DNI Completes Strategic Financing To Advance Work On Its Alberta Polymetallic Black Shale Projects Through A Resource Study And Expanded Testwork, Athabasca Region, Alberta

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TORONTO, March 11 /CNW/ - DNI Metals Inc. (DNI: TSX-Ven) (DG7: FSE) is pleased to announce that it has completed a non-brokered private placement of flow-through and non-flow-through shares, with arm's length and non-arm's length parties, for aggregate gross proceeds of $2,416,200. The securities issued under the private placements are subject to a four-month hold period expiring on July 12, 2011. The financing was oversubscribed.

The financing consisted of:

(i) placement of 14,999,999 units at a price of 12 cents per unit, for gross proceeds of $1,800,000, each unit consisting of one common share and one half of a common share purchase warrant, each full warrant entitling the holder to purchase an additional common share of the company at a price of 20 cents for a period of twenty-four months from closing. Insiders participated in the units placement to an aggregate of $119,004, including $19,004 from an officer and a director; and

(ii) placement of 5,135,001 flow-through shares at a price of 12 cents per share for gross proceeds of $616,200. Insiders participated in the flow-through placements to an aggregate of $301,000, including $201,000 from an officer and two directors. A finder fee of $12,800 was paid in connection with a portion of the placement.

Proceeds of the financing will be applied toward DNI's polymetallic shale projects, Athabasca region, Alberta, toward analytical work related to the drilling program recently completed, toward expanded metals leaching R&D testwork and the launch of a resource study to upgrade a portion of the Buckton Potential Mineral Deposit (announced November 10, 2008) to a NI-43-101 compliant resource. A portion of the funds will also be applied toward operating working capital requirements.

DNI continues to focus its efforts on its polymetallic black shale Properties in Alberta, and on its carried interest in the diamond discovery on its Attawapiskat Property, Ontario.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

DNI - TSX Venture
DG7 - Frankfurt
Issued: 57,935,217 (post financing)

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