DART MINING NL
AND CONTROLLED ENTITIES

ABN: 84 119 904 880

Financial Report For The Year Ended
30 June 2013

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The Directors of Dart Mining NL submit herewith the financial report of Dart Mining NL and its subsidiaries ("the Group") for the year ended 30 June 2013.

Information on Directors

The names and details of the Group's directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Names, qualifications, experience and special responsibilities

Christopher J Bain
Chairman
Appointed 26 May 2006

Chris Bain is a geologist and mineral economist. He has over 30 years experience in resources having worked in underground mine geology in Mt Isa and Tasmania and exploration around Broken Hill. Since joining the finance sector he has been instrumental in mining project divestitures and acquisitions, evaluations and valuations, capital raisings including several initial public offerings and ASX listings. Chris recently served as Chief Investment Officer of The Phillip Resources Fund and is a member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Company Directors.

Mr Bain is currently a member of the Audit and Risk Management Committee.

Other current directorships of listed companies
PLD Corporation Limited

Former directorships of listed companies in last three years
None.

Lindsay J Ward
Managing Director and
Chief Executive Officer
Appointed 28 April 2011

Lindsay Ward is an experienced senior executive having worked in a broad range of industries including ports, mining, mineral processing, rail haulage, electricity generation, transport and logistics at both General Manager and CEO level. Prior to joining Dart Mining, Lindsay was General Manager - Patrick Ports and Pacific National Bulk Rail, a business unit of Asciano Ltd. As an integral part of this role, Lindsay was also the CEO of the Port of Geelong. Before joining Patrick Ports, Lindsay was General Manager Production - Yallourn Energy, a Victorian based integrated mine and power generator.

Lindsay started his career in the Mining Industry, spending 15 years working with various mining companies in WA, Queensland, NSW and Victoria in roles ranging from Mining Engineer through to Mine Manager and he has gained experience in gold and base metals exploration as well as a detailed knowledge of the Victorian approvals process.

Other current directorships of listed companies
Metro Coal Ltd

Former directorships of listed companies in last three years
None.

Dean G Turnbull
Executive Director
Appointed 26 May 2006

Dean Turnbull is a geology graduate from the Bendigo College of Advanced Education and has a Postgraduate Honours degree in geology from the Key Centre for Ore Deposit and Exploration Studies (CODES) at the University of Tasmania. Dean is an exploration and mine geologist specialising in 3D geological and structural modelling, working on detailed geological models for many Victorian mining centres. Positions previously held have spanned the spectrum from leading grass roots green fields exploration to multi-rig Resource/Reserve drill outs and resource estimations on large scale underground mining projects. Dean was instrumental in the discovery and subsequent exploration of the Unicorn Porphyry Mo – Cu – Ag project and has built a knowledge base in porphyry systems. Dean is a member of Australian Institute of Geoscientists.

Mr Turnbull is currently a member of the Audit and Risk Management Committee.

Other current directorships of listed companies
None.

Former directorships of listed companies in last three years
None.

Stephen G Poke
Non-Executive Director
Appointed 15 June 2006

Stephen Poke has over 32 years of hands on, technical and management experience in the drilling services sector. Stephen has been involved in and managed some of Australia's largest drilling programs and has held executive positions with both local and multi-national drilling companies. Stephen is currently General Manager of edrill Australia and edrill Fiji a leading drilling services provider with drills operating along the Eastern Seaboard and the Asia Pacific.

Mr Poke is currently the Chairman of the Audit and Risk Management Committee.

Other current directorships of listed companies
None.

Former directorships of listed companies in last three years
None.

Richard G Udovenya
Non-Executive Director
Appointed 15 June 2006

Richard Udovenya is a member of the law firm ResourcesLaw International, the legal advisers to Dart Mining NL. He has almost 30 years' legal experience in Australia and New Zealand and holds a Bachelor of Laws, a Bachelor of Commerce and a Graduate Diploma in Applied Finance and Investment (SIA). Richard is also a Fellow of the Financial Services Institute of Australia and a Member of both the Australasian Institute of Mining and Metallurgy and the Australian Institute of Company Directors. Richard's focus is in the corporate, commercial law and corporate governance areas. He is a director of, and legal advisor to, a number of Australian and international companies, and has advised, and continues to advise, on resource projects in Australia, Africa and South America.

Mr Udovenya is currently the Chairman of the Remuneration Committee.

Other current directorships of listed companies
None.

Former directorships of listed companies in last three years
Uranex NL (ACN 115-111-763) (30 November 2007 to 27 August 2010)

Company Secretary

Andrew J Draffin
Appointed 1 June 2010

Andrew Draffin is a partner of the accounting firm Draffin Walker & Co. He holds a Bachelor of Commerce and is a member of the Institute of Chartered Accountants in Australia. Andrew is a Director, Chief Financial Officer and Company Secretary of listed, unlisted and private companies operating across a broad range of industries. His focus is on financial reporting, treasury management, management accounting and corporate services, areas where he has gained over 16 years exeperience.

Shareholdings of directors and other key management personnel

The interests of each Director and any other key management personnel, directly and indirectly, in the shares and options of the Company at the date of this report are as follows:

Director & other key personnel	Ordinary shares	Options over ordinary shares (unlisted)
C J Bain	1,853,332	3,000,000
L J Ward	2,000,000	-
D G Turnbull	4,459,179	1,000,000
S G Poke	2,903,749	3,000,000
R G Udovenya	423,955	3,000,000
A J Draffin	100,000	-
J Eltham	-	-

Corporate Information

Corporate structure

Dart Mining NL is a company limited by shares that is incorporated and domiciled in Australia. Dart Mining NL has prepared a consolidated financial report incorporating Dart Resources Pty Ltd, Mt Unicorn Holdings Pty Ltd and Mt View Holdings Pty Ltd all of which were controlled by the Company during the financial year and are included in these financial statements.

