

# DARNLEY BAY

RESOURCES LIMITED

7 new targets identified

Infrastructure

base metals

strongest gravity anomaly

7(1)(a)

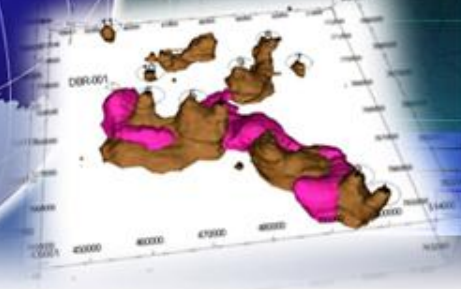
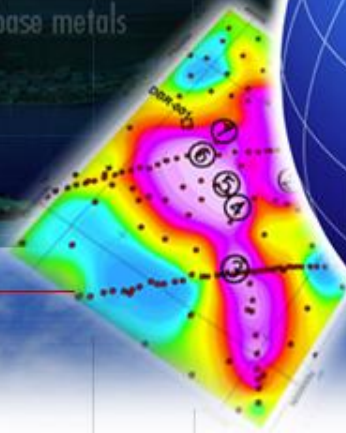
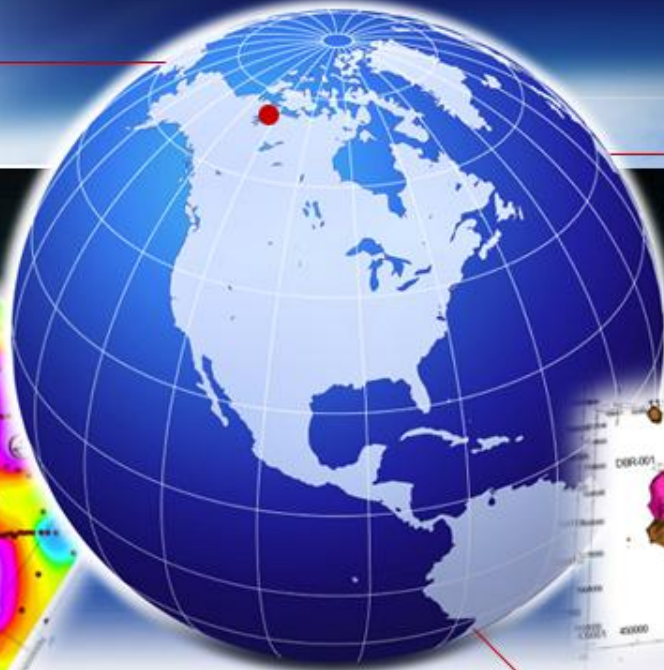
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7(1)(b)

PP 2008-1

Crown

kimberlite



boulders hosting nickel/copper located in the Hornaday River

## Exploring North America's Strongest Gravity Anomaly

March 2011

TSX-V: DBL



# Forward Looking Statement

Some of the statements contained herein may be forward-looking statements which involve known and unknown risks and uncertainties. Without limitation, statements regarding potential mineralization and resources, exploration results, and future plans and objectives of the Company are forward looking statements that involve various degrees of risk. The following are important factors that could cause the Company's actual results to differ materially from those expressed or implied by such forward looking statements: changes in the world wide price of mineral commodities, general market conditions, risks inherent in mineral exploration, risks associated with development, construction and mining operations, the uncertainty of future profitability and the uncertainty of access to additional capital.

