

ASX Release

Report for the Quarter Ended 31 December 2020

29 January 2021

Report for the Quarter Ended 31 December 2020

Dart Mining NL (“Dart” or “the Company”) is pleased to present its Quarterly Report for the three-month period ending 31 December 2020 and provide commentary and update to shareholders.

Commenting on the Quarter, Managing Director James Chirnside said:

“The Dart field team and its drill contractors were extremely busy during the quarter completing almost 5,000m of percussion drilling under difficult weather conditions as well as rapidly changing circumstances around COVID-19 restrictions. I would like to commend all those involved and thank them for their exceptional efforts.

Delays to laboratory processing times has severely impacted our capacity to report drilling results within a time frame that we would normally expect. We anticipate a raft of results and reporting on all three remaining drilling programs over the next four to five weeks.”

OPERATIONS REPORT

In December, Dart Mining reported the completion of the Company’s 2020 drill program. Despite the often-severe operating restrictions resulting from Victoria’s COVID-19 lockdowns, Dart was able to safely complete a ~5,000m drill program across four projects in steep, semi-alpine terrain throughout one of the state’s wettest Spring periods in recent years (Figure 1). The successful completion of the drilling is a testament to the Company’s enthusiastic, can-do approach and commitment to operating to the highest environmental and community standards within a COVID-Safe framework.

Final laboratory assay results were received for the Buckland program (see ASX Announcement 19/10/2020), with all other samples still undergoing analysis. Significant delays to sample turn-around times are being experienced due to the high volume of work at the laboratory. It is expected that reporting on all three additional programs will occur over the next four to five weeks.



ASX Code: DTM

Key Prospects / Commodities:

GOLD

Mountain View / New Discovery - Au

Fairleys - Au

Rushworth – Phoenix - Au

Onslow – Au

Saltpetre Gap - Au

LITHIUM / TIN / TANTALUM

Glen Wills – Li-Sn-Ta

Eskdale / Mitta – Li-Sn-Ta

PORPHYRY GOLD / COPPER /

MOLYBDENUM

Empress – Au-Cu

Stacey’s – Au-Cu

Copper Quarry: Cu+/- Au

Gentle Annie: Cu

Morgan Porphyry: Mo-Ag-Au

Unicom Porphyry: Mo-Cu-Ag

Investment Data:

Shares on issue: 99,945,476

Unlisted options: 35,556,369

Substantial Shareholders:

Top 20 Holdings: 55.94%

Board & Management:

Managing Director: James Chirnside

Non-Executive Director: Denis Clarke

Non-Executive Director: Luke Robinson

Company Secretary: Julie Edwards

Dart Mining NL

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James Chirnside

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Visit our webpage: www.dartmining.com.au