Principal Activities

The principal activities of the Group during the financial year was to continue with the development of its maiden project "Unicorn" and continue exploration for base metals and gold in North-east Victoria whilst evaluating oportunities to expand its footprint to other regions in Australia and abroad.

Employees

The Group employed 10 employees as at 30 June 2013 (2012: 6 employees).

Operating Results

The profit of the Group after income tax for the year ending 30 June 2013 was $3,502,696 (2012 loss - $1,020,091)

Dividend

No dividends in respect of the current financial year have been paid, declared or recommended for payment.

Operating and Financial Review

Group overview

Dart Mining NL was established in May 2006 with a mandate to explore for and developing base metals and gold properties in north-east Victoria and southern New South Wales. Currently the Group focuses on one major project, the Unicorn Project, whilst pursuing exploration of the Groups remaining tenements.

Exploration overview

Please refer to the Exploration Report for details of exploration activities undertaken during the financial year.

Financial Overview

Operating results for the year

The profit for the consolidated entity after income tax was $3,502,696 (2012: loss $1,020,091).The profit recorded was largely attributed to the successful completion by the Group in entering into a 2% Net Smelter Royalty which contributed $4.5mil before costs to the revenue of the Group. The Group also accrued $876,733 in R&D Grants which further bolstered it's revenue. Expenses were consistent with the expectation of the costs associated with the exploration programmes budgeted for, undertaken and reflect:

- costs associated with managing the exploration program; and
- corporate overheads associated with statutory and regulatory requirements as a consequence of being listed on the Australian Securities Exchange.

Review of financial position

During the year, the Group shifted its primary focus towards the Unicorn project whilst maintaining a secondary focus on its exploration programme in north-east Victoria. The Group raised capital throughout the year and entered into a Royalty Agreement which contributed further funds outside traditional capital raisings. At the end of the financial year, a proportion of the funds raised during and in prior financial years were held by the Group as cash investments for use in future financial periods. The Group strives to maximise the return on these funds for exploration purposes by investing surplus funds and minimising expenditure on corporate overheads.

Cash flows

The cash flows of the Group consist primarily of payments to employees and suppliers used in advancing the Unicorn project together with payments for exploration activities on the tenements held by the Group; and with the maintenance of the corporate head office which manages existing projects as well as costs involved in investigating new exploration opportunities.

Cash inflows primarily resulted from the Red Kite Royalty and capital raised during the reporting period.

Capital Raising and Capital Structure

During the year under review, the Group raised $2,117,543 (net of capital raising costs) through the issue of 26,153,722 ordinary shares (2012: $5,380,262).

Summary of shares and options on issue

At the date of this report, the Group has 207,091,315 ordinary shares and 18,823,048 unlisted options on issue. Details of the unlisted options are as follows:

Issuing entity	Number of shares under option	Class of shares	Exercise price	Expiry date
Dart Mining NL	8,350,000	Ordinary	15 cents	31 December 2013
Dart Mining NL	100,000	Ordinary	18 cents	20 March 2017
Dart Mining NL	100,000	Ordinary	22 cents	20 March 2017
Dart Mining NL	3,000,000	Ordinary	15 cents	31 December 2015
Dart Mining NL	3,000,000	Ordinary	15 cents	31 December 2016
Dart Mining NL	4,273,048	Ordinary	11.1cents	7 May 2016

Options holders do not have any rights to participate in any issues of shares or other interests in the Company.

During the year ended 30 June 2013, 2,555,000 ordinary shares of Dart Mining NL were issued on the exercise of options or rights granted. No amounts are unpaid on any of the shares on issue.

For details of options issued to Directors and Executives as remuneration, refer to the Remuneration Report.

There have been no shares issued since the end of the financial year resulting from the exercise of options.

Significant Changes in State of Affairs

There were no significant changes in the state of affairs of the Group during the financial year other than shifting its primary focus towards the Unicorn project from exploration.

Events after the Reporting Period

There has been no matter or circumstance since 30 June 2013 which has significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in subsequent financial years.

Future Developments, Prospects and Business Strategies

The Board of Directors intends to continue with the exploration of the Group's tenements and focus on the Unicorn Project. Further details of the Group's prospects are included in the Exploration Report.

As the Group is listed on the Australian Securities Exchange, it is subject to the continuous disclosure requirements imposed by ASX Listing Rules, which require immediate disclosure to the market of information that is likely to have a material effect on the price or value of Dart Mining NL's securities.

The Board of the Company believe they have been compliant with the continous disclosure requirements throughout the reporting period and to the date of this report.

Environmental Issues

The economic entity holds participating interests in a number of exploration tenements. The various authorities granting such tenements require the tenement holder to comply with the terms of the grant of the tenement and all directions given to it under those terms of the tenement. There have been no known breaches of the tenement conditions, and no such breaches have been notified by any government agencies during the year ended 30 June 2013 or to the date of this report.

Directors' and Committee Meetings

The Board of Directors established an Audit and Risk Management Committee on 9 May 2007. The charter for the Audit and Risk Management Committee was adopted on 12 July 2007. The members of the committee consist of Stephen Poke (Chairman), Chris Bain and Dean Turnbull.

The Board of Directors established the Remuneration Committee on 5 December 2012. The charter for the Remuneration Committee was adopted on 19 February 2013. The members of the committee consist of Richard Udovenya (Chairman), Stephen Poke and Chris Bain, all of which are Non-Executive Directors.

