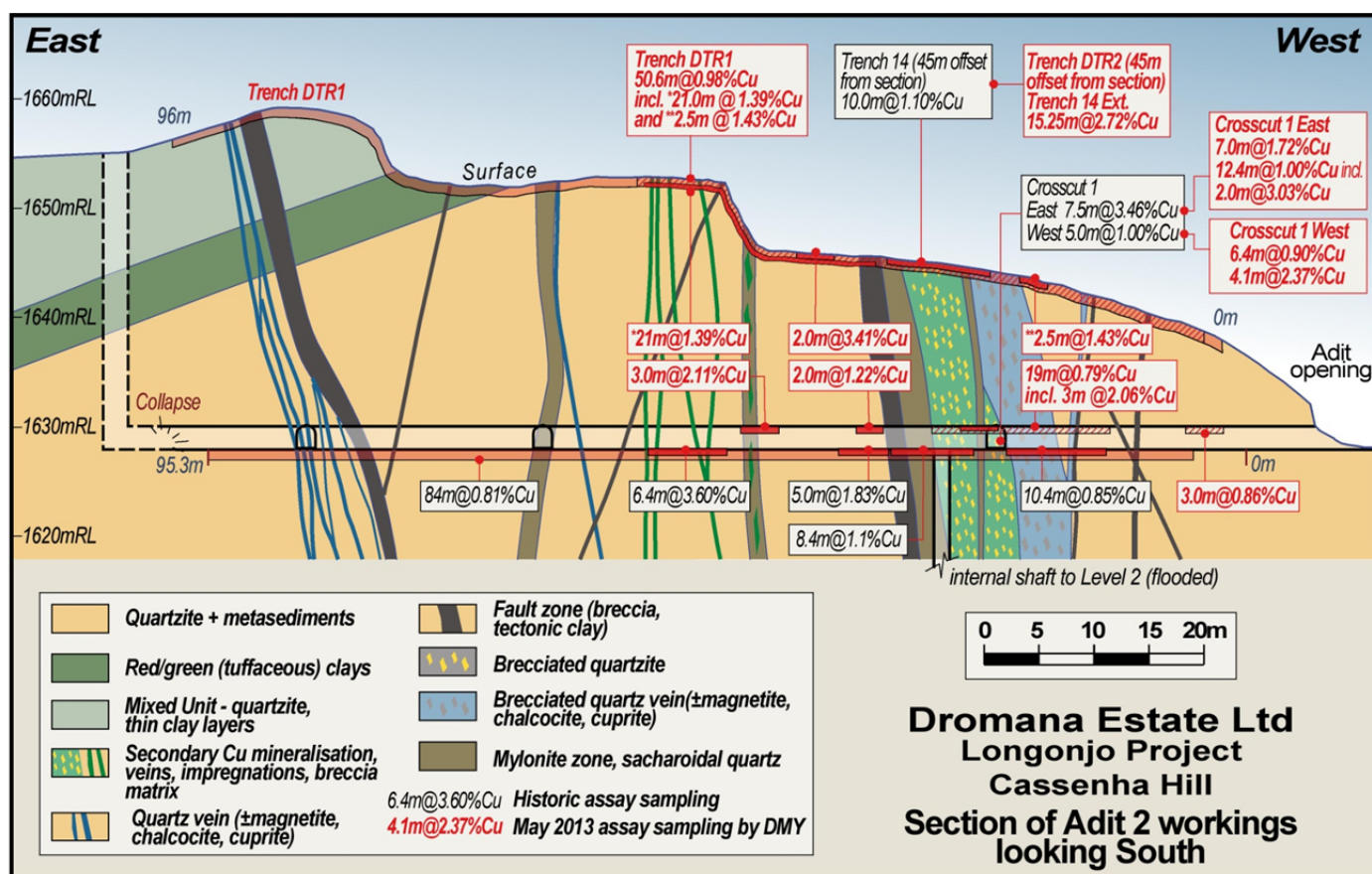


Figure 1: Adit 2 sampling results and surface results highlighted in red.