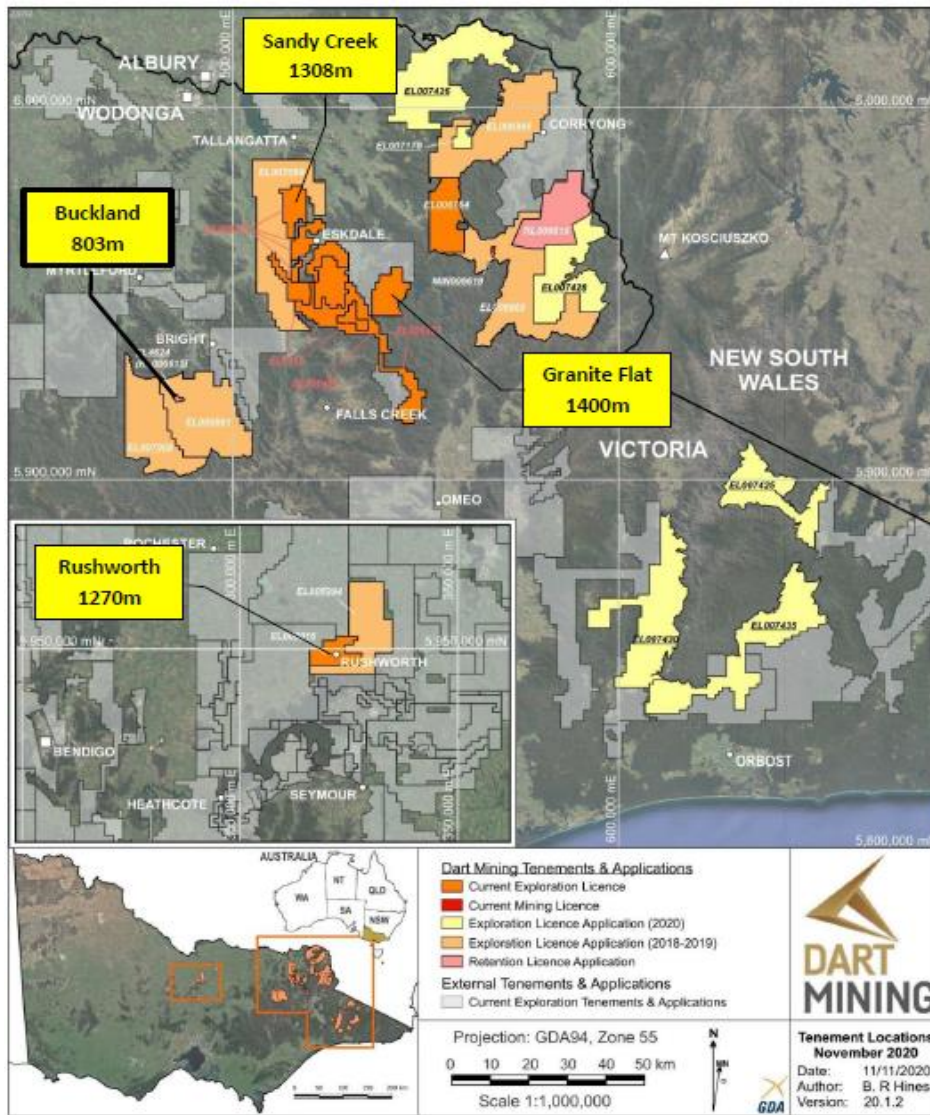


Figure 1: Dart Mining NL Tenements showing the location of drilled prospects during 2020.

Buckland Gold Project, NE Victoria

The Buckland Gold Project is located 200km north-east of Melbourne and contains the regionally extensive Fairley's Shear Zone which controls the location of significant gold mineralisation in the Buckland Goldfield. Dart's exploration work has shown the Fairley's Shear Zone to consist of multiple individual mineralised shears, each several kilometres long (ASX 20 Aug 2019, ASX 2 Sept 2019). These shears are interpreted to be up to, or greater than 25m wide, and typically have a relatively narrow, high-grade quartz-sulphide core enveloped by wider, low to medium-grade disseminated sulphide mineralisation (ASX 13 Dec 2019). The scale of the shear-related mineralisation offers excellent potential for delineating a large-scale gold deposit.

The Buckland Gold Project drill program was designed to test the northern and southern extent of mineralisation at the Fairley's prospect where previous drilling and sampling by Dart has revealed very promising gold mineralisation (see ASX Announcement 01/09/2020).

During the quarter, a low impact RAB drill program of 19 holes for 803m was undertaken at the Fairley's Prospect and the results revealed high grade gold intersections that successfully extended the strike extent of gold mineralisation for over 100m.