The number of Directors' and Committee meetings held during the year and the numbers of meetings attended by each Director and Committee member were as follows:

	Board of directors			Audit and Risk Management Committee		
	Held	Entitled to attend	Attended	Held	Entitled to attend	Attended
Directors						
C J Bain	13	13	13	3	3	3
L J Ward	13	13	13	-	-	-
D G Turnbull	13	13	12	3	3	3
S G Poke	13	13	11	3	3	2
R G Udovenya	13	13	13	-	-	-

	Remuneration Committee		
	Held	Entitled to attend	Attended
Directors			
C J Bain	4	4	4
S G Poke	4	4	4
R G Udovenya	4	4	4

Indemnification and Insurance of Directors and Officers

The Company has entered into Deeds of Indemnity with the Directors and the Company Secretary, indemnifying them against certain liabilities and costs to the extent permitted by law.

The Company has also agreed to pay a premium in respect of a contract insuring the Directors and officers of the Company. Full details of the cover and premium are not disclosed as the insurance policy prohibits the disclosure.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Non-audit Services

The Directors are satisfied that no non-audit services were provided during the year by the auditor (or by another person or firm on the auditor's behalf) thus the Board are satisfied that the auditor is compliant with the general standards of independence for auditors imposed by the Corporations Act 2001.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2013 has been received and can be found on page 17 of the Financial Report.

Remuneration Report - Audited

This remuneration report, which forms part of the Directors' report, sets out information about the remuneration of the Group's Directors and other key management personnel for the financial year ended 30 June 2013. The prescribed details for each person covered by this report are detailed below.

Details of Directors and other Key Management Personnel

Directors and other key management personnel of the Group during and since the end of the financial year are as follows:

C J Bain
L J Ward
D G Turnbull
S G Poke
R G Udovenya

A J Draffin
J Eltham

Remuneration philosophy

The Board of Directors of Dart Mining NL is responsible for determining and reviewing compensation arrangements for the Directors, the Managing Director and other key management personnel after consideration is given to the recommendations of the Company's Remuneration Committee. The Remuneration Committee's policy is to ensure that a remuneration package properly reflects the person's duties and responsibilities, with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and executive team. The Board of the Company reviews and adopts or amends the recomendations of the Remuneration Committee as proposed. The officers of the Company are given the opportunity to receive their base emolument in a variety of forms, including cash, fringe benefits such as motor vehicles and incentive rights. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost to the Group.

To assist in achieving these objectives, the Board intends to link the nature and amount of Directors' and other key management personnel's emoluments to the Company's financial and operational performance. It is the Board's policy that employment contracts are entered into with all senior executives. At the date of this report, executive remunerations is set at levels approved by the Board. The Board has granted these guaranteed levels of remuneration which are not dependent on performance in order to ensure the Group's ability to retain quality personnel.

The Group's earnings and movements in shareholders' wealth since listing to 30 June 2013 is detailed in the following table:

	30 June 2013	30 June 2012	30 June 2011	30 June 2010	30 June 2009	30 June 2008
Revenue	$5,488,826	$80,135	$42,893	$16,679	$106,379	$186,684
Net Profit/(loss) after tax	3,502,696	($1,020,091)	($526,388)	($844,916)	($1,146,803)	($755,721)
Share price at start of year or period	10c	6c	11c	8c	18c	21c
Share price at end of year	7c	10c	6c	11c	8c	18c
Dividends	-	-	-	-	-	-
Basic earnings per share	1.81c	(0.68)c	(0.51)c	(1.32)c	(2.62)c	(1.77)c
Diluted earnings per share	1.81c	(0.68)c	(0.51)c	(1.32)c	(2.62)c	(1.77)c

Employment Agreements are entered into with Executive Directors and specified executives. An employment contract with one Executive Director is terminable by the Company providing six months notice or by the Executive providing three months notice, whilst another employment contract with a specified executive is terminable by the Company by giving three months' notice or by the Executive by giving three months' notice.

Remuneration structure

In accordance with the best practice corporate governance, the structure of Non-Executive and Executive Director remuneration is separate and distinct.

Non-Executive Director remuneration

Objective

The Board seeks to set aggregate remuneration at a level which provides the Group with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.

Structure

The Constitution and ASX Listing Rules specify that the aggregate remuneration of Non-Executive Directors shall be determined from time to time by a general meeting of the Company's shareholders. An amount not exceeding the amount determined is then divided between the Directors as agreed whilst maintaining a surplus amount that can be attributable to further Non-Executive Directors should they be appointed at any time. The latest determination was sought and granted at the Company's last AGM whereby shareholders approved an aggregate remuneration of $475,000 per year, an increase from the previous aggregate remuneration amount $200,000 per year, which was set with the adoption of the Company's constitution on 22 June 2006.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed annually. The Board considers advice from external consultants as well as the fees paid to Non-Executive Directors of comparable companies when undertaking the annual review process.

Each Non-Executive Director receives a fee for being a Director of the Group. Directors who are called upon to perform extra services beyond the Director's ordinary duties may be paid additional fees for those services.

Non-Executive Directors have long been encouraged by the Board to hold shares in the Company. It is considered good governance for Directors to have a stake in the company on whose board he or she sits.

The remuneration of Non-Executive Directors for the financial year ended 30 June 2013 is detailed in this report.

Senior executive remuneration

Objective

The Board aims to reward Executives with a level and mix of remuneration commensurate with their position and responsibilities within the Company and so as to:

- reward Executives for Company, business unit and individual performance against targets set by reference to appropriate benchmarks;
- align the interests of Executives with those of shareholders;
- link reward with the strategic goals and performance of the Company; and
- ensure total remuneration is competitive by market standards.

Structure

In determining the level and make-up of executive remuneration, the Board obtained independent advice from external consultants on market levels of remuneration for comparable executive roles. It is the Board's policy that employment contracts are entered into with all senior executives.

Service contracts

Service contracts were entered into with Executive Directors and Specified Executives.

