



CORPORATE GOVERNANCE STATEMENT

24 SEPTEMBER 2014

BOARD OF DIRECTORS

The Board of Dart Mining NL has adopted a formal charter which allocates responsibilities between the Board and management of the Company which is available from the Corporate Governance section of the Company's website at www.dartmining.com.au. The charter details the composition, responsibilities and Code of Conduct under which the Board operates. The Board has resolved unanimously that the Company will at all times aspire to "good practice" in Corporate Governance.

Unless otherwise indicated in this statement the practices specified in the charter have been followed throughout the reporting period and will remain in force until amended by resolution of the Board.

Role of the Board

The Board acknowledges its accountability to shareholders for creating shareholder value within a framework that protects the rights and interests of shareholders and ensures the Company is properly managed. The Board aims to achieve these objectives through the adoption and monitoring of strategies, plans, policies and performance as follows:

- Providing input into, and approval of, the Group's strategic direction; approval and monitoring of budgets and business plans; and ensuring that appropriate resources are available, including capital management and budgeting for major capital expenditure;
- Approving the Group's systems of risk management, monitoring their effectiveness and maintaining a dialogue with the Group's auditors;
- Considering, approving and monitoring internal and external financial and other reporting, including reporting to shareholders, the ASX and other stakeholders;
- Selection and evaluation of Directors, the Managing Director and senior executives, and planning for their succession;
- Setting the Managing Director and Directors' remuneration within shareholder approved limits and ensuring that the remuneration and conditions of service of senior executives are appropriate;
- Ensuring, and setting standards for, ethical behaviour and compliance with the Group's own governing documents, including the Group's Code of Conduct and corporate governance standards.

Board Processes

The Board aims to perform its role and objectives through the adoption and monitoring of strategies, plans, policies and performance; the review of the Managing Director and senior management's performance, conduct and reward; monitoring of the major risks of the Company's business; and by ensuring the Company has policies and procedures to satisfy its legal and ethical responsibilities. The Board undertakes these tasks after considering recommendations made by the Company's three sitting

Committees; the Audit and Risk Management Committee, the Remuneration and Nomination Committee and the Technical Committee.

The Board determines the strategic direction of the Company and sets policies accordingly. In addition to maintaining oversight of the Company's executive management and operations, the Board monitors substantive issues such as ethical standards and social and environmental responsibilities.

Composition of the Board

The names of the current Directors of the Company at the date of this statement are set out in the Directors' Report accompanying this financial report. The composition of the Board is determined using the following principles:

- a maximum of twelve Directors and a minimum of three Directors;
- a Non-executive Director as Chairman;
- a majority of Non-executive Directors; and
- a balance of any non-independent Directors with independent Directors.

The Board currently comprises three Non-executive Directors. The Company's Constitution provides for a maximum of 12 directors. The Board periodically reviews its size as appropriate. The Managing Director, who is appointed by the Board, attends all Board meetings.

Directors are considered to be independent if they are not major shareholders, are independent of management and are free from any business or other relationship that could materially interfere with their exercise of free and independent judgement. Messrs Paterson, Cottle and Hogarth are considered to fall within this category.

The Board regards the present composition of Directors and Board Committees as a good balance at this stage of the Company's development with the appropriate mix of expertise, experience and ability to represent the interests of all shareholders.

Future Director appointees will receive a formal letter of appointment setting out the responsibilities, rights, terms and conditions of their appointment. Directors participate in a comprehensive induction which covers the operations, financial position, strategic and risk management issues, as well as the operation of the Board and any sub-committees.

Meetings

The Board meets on a regular basis to retain full and effective control and monitor executive management. During the financial year to 30 June 2014, the full Board met 15 times. The Directors' attendance at meetings is detailed in the Directors' Report.

Members of the management team may attend meetings at the invitation of the Board.

Role of Chairman and Managing Director or Chief Executive Officer (CEO)

The Chairman is an Independent Director elected by the full Board, having no association with the Company, nor is he a substantial shareholder of the Company and he has not previously been an employee of the Company.

The Chairman is responsible for leading the Board, ensuring Directors are properly briefed in all matters relevant to their role and responsibilities, facilitating Board discussions and managing the Board's relationship with the Company's senior executives.

The Managing Director or CEO is responsible for implementing the Group's strategies and policies. The Board Charter specifies that these are separate roles to be undertaken by separate people.

Term of office

The Board reviews its performance and composition on an annual basis and aims to have members with high levels of intellectual ability, experience, soundness of judgement and integrity, to maximise its effectiveness and contribution. Directors serve a maximum three-year term before being required to be re-elected by members. The Company's constitution provides that at least one third (or the nearest whole number) of directors must retire at each Annual General Meeting, but are eligible for re-election at that meeting. There is no compulsory retiring age.