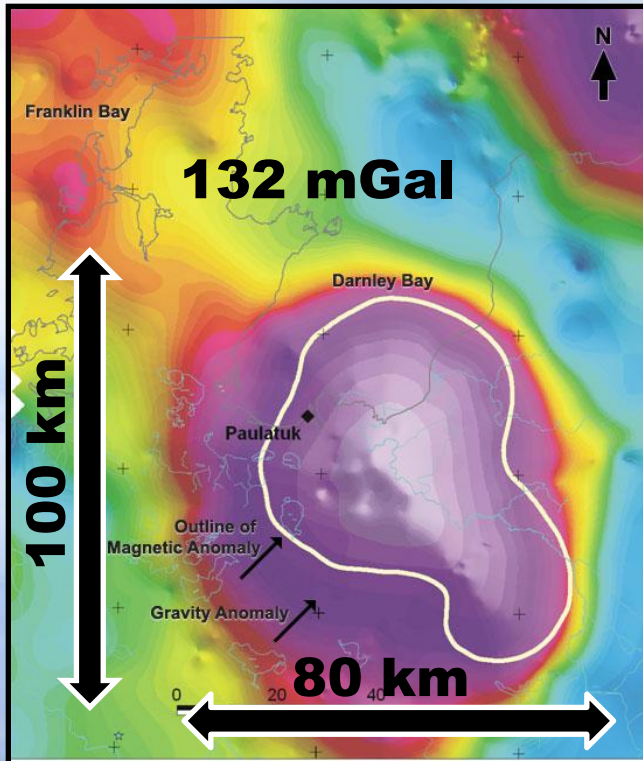
# The Darnley Bay Opportunity

- North America's strongest gravity anomaly
- Possibly largest isolated gravity anomaly in the world
- Discovered in 1969 – but never explained
- Darnley Bay has 100% interest subject to 10% back-in
- New 3D interpretation pinpoints shallow targets
- Aboriginal land claims are settled, agreement signed
- 13 kimberlites + 128 targets also on property
- Good regional access – near Paulatuk on Arctic coast



## Darnley Bay Gravity Anomaly

- *Discovered* in 1969 by GSC
- Released to public in 1994
- Acquired by Darnley Bay Resources Limited
- One hole drilled in 2000 – missed anomaly
- New geophysical techniques sharpen targets
- 41 base metals targets identified
- 3 targets drilled in 2010 – difficult overburden





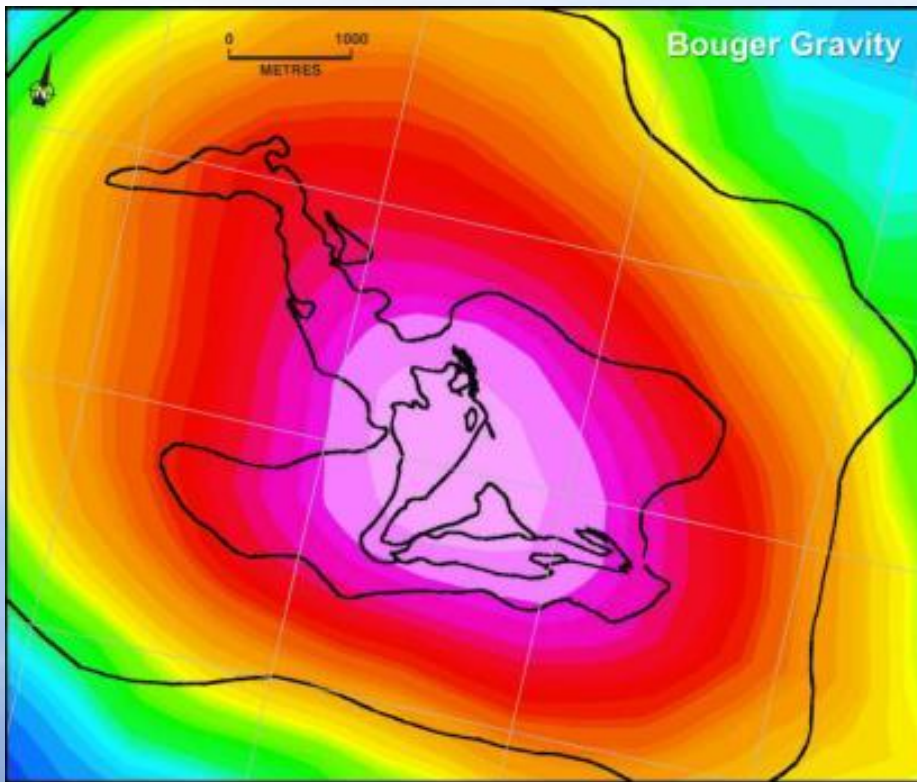
## Mineralization

The GSC found boulders hosting nickel/copper located in the Hornaday River along the eastern rim of the anomaly.