Lindsay J Ward

The terms of an employment agreement with Mr Ward include *inter alia*:

- A remuneration package of $260,728 per annum, with annual reviews, together with reimbursement of all business related expenses including motor vehicle running and maintenance expenses plus statutory annual leave entitlements;
- 2,000,000 incentive rights were issued and exercised during the financial year in accordance with the Company's Incentive Rights Plan, which was approved by shareholders at the 2011 AGM of the Company, a further third and final tranche of 2,000,000 incentive rights are due to be offered to Mr Ward in accordance with his employment contract during the next 12 months;
- A restraint on Mr Ward to be engaged in the carrying on of any business the same as or substantially similar to or in competition with Dart for a period of six months from the date of termination;
- An obligation on Mr Ward to maintain confidentiality in respect of proprietary information obtained during employment. This obligation continues after cessation of engagement with the Company;
- The agreement is terminable by the Company on 6 months' notice or by Mr Ward on 3 months' notice being given or at the conclusion of the contractual period being, the termination date of 2 May 2014, unless renewed or extended by mutual agreement in writing not less than six months prior to termination date; and
- A discretionary bonus may be payable by the Company. The basis for paying any discretionary bonus and any amount paid will be decided by the Board in its sole discretion but will be related to the performance and success in promoting development of the Company during the preceding year and to his fund-raising effort in raising equity capital for the Company.

Dean G Turnbull

The terms of an employment agreement with Mr Turnbull include *inter alia*:

- A remuneration package of $180,809 per annum, with annual reviews, together with reimbursement of all business related expenses including motor vehicle running and maintenance expenses plus statutory annual leave entitlements;
- A restraint on Mr Turnbull undertaking additional part-time consulting or provision of other services which may conflict with the activities of Dart without the approval of the Chairman which may not be unreasonably withheld. This restraint continues for 12 months after cessation of engagement with the Company;
- An obligation on Mr Turnbull to maintain confidentiality in respect of proprietary information obtained during employment;
- The agreement is terminable by either party on 3 months' notice being given.
- A bonus may be paid to Mr Turnbull at the sole discretion of the Board which is based on certain performance critera being exceeded for any pre-determined period.

Andrew Draffin

The Company remunerates Draffin Walker Pty Ltd, a firm of Chartered Accountants of which Mr Draffin is a director and shareholder, for secretarial, accounting and corporate compliance services. Fees received for the period under review totaled $44,175.00. Fees are expected to be $60,000 for the 2013/2014 financial year subject to the number of corporate actions undertaken by the Company.

Remuneration of Directors and other Key Management Personnel for the Year Ended 30 June 2013

2013	Short-term benefits Salaries, fees and leave $	Post Employment benefits Superannuation $	Share-based payments Options/ Incentive rights $	Long-term employee benefits Annual leave $	Total $	Percentage of share-based payments %
Directors						
Christopher J Bain	78,692	6,750	99,900	-	185,342	53.90%
Lindsay J Ward	330,672	29,761	184,000	334	544,767	33.78%
Dean G Turnbull	214,266	14,618	-	23,876	252,760	0.00%
Stephen G Poke	50,538	4,154	99,900	-	154,592	64.62%
Richard G Udovenya	49,000	4,050	99,900	-	152,950	65.32%
	723,169	59,333	483,700	24,210	1,290,412	

2,000,000 incentive rights were issued to Mr Lindsay Ward in accordance with the Company's Incentive Rights Plan on 24 August 2012. The incentive rights were subsequently exercised on 24 August 2012 with an estimated value of $184,000.

2012	Short-term benefits Salaries, fees and leave $	Post Employment benefits Superannuation $	Share-based payments Options/ Incentive rights $	Long-term employee benefits Annual leave $	Total $	Percentage of share-based payments %
Directors						
Christopher J Bain	60,436	5,439	-	-	65,875	0.00%
Lindsay J Ward	231,859	19,270	220,000	-	471,129	46.70%
Dean G Turnbull	188,723	16,985	-	18,946	224,654	0.00%
Stephen G Poke	38,555	3,470	-	-	42,025	0.00%
Richard G Udovenya	40,000	2,025	-	-	42,025	0.00%
	559,573	47,189	220,000	18,946	845,708	

Bonuses

Cash bonuses totalling $150,000 were granted to Executive Directors during the financial year ended 30 June 2013 which is included in short-term benefits, salaries, fees and leave above (2012: NIL).

Employee options

6,000,000 options were issued to Non-Executive directors during the year.

At the end of the financial year, the following share-based payment arrangements were in existence:

Grantee	Number	Grant date	Expiry date	Exercise price	Fair value at grant date	Vesting date
C J Bain	1,000,000	26 Nov 2010	31 Dec 2013	15 cents	0.629 cents	26 Nov 2010
C J Bain	1,000,000	05 Nov 2012	31 Dec 2015	15 cents	4.600 cents	05 Nov 2012
C J Bain	1,000,000	05 Nov 2012	31 Dec 2016	15 cents	5.390 cents	05 Nov 2012
D G Turnbull	1,000,000	26 Nov 2010	31 Dec 2013	15 cents	0.629 cents	26 Nov 2010
S G Poke	1,000,000	26 Nov 2010	31 Dec 2013	15 cents	0.629 cents	26 Nov 2010
S G Poke	1,000,000	05 Nov 2012	31 Dec 2015	15 cents	4.600 cents	05 Nov 2012
S G Poke	1,000,000	05 Nov 2012	31 Dec 2016	15 cents	5.390 cents	05 Nov 2012
R G Udovenya	1,000,000	26 Nov 2010	31 Dec 2013	15 cents	0.629 cents	26 Nov 2010
R G Udovenya	1,000,000	05 Nov 2012	31 Dec 2015	15 cents	4.600 cents	05 Nov 2012
R G Udovenya	1,000,000	05 Nov 2012	31 Dec 2016	15 cents	5.390 cents	05 Nov 2012

These options are not quoted, not transferrable without prior approval of the Board and may be exercised at any time prior to their expiry.