Significant intervals included:

- **13m @ 4.82 g/t Au** from 12m in BFCRAB008
 - **Incl. 2m @ 11.6 g/t Au** from 20m
- **11m @ 2.64 g/t Au** from 28m in BFCRAB003
 - **Incl. 3m @ 7.49 g/t Au** from 29 m
- **10m @ 2.27 g/t Au** from 4m in BFCRAB017
 - **Incl. 2m @ 5.52 g/t Au** from 7m
- **2m @ 4.70 g/t Au** from 17m in BFCRAB002
- **3m @ 2.62 g/t Au** from 26m in BFCRAB018
- **7m @ 1.27 g/t Au** from 19m in BFCRAB001
- **5m @ 1.30 g/t Au** from 32m in BFCRAB009

The program focused on expanding the strike extent of disseminated sulphide mineralisation along the Fairley's Shear Zone. Drilling targeted mineralisation 60m northwest of, and 45m southeast of previous drilling, extending the concentration of drilling to a strike length of over 240m at the Fairley's prospect. Due to steep terrain, drilling occupies a vertical range of approximately 260m. Drilling and previous chip sampling indicate that mineralisation occurs at surface and remains open at depth.

Discussion of Results

The results have demonstrated that significant widths and grades of gold mineralisation occur across a large strike and depth extent at the Fairley's Prospect. Although most of the holes were relatively shallow, the varying topography allows the Fairley's Shear Zone to be tested at a significant vertical range along strike. The program has successfully extended the drilled strike extent to approximately 240m and has shown that both narrow, high-grade gold and broad, disseminated, lower grade enveloping mineralisation exist across the full strike and depth extent tested to date. Much of the current drill program was designed to also confirm that surface rock and channel sampled silica-sericite-sulphide altered and mineralised rock extends to depth and has successfully demonstrated that this is indeed the case. The Fairley's Shear remains open along strike and at depth and Dart believes that great potential exists at the prospect for the discovery of a significant body of gold mineralisation.

The disseminated style of gold mineralisation evident at Fairley's is comparable to the traditional Fosterville-style orogenic gold mineralisation in Central Victoria ([Dart ASX August 2016](#)).

Future Work Program

The Fairley's shear is open and untested in all directions and future work at Fairley's will focus on extending the mineralisation along strike and at depth. High-grade gold is interpreted to occur in plunging shoots and future drilling at the immediate Fairley's area will be designed to test for the continuation of the high-grade zones at depth. Previous exploration by Dart has indicated that the Fairley's shear zone extends along strike to the NW and SE and exploratory drilling under the Standard Work Plan permit system is planned to assess this during the 2021 exploration program.