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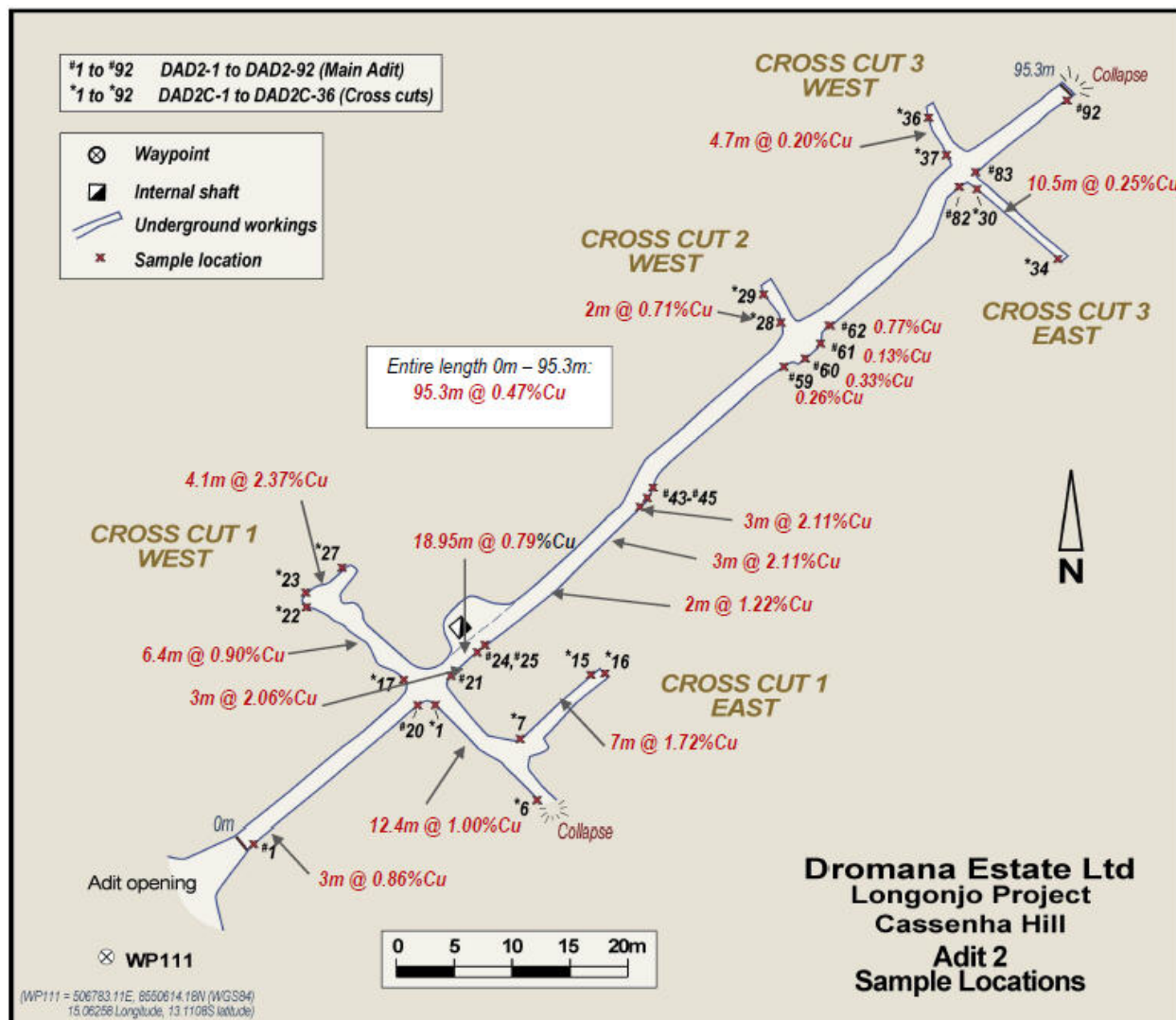


Figure 2: New sampling completed in adit 2 which lies between 5m - 30m in depth from surface.