# World Class Similarities

## Olympic Dam in South Australia



- Richest ore body in the world
- Largest uranium, 4<sup>th</sup> largest copper
- Discovered by drilling gravity anomaly in 1975
- Success on the 10<sup>th</sup> hole
- Ore body is 4 km X 7 km
- 17 mGal
- In production for 22 years
- 7.7 billion tonnes remain
- Current gross value: \$800 billion

# World Class Similarities

## Sudbury Basin in Ontario



- Has hosted 30 mines
- 31 km X 63 km
- 30 mGal
- 1.65 billion tonnes
- \$370 billion

# World Class Similarities

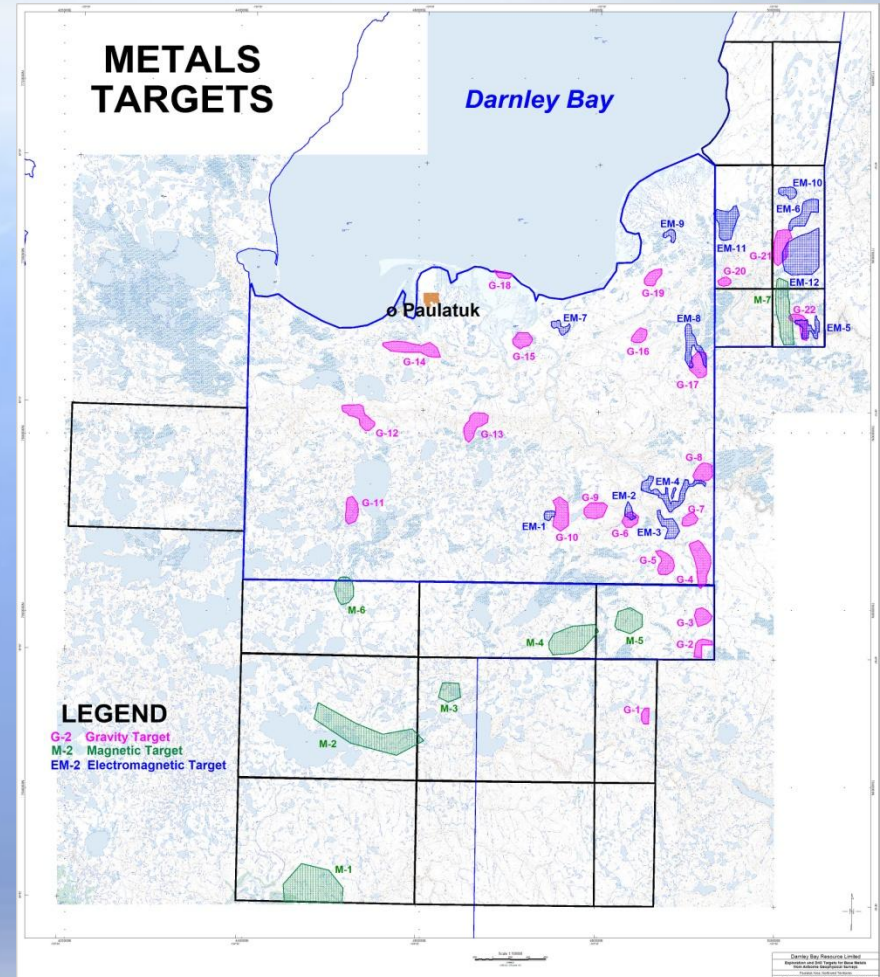
## Noril'sk in Russia

- Largest nickel mine in the world
- 20 km X 60 km
- 25 mGal
- 2.2 billion tonnes
- \$900 billion (past and future)



# 41 Base Metals Targets Identified

- 41 targets <1000 metres in depth
- Unknown cause of anomaly
- Most likely metal
- Lone drill hole for magnetic source, 12 km west of gravity anomaly
- More detailed geophysics completed
- Drilling is the next step
- Currently drilling with seismic planned