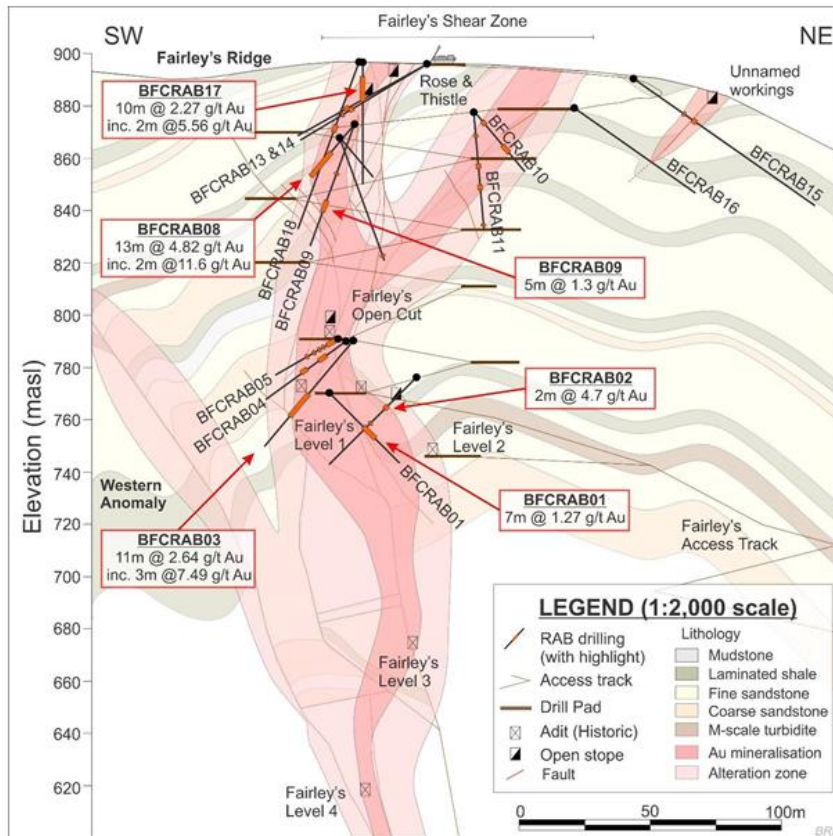


Figure 2: Composite Cross-section of targeted mineralisation at Fairley's. Note that the cross-section is compiled from approximately 240m of transposed data.

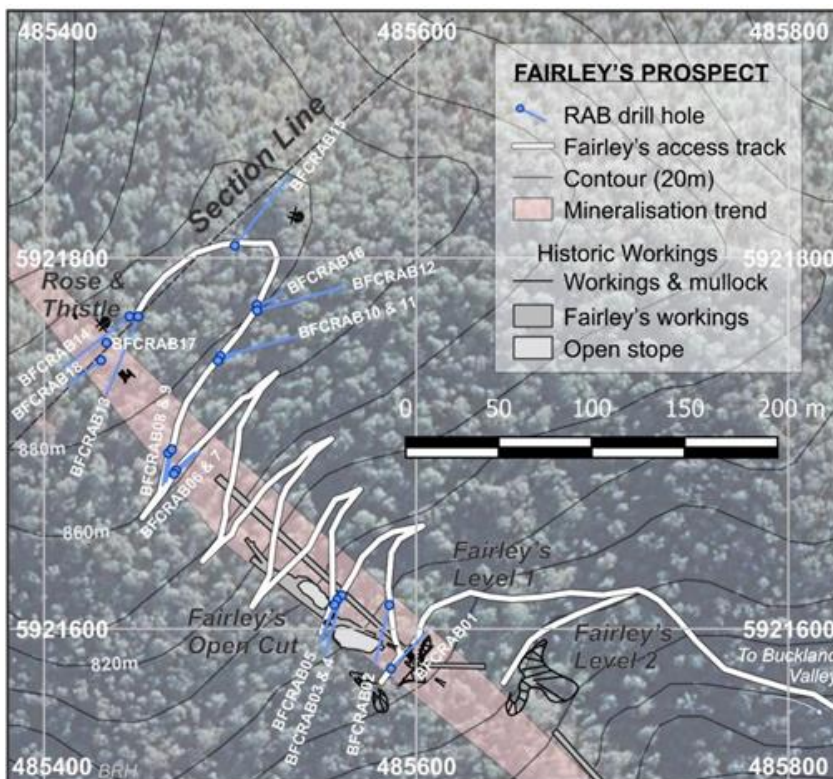


Figure 3: Plan of collars for the recent drilling at the Fairley's Prospect.

Granite Flat Project, NE Victoria

Dart completed 42 holes for ~1400m at the Granite Flat project during November. These holes targeted structurally hosted gold and copper mineralisation that was exploited by historic miners but has only been tested sporadically by previous explorers (see ASX Announcements 27/10/2020 & 9/11/2020).

This first pass program aimed at delineating the strike, dip and tenor of mineralised structures and will be used to help design a Reverse Circulation and Diamond Drilling program targeting depth extents of mineralisation at the prospect in 2021. Drilling was challenging for the RAB rig, with some holes collapsing or producing large amounts of water. Despite this, many holes intersected broad zones of copper mineralisation or ended in evident copper-rich intervals.

Rushworth Project, Central Victoria

Dart completed a total of 44 holes for 1,270m at Rushworth. Of these, 10 holes stopped short due to intersecting workings above the Phoenix and Appleton stopes. The drilling focused on testing the quartz vein and stockwork hosted orogenic, epizonal gold mineralisation model in the Phoenix Reef area and will assist in developing appropriate sampling and assaying techniques for use in any future resource estimations on the project (see ASX Announcements 05/11/2020 & 16/11/2020). Total sample material was collected for each drilled metre and will be collated to form a series of bulk samples to fully assess the contained gold content. Many metre intervals were noted to contain significant percentages of vein quartz material.