Independent professional advice

In performing their duties, Directors have the right to seek independent and professional advice, at the Company's expense, in furtherance of their duties as Directors, with the approval of the Chairman, which approval shall not be unreasonably withheld.

Board committees

The Company has formally constituted an Audit and Risk Management Committee, Remuneration and Nomination Committee and Technical Committee, each of which reports to the Board of Directors. These committees are chaired by a Non-executive Director and operates under a charter with authority to examine and report on any matters concerning risk management within the company including, but not limited to, operational, occupational health and safety, and financial matters. Charters of the Committees are available on the Company's website at www.dartmining.com.au.

CODE OF BUSINESS CONDUCT

The Board has adopted a Code of Conduct (the Code) and a policy "Behaviour Standards – Standards of Business Conduct" setting out parameters for ethical behaviour and business practices which apply to all of the Company's Directors, officers and employees. The Code is included in the Board Charter and is available for review on the Company's website. The Code is regularly reviewed and updated as necessary to ensure it reflects the highest standards of behaviour and professionalism necessary to maintain confidence in the Group's integrity. In summary, the Code requires that at all times all Group personnel act with the utmost integrity, objectivity and in compliance with both the letter and the spirit of the law and the Company's policies.

Conflicts of interest

All Directors of the Company must keep the Board advised, on an ongoing basis, of any private interest that could potentially conflict with the interests of the Company. Where the Board believes that a significant conflict exists, the Director or Directors concerned do not receive the relevant board papers and is, or are, excused at the meeting whilst the item is considered. The Board has developed procedures to assist Directors in disclosing potential conflicts of interest.

All Directors and executive officers of the Company are required to disclose to the Company any material transaction, commercial relationship or corporate opportunity that reasonably could be expected to give rise to such a conflict.

Insider trading

Trading in shares by any Director or senior executive of the Company whether or not during a blackout period, which incorporates the periods between the close of each financial quarter and the release of quarterly, half yearly interim and full year results by the Company and 30 Days prior to the Company's AGM, requires the express written approval of the Chairman before any trading is conducted or prior to the entry into any share trading agreements, in accordance with the Company's share trading policy.

Fair dealing and ethical standards

The Code requires all directors, officers and employees of the Company to behave honestly and ethically at all times with all people and other organisations.

The Directors are satisfied that the Company has complied with its policies on ethical standards, including trading in securities.

FINANCIAL REPORTING

Reporting standards

The Company is committed to providing shareholders with clear, transparent, and high quality financial information in a timely manner. The Company's continuous disclosure policy underpins this approach.

The financial reports of the Company are produced in accordance with Australian International Financial Reporting Standards, other authoritative pronouncements of the Australian Accountings Standards Board and the Corporations Act. The financial statements and reports are subject to review every half year and the auditor issues an audit opinion accompanying the full year results for each financial year.

External auditors

The Company policy is to appoint external auditors who clearly demonstrate quality and independence. The performance of the external auditor is reviewed annually, taking into consideration assessment of performance, existing value and tender costs.

An analysis of fees paid to the external auditors, including a breakdown of fees for non-audit services, is provided in the notes to the financial statements. It is the policy of the external auditors to provide an annual declaration of their independence to the Board.

The external auditor is requested to attend the Annual General Meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the audit report.

Management Certification

The Company requires that the Managing Director and Company Secretary make the following certifications to the Board that:

1. the Company's financial reports are complete and present a true and fair view, in all material respects, of the financial condition and operational results of the Company and Group and are in accordance with relevant accounting standards; and
2. the above statement is founded on a sound system of risk management and internal control and that the system is operating efficiently and effectively in all material respects in relation to financial operating risks.

Risk assessment

The Board is responsible for ensuring there are adequate policies in relation to risk management and internal control systems. The Board has appointed an Audit and Risk Management Committee to advise it in these matters. In summary, the Company's policies are designed to ensure strategic, operational, legal, reputational and financial risks are identified, assessed, efficiently managed and monitored to enable achievement of the Company's business objectives.

Considerable importance is placed on maintaining a strong control environment. There is an organisational structure with clearly drawn lines of accountability and delegation of authority. Adherence to the Code of Conduct is required at all times and the Board actively promotes a culture of quality and integrity.

Detailed control procedures cover management accounting, purchases and payments, financial reporting, capital expenditure requests, project appraisal, environment, health and safety, IT security, compliance and other risk management issues. There is a systematic review and monitoring of key business operational risks by management which reports on current and future risks and mitigation activities to the Board.