This Directors' Report, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors.

On behalf of the Directors

Christopher J Bain
Director

Lindsay J Ward
Managing Director

Melbourne, 3rd September 2013

The Board of Directors of Dart Mining NL (the Company) is committed to the principle of good practice in corporate governance. The Board believes that genuine commitment to good corporate governance is essential to the performance and sustainability of the Company's business and as such depends upon the corporate culture, values and behaviours which underlies its day-to-day activities.

The Board continually reviews its corporate governance practices and regularly monitors developments in good practice governance both in Australia and overseas. Where international and Australian guidelines are not consistent, the good practice guidelines of the ASX Corporate Governance Council has been adopted as the minimum base for corporate governance practices.

Board of Directors

The Board 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
- 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 Director's 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 recomendations made by the Company's two sitting Committees, the Audit and Risk Managment Committee and the Remuneration 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 accompaning 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 between independent and non-independent Directors.

The Board is currently comprised of five Directors: three Non-Executive Directors and two 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 Bain, Poke and Udovenya are considered to fall within this category.

Messrs Turnbull and Ward are considered to be non-independent Directors as they provide management services to the Company and have significant shareholdings in the Company respectively.

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 2013, the full Board met 10 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 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, 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 a formally constituted Audit and Risk Management Committee and Remuneration Committee, both 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.

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 applies 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 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 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 or not requires the express written approval of the Chairman before any trading is conducted or 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 Note 7 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:

1. that 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;
2. that the above statement is founded on a sound system of risk management together with internal compliance and control which implements the policies adopted by the Board and that the Company's risk management and internal compliance and control is operating efficiently and effectively in all material respects.

Risk assessment

The Board is responsible for ensuring there are adequate policies in relation to risk management, compliance 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, reputation and financial risks are identified, assessed and 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;
- the development of clear criteria on behavioral 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 diversity.

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

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

	30-Jun-13		30-Jun-12	
	No.	%	No.	%
Women on the Board	-	-	-	-
Women in senior management roles	-	-	-	-
Women employees in the company	1	8%	1	17%

DART MINING NL ABN: 84 119 904 880 AND CONTROLLED ENTITIES
CORPORATE GOVERNANCE STATEMENT

Compliance with ASX Corporate Governance Council Good Practice Recommendations

The table below outlines each of the ASX Best practice Recommendations and the Company's compliance with those recommendations. Where the Company has met the relevant recommendation during the reporting period, this is indicated by a "Yes" in the relevant column. Where the Company has not met or complied with a recomendation this is indicated by a 'No" and an accompanying note explaining the reasons why the Company has not met the recommendation.

	Description	Compiled	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.	No	2
2.5	Disclose the process for evaluating the performance of its board, committees and individual directors.	No	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:		
3.1.1	- the practices necessary to maintain confidence in the Company's integrity;	Yes	
3.1.2	- the practices necessary to take into account legal obligations and reasonable expectations of stakeholders;	Yes	
3.1.3	- the responsibilities and accountability of individuals for reporting and investigating reports of unethical practices.	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	
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	No	3
	- a majority of Independent Directors	Yes	
	- an Independent Chairperson, who is not chairperson of the board	Yes	
	- at least three members	Yes	
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 as 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	
8.1	Establish a remuneration committee.	Yes	
8.2	Structure the remuneration committee so that it consists of:		
	- a majority of independent directors	Yes	
	- an independent chairperson	Yes	
	- at least three members	Yes	
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	

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

2 Recommendation 2.4: The Board should establish a Nomination Committee.

The functions to be performed by a nomination committee under the ASX Best Practice Recommendations are currently performed by the full Board and this is reflected in the written policy setting out the responsibilities of the Board. Having regard to the number of members currently comprising the Company’s Board, the Board does not consider it appropriate to delegate these responsibilities to a sub-committee. These arrangements will be reviewed periodically by the board to ensure that they continue to be appropriate to the Company’s circumstances.

3 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 one Executive Director as a member of the Committee and thus fails recommendation 4.2 that the committee only consist of Non-Executive Directors.

msi RAGG WEIR
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AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

TO THE DIRECTORS OF DART MINING NL

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2013 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

MSI Ragg Weir

MSI RAGG WEIR
Chartered Accountants

L.S. WONG
Partner

Melbourne:

DART MINING NL ABN: 84 119 904 880
AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2013

	Note	Consolidated Group 2013 $	2012 $
Continuing operations			
Revenue	3	5,488,826	80,135
Employee benefits expense		(778,615)	(543,774)
Exploration costs written off		(582,362)	(7,781)
Depreciation and amortisation expense		(348)	(343)
Other expenses		(10,391)	(13,956)
Office expenses		(9,412)	(33,095)
Administrative expenses		(572,994)	(459,052)
Travel related expenses		(32,008)	(42,225)
Profit/ (loss) before income tax	4	3,502,696	(1,020,091)
Income tax expense	5	-	-
Profit/ (loss) for the year		3,502,696	(1,020,091)
Other comprehensive income:			
Items that will not be reclassified to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the year		-	-
Net profit/ (loss) attributable to:			
Members of the parent entity		3,502,696	(1,020,091)
Non-controlling interest		-	-
		3,502,696	(1,020,091)
Total comprehensive income attributable to:			
Members of the parent entity		3,502,696	(1,020,091)
Non-controlling interest		-	-
		3,502,696	(1,020,091)
Earnings per share			
From continuing and discontinued operations			
Basic earnings per share (cents)	8	1.81	(0.68)
Diluted earnings per share (cents)	8	1.81	(0.68)

The accompanying notes form part of these financial statements.