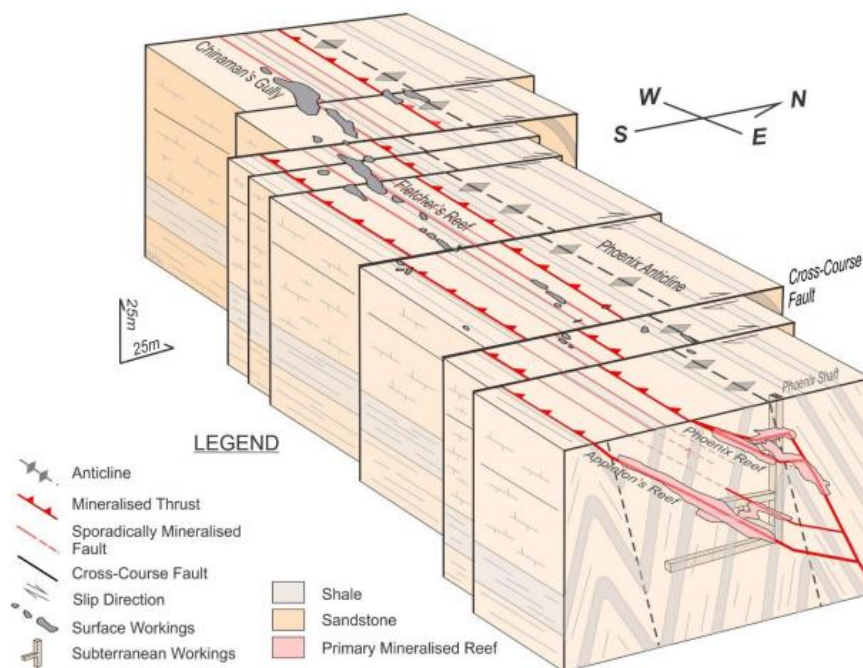


Figure 4: Oblique schematic depicting characteristics of the structural and mineralisation style in the Phoenix Hill – Chinaman’s Gully area of the Rushworth Project. Schematic is based on geological mapping completed by Jones & Turnbull (2014) and Boucher (2016).

Sandy Creek Project, NE Victoria

A total of 43 holes for a total of 1,308m were completed at Sandy Creek. The program was designed to identify the extent of broad, lower-grade gold-sulphide mineralisation beyond the narrow confines of existing workings which typically targeted narrow, high-grade gold mineralisation and provided limited indication as to the extent of the disseminated gold-sulphide mineralisation of the Yabba Granite (see ASX Announcements 03/07/2020 and 01/09/2020).

The drill program at Sandy Creek was hampered by the prevalence of previously un-mapped historic workings, a very high water table and steep, slippery terrain. Some of the holes did not reach the planned target depth but did appear to be entering mineralised zones upon termination. Future drilling at Sandy Creek will employ a drill rig that is capable of returning sample from below the water table and reaching greater depths than the exploratory RAB rig used on this first phase program.

Lithium Exploration Update

Dart's portfolio contains significant potential for the discovery of strategic metals such as lithium, tantalum, tungsten, antimony, and rare earth elements (outlined in Australia's Critical Minerals Strategy - Commonwealth of Australia, 2019).

In particular, Dart Mining is focusing on the Dorchap and Glen Wills pegmatite dyke swarms, with intrusions demonstrating Lithium-Caesium-Tantalum (LCT)-style and associated Sn and W mineralisation in these areas.

Prospective pegmatite host rocks often outcrop, but are notoriously difficult to identify in the steep, heavily vegetated terrain of NE Victoria. To assist in accurately locating prospective outcrop, Dart is undertaking an airborne LiDAR survey across the Dorchap and Glen Wills Dyke Swarms.