The Company recognises the importance of environmental and occupational health and safety (OH&S) issues and is committed to the highest levels of performance with the systematic identification of environmental and OH&S issues to ensure they are managed in a structured manner. This system allows the Company to:

- monitor its compliance with all relevant legislation;
- continually assess and improve the impact of its operations on the environment;
- encourage employees to actively participate in the management of environmental and OH&S issues;
- work with industry peers to raise standards;
- use energy and other resources efficiently; and
- encourage the adoption of similar standards by the entity's principal suppliers and contractors, with particular emphasis on exploration contractors.

Continuous disclosure and shareholder communication

The Company is a disclosing entity under the Corporations Act and is subject to the continuous disclosure requirements under ASX Listing Rules. Communications with shareholders and other stakeholders are given a high priority. In addition to statutory disclosure documents such as Annual Reports and Quarterly activity reports, the Board is committed to keeping all stakeholders informed of all material developments that affect the Company in a timely manner.

The Company has a formal policy and comprehensive procedures on continuous disclosure. Once the Board or management becomes aware of information concerning the Company that would be likely to have a material effect on the price or value of the Company's securities (and which does not fall within the exceptions to the disclosure requirements contained in the Listing Rules), that information is released to the ASX.

The Board has appointed the Company Secretary (or in his absence, the Chairman) as the person responsible for communication to ASX. This role includes responsibility for ensuring compliance with the continuous disclosure requirements of ASX Listing Rules and overseeing and co-ordinating information disclosure to the ASX. All Company announcements, presentations or other briefings are posted on the Company's website after release to the ASX.

The Board also endorses full and regular communication with and between Directors, the Managing Director, senior management, the external auditors, professional advisers, shareholders and other significant stakeholders. The Board also ensures the Company Secretary maintains a good, open and frank relationship with the ASX and its designated company officers to ensure compliance and full disclosure.

All shareholders have the opportunity to elect to receive a copy of the Company's annual report at the same time they receive by post a copy of the Notice of the Annual General Meeting.

Full use is made of annual general meetings to inform shareholders of current developments through appropriate presentations and to provide opportunities for questions.

Diversity Policy

Diversity includes, but is not limited to, gender, age, ethnicity and cultural background. The Company is committed to diversity and recognises the benefits arising from employee and Board diversity and the importance of benefiting from all available talent.

Accordingly, the Company has established a diversity policy which is available at www.dartmining.com.au.

This diversity policy outlines requirements for the Board to develop measurable objectives for achieving diversity, and annually assess both the objectives and the progress in achieving those objectives. Accordingly, the Board has developed the following objectives regarding gender diversity and aims to achieve these objectives as Director and senior executive positions become vacant and appropriately qualified candidates become available:

- achieve a diverse and skilled workforce, leading to continuous improvement in the achievement of its corporate goals;
- develop a clear criteria on behavioural expectations in relation to promoting diversity;
- create a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives;
- ensure that personnel responsible for recruitment take into account diversity issues when considering vacancies; and
- create awareness in all employees of their rights and responsibilities with regards to fairness, equity and respect for all aspects of, and issues on diversity.

The Board believes that they have been successful in implementing these objectives throughout the Group's workforce.

The number of women employed by the Group and their employment classification is as follows:

	30-Jun-14		30-Jun-13	
	No.	%	No.	%
Women on the Board	-	-	-	-
Women in senior management roles	-	-	-	-
Women employees in the Company	1	25%	1	8%

Adoption of ASX Corporate Governance Council Good Practice Recommendations

The table below outlines each of the ASX Best Practice Recommendations and the Company's adoption of those Recommendations. Where the Company has adopted the relevant Recommendation during the reporting period, this is indicated by a "Yes" in the relevant column. Where the Company has not adopted a Recommendation this is indicated by a "No" together with an accompanying note explaining the reasons why the Company has not adopted the Recommendation.