DART MINING NL ABN: 84 119 904 880
AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013

	Note	Consolidated Group 2013 $	2012 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	9	5,747,831	3,482,337
Trade and other receivables	10	1,048,240	139,975
Other assets	14	28,319	28,986
TOTAL CURRENT ASSETS		6,824,390	3,651,298
NON-CURRENT ASSETS			
Property, plant and equipment	12	50,610	83,801
Other non-current assets	14	87,711	86,328
Deferred exploration and evaluation costs	13	10,661,717	7,833,200
TOTAL NON-CURRENT ASSETS		10,800,038	8,003,329
TOTAL ASSETS		17,624,429	11,654,627
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	15	608,003	544,064
Provisions	16	30,367	21,109
TOTAL CURRENT LIABILITIES		638,370	565,173
TOTAL LIABILITIES		638,370	565,173
NET ASSETS		16,986,059	11,089,454
EQUITY			
Issued capital	17	17,310,599	15,193,057
Reserves	26	336,448	60,080
Retained earnings		(660,987)	(4,163,683)
TOTAL EQUITY		16,986,059	11,089,454

The accompanying notes form part of these financial statements.

DART MINING NL ABN: 84 119 904 880
AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2013

	Note	Ordinary share capital $	Option Reserve $	Accumulated loss $	Total $
Consolidated Group					
Balance at 1 July 2011		9,812,795	75,642	(3,143,592)	6,744,845
Comprehensive income					
Loss for the year		-	-	(1,020,091)	(1,020,091)
Other comprehensive income for the year		-	-	-	-
Total comprehensive income for the year		-	-	(1,020,091)	(1,020,091)
Transactions with owners, in their capacity as owners, and other transfers					
Options and performance rights issued		-	55,700	-	55,700
Shares issued during the year		5,694,475	-	-	5,694,475
Capital raising costs		(314,213)	-	-	(314,213)
Fair value adjustments for options issued		-	(71,262)	-	(71,262)
Total transactions with owners and other transfers		5,380,262	(15,562)	-	5,364,700
Balance at 30 June 2012		15,193,057	60,080	(4,163,683)	11,089,454
Balance at 1 July 2012		15,193,057	60,080	(4,163,683)	11,089,454
Comprehensive income					
Profit for the year		-	-	3,502,696	3,502,696
Other comprehensive income for the year		-	-	-	-
Total comprehensive income for the year		-	-	3,502,696	3,502,696
Transactions with owners, in their capacity as owners, and other transfers					
Options and performance rights issued		-	697,823	-	697,823
Options rights exercised		-	(230,620)	-	(230,620)
Shares issued during the year		2,279,988	-	-	2,279,988
Capital raising costs		(162,447)	-	-	(162,447)
Fair value adjustments for options issued		-	(190,836)	-	(190,836)
Total transactions with owners and other transfers		2,117,541	276,368	-	2,393,909
Balance at 30 June 2013		17,310,599	336,448	(660,987)	16,986,059

The accompanying notes form part of these financial statements.

DART MINING NL ABN: 84 119 904 880
AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2013

	Note	Consolidated Group 2013 $	Consolidated Group 2012 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Royalty Income		4,500,000	-
Interest received		95,301	69,465
Payments to suppliers and employees		(995,721)	(948,772)
Net cash provided by/(used in) operating activities	21a	3,599,580	(879,307)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for exploration costs		(3,215,638)	(1,795,225)
Purchase of property, plant and equipment		(5,369)	(61,063)
Cash amounts used as security deposit		-	(38,328)
Net cash provided by/(used in) investing activities		(3,221,007)	(1,894,616)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		2,049,368	5,474,392
Payment of share issue costs		(162,447)	(314,213)
Net cash provided by/(used in) financing activities		1,886,921	5,160,179
Net increase/(decrease) in cash held		2,265,494	2,386,256
Cash and cash equivalents at beginning of financial year	9	3,482,337	1,096,081
Cash and cash equivalents at end of financial year	9	5,747,831	3,482,337

The accompanying notes form part of these financial statements.

The Directors of Dart Mining NL and its subsidiaries ("the Group") submit herewith the annual report of the Group for the financial year ended 30 June 2013. The separate financial statements of the parent entity, Dart Mining NL, have not been presented within this financial report as permitted by the Corporations Act 2001.

The financial statements were authorised for issue on 3 September 2013 by the Directors of the Company.

Note 1 Summary of Significant Accounting Policies

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(a) Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Dart Mining NL at the end of the reporting period. A controlled entity is any entity over which Dart Mining NL has the ability and right to govern the financial and operating policies so as to obtain benefits from the entity's activities.

The result of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate. A list of controlled entities is contained in Note 11 to the financial statements.

In preparing the consolidated financial statements, all intragroup balances and transactions between entities in the Consolidated Group have been eliminated in full on consolidation.

(b) Income Tax

The income tax expense/(income) for the year comprises current income tax expense/(income) and deferred tax expense/(income).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities/(assets) are measured at the amounts expected to be paid to/(recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense/(income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. With respect to non-depreciable items of property, plant and equipment measured at fair value and items of investment property measured at fair value, the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of the asset will be recovered entirely through sale.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(c) Property, Plant and Equipment

i) Acquisition

Items of property, plant and equipment are initially recorded at net of GST and depreciated as outlined below.

ii) Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight line basis at rates based upon the expected useful lives of these assets. The useful lives of these assets are detailed in Note 12 to the financial statements.

iii) Disposal

The gain or loss arising on disposal or retirement of property, plant or equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit and loss.

iv) *Subsequent measurment*

Property, plant and equipment is subsequently measured at amortised cost. Amortised cost is calculated as the amount at which the asset is measured at initial recognition less any depreciation and or impairment.

(d) Exploration and Evaluation Assets

In accordance with AASB 6 Exploration For and Evaluation of Mineral Resources, exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against operating results in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal and rehabilitation of the site in accordance with the clauses of the mining permits. Such costs are determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted for on a prospective basis. In determining the costs of site restoration there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs are determined on the basis that restoration will be completed within one year of abandoning a site.