Assays returned from adit 4 were generally of a low order with the best result being 11m at 0.21% Cu however, copper mineralisation is interpreted to strengthen towards the end of the adit where it collapses below and near trench DTR-5. This zone was not able to be sampled but sampling of trench DTR5 obtained 16m at 1.79% Cu including 4m at 4.16% Cu.

This suggests that a 50m displacement of copper mineralisation may occur at or along the NW trending fault between trench DTR-4 and adit 4. In this area and extending to north of adit 2, another zone of tuffaceous clays and veining near the crest of Cassenha Hill exists that has been largely untested by historical exploration despite evidence of copper mineralisation and minor workings.



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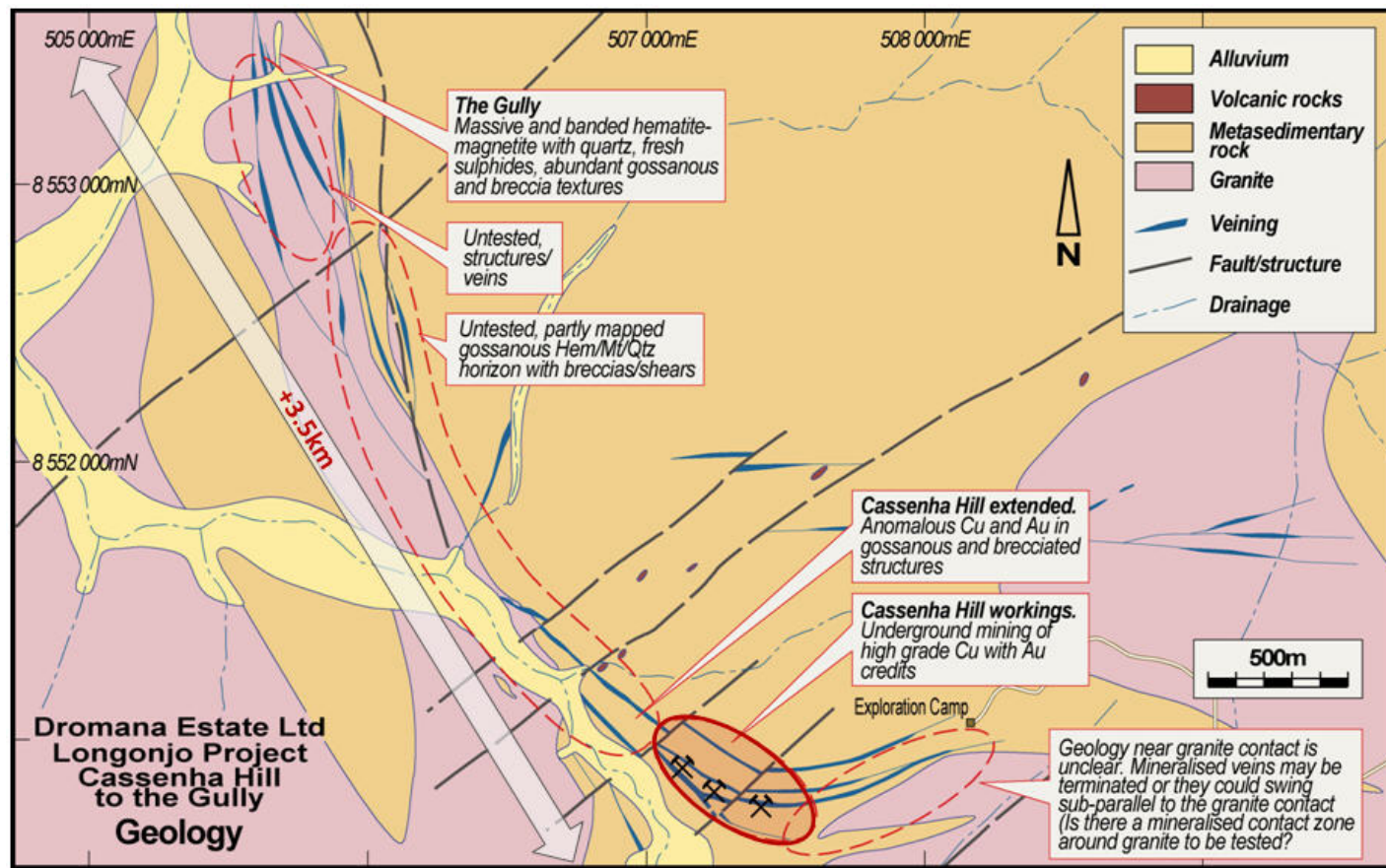


Figure 3: Anomalous copper values in fresh sulphides extend the Cassenah Hill strike to over 3.5km in length.