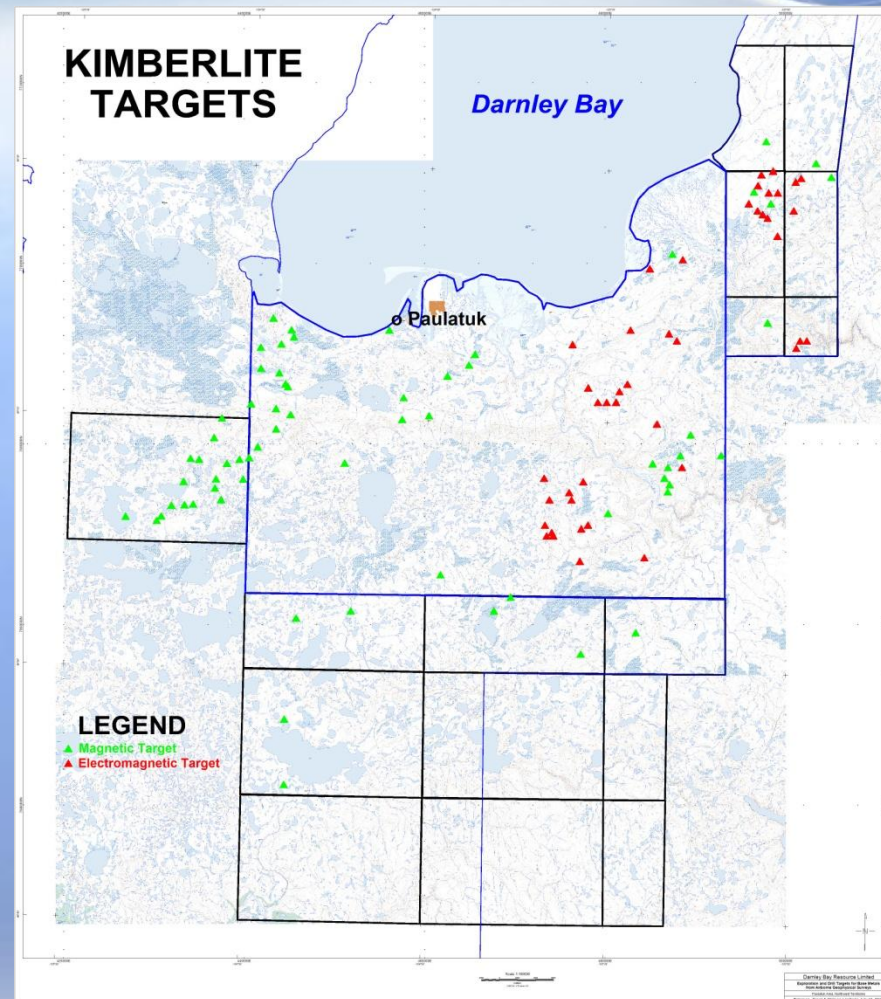


## Budget (2011)

Access Fees and Permitting	\$ 400,000
Financing Costs	\$ 350,000
Seismic Survey	\$ 500,000
Drilling	\$3,100,000
Consultants and Management	\$ 150,000
Working Capital and Office	\$ 500,000
<b>Total</b>	<b>\$5,000,000</b>
Working Capital	\$1,400,000
<b>Capital Raise</b>	<b>\$3,600,000</b>

## Kimberlite Targets

- 128 kimberlite targets on property (mag & EM anomalies)
- 3 actual diamonds found on surface
- 28 of the targets optioned to Diadem
- Of those, 16 were drilled
- 13 kimberlite pipes found
- 7 are diamond bearing – low grade





## Paulatuk Facilities



Commercial Airstrip  
Power and Fuel  
Water and Sanitation  
Internet, Telephone and Radio

RCMP and Health Stations  
School  
Stores  
Hotel

\$ 100,000,000 of  
Infrastructure, Equipment, Supplies  
(Federal and territorial governments)



Paulatuk  
Community Corporation



Darnley Bay Resources Limited (TSX-V : V.DBL)



## Stock Chart During Drilling -- Summer 2000

Shares outstanding: 103.6 million  
Fully diluted: 138.2 million  
52 week high/low: \$0.43/\$0.10

[www.darnleybay.com](http://www.darnleybay.com)

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