(e) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) over the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

The Group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(ii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Group's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Financial Liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the Group recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(f) Impairment of Assets

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill, intangible assets with indefinite lives and intangible assets not yet available for use.

(g) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

Operating Leases

The minimum lease payments of operating leases, where the lesser effectively retains substantially all of the risks and benefits of ownership of the leased item, are recognised as an expense on a straight line basis. Contingent rentals are recognised as an expense in the financial year in which they are incurred.

Finance Leases

Leases which effectively transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Group are capitalised at the present value of the minimum lease payments and disclosed as property, plant and equipment under lease. A lease liability of equal value is also recognised. The consolidated entity has no finance leases as at 30 June 2013.

(h) Employee Benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy any vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows attributable to employee benefits.

(i) Provisions

Provisions are recognised when the group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(j) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of 3 months or less, and bank overdrafts. Bank overdrafts are reported within short-term borrowings in current liabilities in the statement of financial position.

(k) Issued Capital

Issued and paid up capital is recognised at the fair value of the consideration received by the Company.

Transaction costs on the issue of equity instruments

Transaction costs arising on the issue of equity instruments are recognised directly in equity as a reduction of the proceeds of the equity instrument to which the costs relate. Transaction costs are costs that are incurred directly in connection with the issue of those equity instruments and which would not have been incurred had those instruments not been issued.

(l) Share-based Payments

The Group measures the cost of equity-settled transactions with employees and consultants by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black-Scholes model, using the assumptions detailed in Note 22.

a) The fair value determined at the grant date of the equity settled share based payment is expensed on a straight-line basis over the vesting period, based on the Directors' estimate of shares that will eventually vest.

b) Equity-settled share based payment transactions with other parties are measured at the fair value of the goods and services received, except where the fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

(m) Going Concern Basis

The Group is involved in the exploration and evaluation of mineral tenements and as such expects to be cash absorbing until these tenements demonstrate that they contain economically recoverable reserves.

As at 30 June 2013, the Group had a surplus of current assets over current liabilities of $6,186,020 (2012: $3,086,125) including cash reserves of $5,747,831 (2012: $3,482,337).

The balance of these cash reserves broadly exceeds the Group's planned expenditure budget including exploration activities for the 12 months to 31 August 2014 which is based on the minimum spend required in order to maintain the Group's existing tenements.

For the year ended 30 June 2013, the Group reported net cash inflows/(outflows) from operations and investing activities of $3,599,580 (2012: ($879,307)) and - $3,221,007 (2012: ($1,894,616)) respectively.These cash outflows were offset by net cash inflows from financing activities of $1,886,921 (2012: $5,160,179) resulting in total cash inflows for the year of $2,265,494 (2012: $2,386,256).

Notwithstanding the above, the financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The ability of the Group to continue as a going concern for the twelve months from the date of this report is dependent on its ability to control its overhead costs and exploration expenditures. The Group also has the ability potentially to generate additional funds from activities including:

- the potential farm-out of participating interests in the group's permits;
- future equity or debt fund raisings; and
- successful development of existing tenements.

Having carefully assessed the likelihood of securing additional funding or entering into farm-out arrangements and the Group's ability to effectively manage their expenditures and cash flows from operations, the directors believe that the Group will continue to operate as a going concern for the foreseeable future and therefore it is appropriate to prepare the financial statements on a going concern basis.

(n) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. When the inflow of consideration is deferred, it is treated as the provision of financing and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Interest revenue is recognised using the effective interest method.

All revenue is stated net of the amount of goods and services tax.

(o) Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(f) for further discussion on the determination of impairment losses.

(p) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(q) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(r) Government Grants

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

(s) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the Group has retrospectively applied an accounting policy, made a retrospective restatement or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

(t) Critical Accounting Estimates and Judgments

In applying the Group's accounting policies, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities. These estimates and assumptions are made based on past experience and other factors that are considered relevant. Actual results may differ from these estimates. All estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects both current and future periods.

The following describes critical judgements that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Impairment of deferred exploration costs

The Group's accounting policy for exploration expenditure results in some items being capitalised for an area of interest where it is considered likely to be recoverable in the future or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. Management is required to make certain estimates and assumptions as to future events and circumstances, which may change as new information becomes available. If a judgement is made that recovery of a capitalised expenditure is unlikely, the relevant amount will be written off to the income statement.

(u) New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Group. The Group has decided not to early adopt any of the new and amended pronouncements. The Group's assessment of the new and amended pronouncements that are relevant to the Group but applicable in future reporting periods is set out below:

— AASB 9: *Financial Instruments (December 2010)* and AASB 2010–7: *Amendments to Australian Accounting Standards arising from AASB 9 (December 2010).*

These Standards are applicable retrospectively and include revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments.

The key changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
- simplifying the requirements for embedded derivatives;
- removing the tainting rules associated with held-to-maturity assets;
- removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument;
- requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on: (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows; and
- requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.

These Standards were mandatorily applicable for annual reporting periods commencing on or after 1 January 2013. However, AASB 2012–6: *Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures* (issued September 2012) defers the mandatory application date of AASB 9 from 1 January 2013 to 1 January 2015. In light of this change to the mandatory effective date, the Group is expected to adopt AASB 9 and AASB 2010–7 for the annual reporting period ending 31 December 2015. Although the directors anticipate that the adoption of AASB 9 and AASB 2010–7 may have a significant impact on the Group's financial instruments, it is impracticable at this stage to provide a reasonable estimate of such impact.