EXTENSION OF CASSENHA HILL STRIKE

Of particular note is the strike potential for the Cassenah Hill structures and mineralised trends to extend more than 3.5km to the north-west. This trend exists at or near the sheared granitoid contact and contains extensive hematite-magnetite mineralization with abundant gossans, breccias and shearing. At The Gully prospect area widespread fresh sulphides, mostly pyrite, were also encountered.

This structure is almost entirely unmapped and untested other than limited sampling near The Gully and Cassenah Hill that returned anomalous copper and gold values up to 0.27% Cu and 0.19 g/t Au. The area remains prospective for copper mineralisation along its length either as continuous zones or deep, plunging shoots.



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Further Contact:

Gabriel Chiappini

Non- Executive Chairman

(08) 9327 1777 or gabriel@laurus.net.au

Eric de Mori

Corporate Advisor - Cygnet Capital

(08) 9226 5511 or em@cygnetcapital.com.au

www.dromanaltd.com.au

Competent Person Statement

The information in this report that relates to Exploration Results is based on information compiled by Andrew Richards, who is a member of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. He is a full time employee of Arc Resources Pty Ltd which is providing consulting services to Dromana Estate Limited. Andrew Richards has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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'. Andrew Richards consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.



Figure 4: Copper mineralised structures in adit 2.



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LONGONJO PROJECT:

Dromana has an option to acquire a 70% interest in the Longonjo Project through the proposed acquisition of Sable Minerals Pty Ltd. The Longonjo Project is located in south west Angola ideally located nearby to existing infrastructure including a rail line that traverses the Project area and ~70km from the Huambo international airport (Figure 2). Numerous targets have been identified within the Project area including the Catabola Copper/Gold Target (Cassenha Hill), Longonjo Rare Earths Target and the Bongo Gold Target.