	Description	Adopted	Note
1.1	Formalise and disclose the functions reserved to the board and those delegated to senior executives. These functions are set out under Role of the board and Role of management in this statement.	Yes	
1.2	Disclose the process for evaluating the performance of senior executives	No	1
1.3	Provide the information indicated in the Guide to reporting on Principle 1.	Yes	
2.1	A majority of the board should be independent directors.	Yes	
2.2	The chairperson should be an independent director.	Yes	
2.3	The roles of chairperson and chief executive officer should not be exercised by the same individual.	Yes	
2.4	The Board should establish a nomination committee.	Yes	
2.5	Disclose the process for evaluating the performance of its board, committees and individual directors.	Yes	1
2.6	Provide the information indicated in the Guide to reporting on Principle 2.	Yes	
3.1	Establish a code of conduct to guide the directors, the chief executive officer (or equivalent) and any other key executives as to:	Yes	
3.1.1	<ul style="list-style-type: none"> - the practices necessary to maintain confidence in the Company's integrity; - the practices necessary to take into account legal obligations and reasonable expectations of stakeholders; - the responsibilities and accountability of individuals for reporting and investigating reports of unethical practices. 	Yes	
3.1.2		Yes	
3.1.3		Yes	
3.2	Establish and disclose the diversity policy of the Company.	Yes	
3.3	Establish and disclose the measurable objectives for achieving gender diversity and progress towards achieving those goals.	Yes	
3.4	Disclose the proportion of women employees in the organisation, in senior executive positions and on the Board.	Yes	
3.5	Provide the information indicated in the Guide to reporting on Principle 3.	Yes	

Corporate Governance Statement (continued)

4.1	The Board should establish an audit committee.	Yes	
4.2	Structure the audit committee so that it consists of: - only Non-executive Directors - a majority of Independent Directors - an Independent Chairperson, who is not chairperson of the board - at least three members		
		Yes	
		Yes	
		Yes	
		No	2
4.3	The audit committee should have a formal charter.	Yes	
4.4	Provide the information indicated in the Guide to reporting on Principle 4.	Yes	
5.1	Establish and disclose written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements to ensure accountability at a senior executive level for that compliance.	Yes	
5.2	Provide the information indicated in the Guide to reporting on Principle 5.	Yes	
6.1	Design and disclose a communication strategy to promote effective communication with the shareholders and encourage effective participation at general meetings - refer to Continuous disclosure and shareholder communication as set out above.	Yes	
6.2	Provide the information indicated in the Guide to reporting on Principle 6.	Yes	
7.1	Establish and disclose policies for oversight and management of material business risks.	Yes	
7.2	Design and implement risk management and internal control systems to manage and report on material business risks. Disclose reporting as to effectiveness of management of material business risks.	Yes	
7.3	Disclose whether the board has received assurance from the chief executive officer and chief financial officer that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	Yes	
7.4	Provide the information indicated in the Guide to reporting on Principle 7.	Yes	

Corporate Governance Statement (continued)

8.1	Establish a remuneration committee.	Yes	
8.2	Structure the remuneration committee so that it consists of: - a majority of independent directors - an independent chairperson - at least three members	Yes Yes No	2
8.3	Clearly distinguish the structure of Non-executive Directors' remuneration from that of executive directors and senior executives.	Yes	
8.4	Provide the information indicated in the Guide to reporting on Principle 8.	Yes	

Dart Mining NL's corporate governance practices were in place throughout the year ended 30 June 2014.

Various corporate governance practices are discussed within this statement. For further information on corporate governance policies adopted by the Company, refer to our website www.dartmining.com.au.

The Company has adopted all of the ASX Corporate Governance Principles and Recommendations with the following exceptions:

1. Recommendation 1.2: Disclose the process for evaluating the performance of senior executives.

The Remuneration and Nomination Committee evaluates the performance of senior executives by comparing performance against pre-determined performance criteria set and monitored by the Remuneration and Nomination Committee. At the date of this report the Remuneration and Nomination Committee has not undertaken an evaluation of senior executives' performance for the reporting period.

2. Recommendation 4.2: Structure of the Audit Committee so that it consists of:

- only Non-executive Directors;
- a majority of Independent Directors;
- an independent Chairperson, who is not Chairman of the Board;
- at least three members.

The Company's Audit and Risk Management Committee has only two independent Non-executive Directors as members of the Committee. Recent Board committee changes resulted in appointments to three Board Committees being shared among three Non-executive Directors. The Directors allocated Committee positions according to the skill sets available and to balance the expected work load among themselves. It was decided that two Non-executive Directors would sit on each Board Committee.

3. Recommendation 8.2: Structure of the Remuneration and Nomination Committee so that it consists of:

- only Non-executive Directors;
- a majority of Independent Directors;
- an independent Chairperson, who is not Chairman of the Board;
- at least three members.

The Company's Remuneration and Nomination Management Committee has only two independent Non-executive Directors as members of the Committee. Recent Board committee changes resulted in appointments to three Board Committees being shared among three Non-executive Directors. The Directors allocated Committee positions according to the skill sets available and to balance the expected work load among themselves. It was decided that two Non-executive Directors would sit on each Board Committee.

4. Recommendation 8.3: Equity based Remuneration Scheme.

The equity-based remuneration scheme has no participants presently so the matter is not relevant.