LiDAR, which stands for Light Detection and Ranging, is a remote sensing method that uses light in the form of a pulsed laser to measure ranges (variable distances) to the Earth and provides extremely detailed and accurate digital terrain models of the bare earth surface beneath the tree canopy and highlights any rock outcrop and cultural features such as historic mine workings which can be easily followed up by ground exploration.

The data from the LiDAR survey will be available to Dart in the first quarter of 2021 and will be used to guide Dart's exploration program for strategic metals throughout the 2021 exploration program.

CORPORATE

In November, Dart Mining announced successful placement of 12,205,561 shortfall shares, at an issue price of 20 cents per share and 12,205,561 attaching unlisted options exercisable at 30 cents and expiring on 30 September 2022, representing the full shortfall available from its recently completed Entitlement Issue.

Placement of the shortfall was made to professional and sophisticated investors raising \$2,442,112. Institutional and qualified private investors participated in the placement and the board acknowledges and welcomes those new investors to the company's share register.

The total amount raised pursuant to the Entitlement Issue was \$4,997,274.

Payments to related parties of the entity and their associates of approximately \$88,000 listed in Appendix 5B were for directors fees.

Junior Minerals Exploration Incentive

During the quarter, the Company advised that it has been successful in its application for participation in the Junior Minerals Exploration Incentive (JMEI) scheme for the 2020/2021 tax year.

The Company has received an allocation of up to \$390,000 in JMEI credits which can be distributed to eligible shareholders.

Eligible shareholders must be Australian residents who apply for and are issued shares in Dart's capital raising activities between 1 July 2020 and 30 June 2021. JMEI credits will be distributed to all eligible shareholders on a pro-rata basis. These credits may be used by investors as a tax offset and would serve to reduce an eligible investors 30 June 2021 tax liability.

Investors should be aware that Dart cannot guarantee that eligible shareholders will receive the maximum number of JMEI credits available as the actual number of JMEI credits received by each eligible shareholder will be dependent on a number of factors.

AGM results

At the Company's Annual General Meeting held on 20 January 2021 resolutions passed were as follows:

1. Remuneration Report
2. Re-election of Director – Denis Clarke
3. Ratification of Prior Share Issue (May 2020)
4. Ratification of Prior Share Issue (July 2020)
5. Approval of Performance Rights Plan
6. Approval for Issue of Performance Rights to Mr James Chirnside under the Performance Rights Plan
7. Approval for Issue of Performance Rights to Mr Luke Robinson under the Performance Rights Plan
8. Approval of 10% Placement Capacity (Special).

Cash Position

The Company's cash position at the end of the December quarter was approximately \$3m

TENEMENT STATUS

Tenement Number	Name	Tenement Type	Area (km ²) Unless specified	Interest	Location
MIN006619	Mt View ²	Mining License	224 Ha	100%	NE Victoria
EL5315	Mitta Mitta ⁴	Exploration Licence	172	100%	NE Victoria
EL006016	Rushworth ⁴	Exploration Licence	60	100%	Central Victoria
EL006277	Empress	Exploration Licence	165	100%	NE Victoria
EL006300	Eskdale ³	Exploration Licence	183	100%	NE Victoria
EL006486	Mt Creek	Exploration Licence	190	100%	NE Victoria
EL006861	Buckland	Exploration Licence	414	100%	NE Victoria
EL007007	Union	Exploration Licence	3	100%	Central Victoria
EL006764	Cravensville	<i>EL (Application)</i>	170	100%	NE Victoria
EL006865	Dart	<i>EL (Application)</i>	567	100%	NE Victoria
EL006866	Cudgewa	<i>EL (Application)</i>	508	100%	NE Victoria
EL006994	Wangara	Exploration Licence	142	100%	Central Victoria
EL007008	Buckland West	<i>EL (Application)</i>	344	100%	NE Victoria
EL007099	Sandy Creek	<i>EL (Application)</i>	437	100%	NE Victoria
EL007170	Berringama	<i>EL (Application)</i>	27	100%	NE Victoria
EL007430	Buchan	<i>EL (Application)</i>	546	100%	Gippsland
EL007435	Goonerah	<i>EL (Application)</i>	587	100%	Gippsland
EL007425	Deddick	<i>EL (Application)</i>	341	100%	Gippsland
EL007428	Boebuck	<i>EL (Application)</i>	355	100%	NE Victoria
EL007426	Walwa	<i>EL (Application)</i>	499	100%	NE Victoria
RL006615	Fairley's ²	Retention License	340 Ha	100%	NE Victoria
RL006616	Unicorn ^{1&2}	Retention License	23,243 Ha	100%	NE Victoria