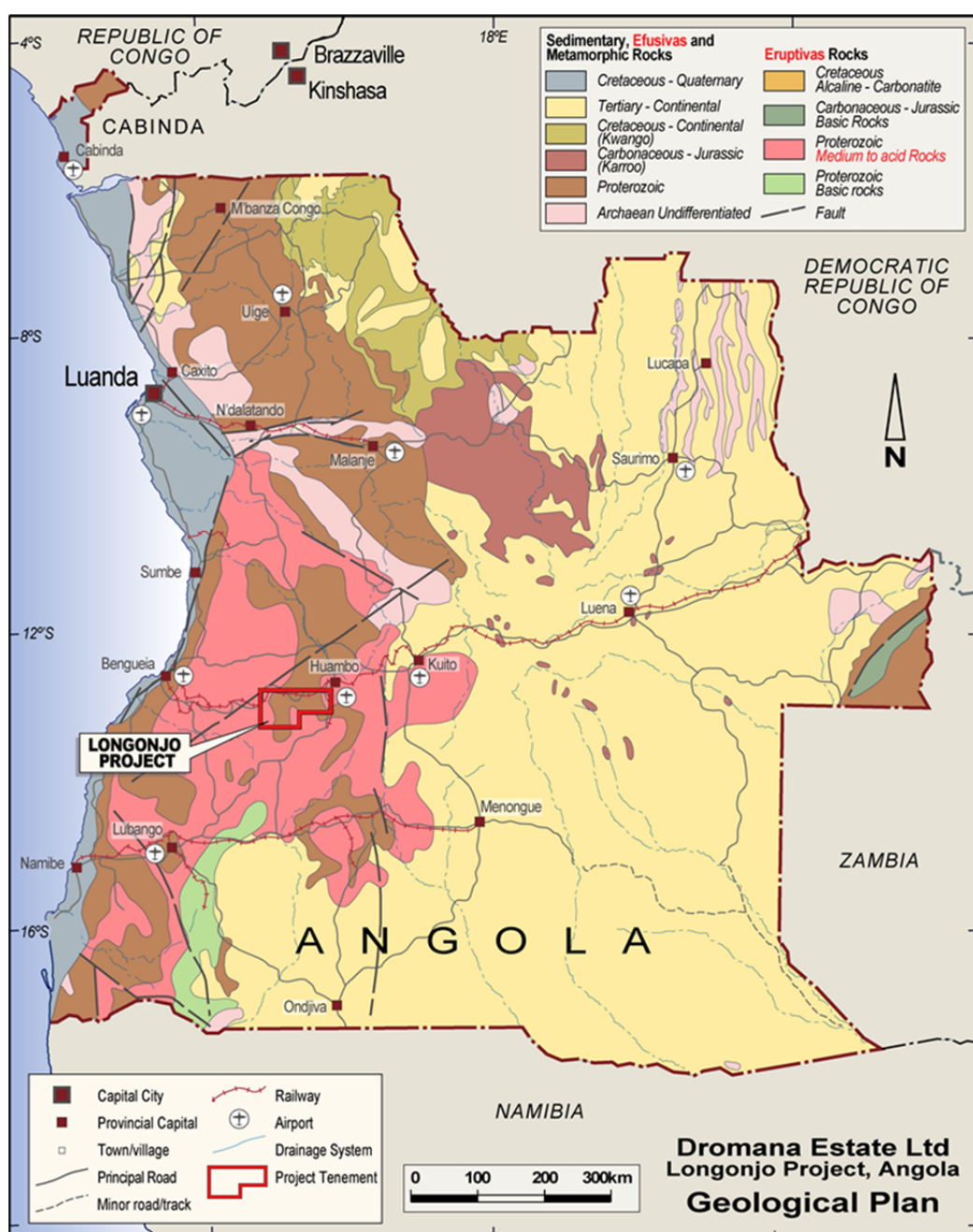


Figure 5: Geology and location of the Longonjo Project in Angola



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Table 1. Cassenha Hill Underground sampling - Summary of assays (better intersections highlighted in bold)

Workings			From (m)	To (m)	Interval (m)	% Cu
Adit 2	Main drive	Entire length	0.00	95.3	95.3	0.47%
		Of which:	3.00	45.95	42.95	0.67%
		including	3.00	6.00	3.0	0.86%
			23.95	26.95	3.0	2.06%
			33.95	35.95	2.0	1.22%
			42.95	45.95	3.0	2.11%
Adit 2	Cross Cut 1 East		0.00	12.40	12.4	1.00%
	Cross Cut 1 East Drive					
			1.00	8.00	7	1.72%
		including	4.00	6.00	2	4.15%
Adit 2	Cross Cut 1 West	highlight	0.00	12.40	12.4	0.77%
		including	6.00	12.40	6.4	0.90%
	Cross Cut 1 West Drive	highlight	0.00	4.10	4.1	2.37%
		including	2.10	4.10	2.0	2.52%
Adit 4	Main drive	Entire length	0.00	70.00	70.0	0.11%
		Including	45.00	48.00	3.0	0.19%
		and	55.00	66.00	11.0	0.21%

Note.

- Underground samples are generally taken in 1m or 2m increments unless field conditions or geological reasons dictate otherwise. Samples are not less than 0.5m in size and sample weights are a minimum of 2kg.
- Samples were prepared in SGS Laboratories in Namibia and sub-samples taken to SGS South Africa's laboratories in Booysens, South Africa.
- All samples were fire assayed for gold and select samples will be check assayed with Screen Fire Assay techniques. All samples were also assayed by aqua regia methods with an ICP-MS technique finish for a full suite of 37 elements including copper, base metals, iron, manganese and rare earths. High grade copper were reassayed using sodium peroxide fusion, ICP-OES.