Table 1: Current Mining, exploration and retention licences and application held by Dart Mining NL as at the 31st December 2020. For the location of tenements and applications, refer to figure 1.

All tenements remain in good standing at 31st December 2020.

NOTE 1: Unicorn Project area subject to a 2% NSR Royalty Agreement with Osisko Gold Royalties Ltd dated 29 April 2013.

NOTE 2: Areas subject to a 1.5% Founders NSR Royalty Agreement.

NOTE 3: Areas are subject to a 1.0% NSR Royalty Agreement with Minvest Corporation Pty Ltd (See DTM ASX Release 1 June 2016).

NOTE 4: Areas are subject to a 0.75% Net Smelter Royalty on gold production, payable to Bruce William McLennan.

For more information, please contact:

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About Dart Mining

Dart Mining (ASX: DTM) floated on the ASX in May of 2007 with the aim of evaluating and developing several historic Goldfields as well as substantiating a new porphyry province in NE Victoria. The area is prospective for precious, base, and minor metals. These include Lithium, Gold, Silver, Copper, Molybdenum, Zinc, Tungsten, Tin, Tantalum, and a host of other important minerals. Dart Mining has built a strategic gold footprint in the Central and North East Region of Victoria where historical surface mining and alluvial gold indicates the existence of potentially significant gold endowment.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

DART MINING NL

ABN

84 119 904 880

Quarter ended ("current quarter")

31 December 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation (if expensed)	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(26)	(58)
(e) administration and corporate costs	(221)	(428)
1.3 Dividends received (see note 3)		
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid		
1.7 Government grants and tax incentives	6	23
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(241)	(463)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities		
(b) tenements		
(c) property, plant and equipment	(392)	(806)
(d) exploration & evaluation (if capitalised)	(973)	(1,324)
(e) investments	-	(10)
(f) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
2.2 Proceeds from the disposal of:		
(a) entities		
(b) tenements		
(c) property, plant and equipment		
(d) investments		
(e) other non-current assets		
2.3 Cash flows from loans to other entities	11	11
2.4 Dividends received (see note 3)		
2.5 Other (provide details if material)		
2.6 Net cash from / (used in) investing activities	(1,354)	(2,129)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	2,441	4,997
3.2 Proceeds from issue of convertible debt securities		
3.3 Proceeds from exercise of options		
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(242)	(272)
3.5 Proceeds from borrowings		
3.6 Repayment of borrowings		
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other (provide details if material)		
3.10 Net cash from / (used in) financing activities	2,199	4,725

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	2,419	890
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(241)	(463)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(1,354)	(2,129)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	2,199	4,725

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	3,023	3,023

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3,023	3,023
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,023	3,023

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

88

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities		
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 Total financing facilities	-	-

7.5 Unused financing facilities available at quarter end	
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(241)
8.2 Capitalised exploration & evaluation (Item 2.1(d))	(973)
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(1,214)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	3,023
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	3,023
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	2.49

8.8	If Item 8.7 is less than 2 quarters, please provide answers to the following questions:	
	1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 January 2021

Authorised by: By the Board

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.