— AASB 10: *Consolidated Financial Statements,* AASB 11: *Joint Arrangements,* AASB 12: *Disclosure of Interests in Other Entities,* AASB 127: *Separate Financial Statements* (August 2011) and AASB 128: *Investments in Associates and Joint Ventures* (August 2011) (as amended by AASB 2012–10: *Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments*), and AASB 2011–7: *Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards* (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 10 replaces parts of AASB 127: *Consolidated and Separate Financial Statements* (March 2008, as amended) and Interpretation 112: *Consolidation – Special Purpose Entities*. AASB 10 provides a revised definition of "control" and additional application guidance so that a single control model will apply to all investees. This Standard is not expected to significantly impact the Group's financial statements.

AASB 12 contains the disclosure requirements applicable to entities that hold an interest in a subsidiary, joint venture, joint operation or associate. AASB 12 also introduces the concept of a "structured entity", replacing the "special purpose entity" concept currently used in Interpretation 112, and requires specific disclosures in respect of any investments in unconsolidated structured entities. This Standard will affect disclosures only and is not expected to significantly impact the Group's financial statements.

To facilitate the application of AASBs 10, 11 and 12, revised versions of AASB 127 and AASB 128 have also been issued.

The revisions made to AASB 127 and AASB 128 are not expected to significantly impact the Group's financial statements.

— AASB 13: *Fair Value Measurement* and AASB 2011–8: *Amendments to Australian Accounting Standards arising from AASB 13* (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 13 defines fair value, sets out in a single Standard a framework for measuring fair value, and requires disclosures about fair value measurement.

AASB 13 requires:

- inputs to all fair value measurements to be categorised in accordance with a fair value hierarchy; and
- enhanced disclosures regarding all assets and liabilities (including, but not limited to, financial assets and financial liabilities) to be measured at fair value.

These Standards are expected to result in more detailed fair value disclosures, but are not expected to significantly impact the amounts recognised in the Group's financial statements.

— AASB 2011–4: *Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements* (applicable for annual reporting periods beginning on or after 1 July 2013).

This Standard makes amendments to AASB 124: *Related Party Disclosures* to remove the individual key management personnel disclosure requirements (including paras Aus29.1 to Aus29.9.3). These amendments serve a number of purposes, including furthering trans-Tasman convergence, removing differences from IFRSs, and avoiding any potential confusion with the equivalent *Corporations Act 2001* disclosure requirements.

This Standard is not expected to significantly impact the Group's financial report as a whole because:

- some of the disclosures removed from AASB 124 will continue to be required under s 300A of the Corporations Act, which is applicable to the Group; and
- AASB 2011-4 does not affect the related party disclosure requirements in AASB 124 applicable to all reporting entities, and some of these requirements require similar disclosures to those removed by AASB 2011-4.

— AASB 2012–2: *Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities* (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 2012–2 principally amends AASB 7: *Financial Instruments: Disclosures* to require entities to include information that will enable users of their financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position.

This Standard is not expected to significantly impact the Group's financial statements.

— AASB 2012–3: *Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities* (applicable for annual reporting periods commencing on or after 1 January 2014).

This Standard adds application guidance to AASB 132: *Financial Instruments: Presentation* to address potential inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.

This Standard is not expected to significantly impact the Group's financial statements.

— AASB 2012–5: *Amendments to Australian Accounting Standards arising from Annual Improvements 2009–2011 Cycle* (applicable for annual reporting periods commencing on or after 1 January 2013).

This Standard amends a number of Australian Accounting Standards as a consequence of the issuance of *Annual Improvements to IFRSs 2009–2011 Cycle* by the International Accounting Standards Board, including:

- AASB 1: First-time Adoption of Australian Accounting Standards to clarify the requirements in respect of the application of AASB 1 when an entity discontinues and then resumes applying Australian Accounting Standards;
- AASB 101: Presentation of Financial Statements and
  AASB 134: Interim Financial Reporting to clarify the requirements for presenting comparative information;
- AASB 116: Property, Plant and Equipment to clarify the accounting treatment of spare parts, stand-by equipment and servicing equipment;
- AASB 132 and Interpretation 2: Members' Shares in Co-operative Entities and Similar Instruments to clarify the accounting treatment of any tax effect of a distribution to holders of equity instruments; and
- AASB 134 to facilitate consistency between the measures of total assets and liabilities an entity reports for its segments in its interim and annual financial statements.

This Standard is not expected to significantly impact the Group's financial statements.

Note 2 Parent Information

The following information has been extracted from the books and records of the parent and has been prepared in accordance with Australian Accounting Standards.

	2013 $	2012 $
STATEMENT OF FINANCIAL POSITION		
ASSETS		
Current Assets	6,848,942	3,630,598
Non-current Assets	10,800,038	8,003,329
TOTAL ASSETS	17,648,980	11,633,927
LIABILITIES		
Current Liabilities	652,049	543,842
TOTAL LIABILITIES	652,049	543,842
NET ASSETS	16,996,931	11,090,085
EQUITY		
Issued Capital	17,310,599	15,193,058
Retained earnings	336,448	60,080
Reserve	(650,117)	(4,163,053)
TOTAL EQUITY	16,996,930	11,090,085
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
Total profit/ (loss)	3,512,936	(1,020,091)
Total comprehensive income	3,512,936	(1,020,091)

Note 3 Revenue and Other Income

	Note	Consolidated Group 2013 $	Consolidated Group 2012 $
(a) Revenue from continuing operations			
Sales revenue			
— Royalty	(i)	4,500,000	-
— R&D Grant		876,733	-
		5,376,733	-
Other revenue			
— interest received		111,992	80,134
— other revenue		101	1
		112,093	80,135
Total revenue		5,488,826	80,135

(i) As previously announced, RK Mine Finance has agreed to purchase up to a 3% Net Smelter Return Royalty (NSR) in the Unicorn Project for cash of $8.5million and new equity of $1.5million, to be paid over two tranches. The first tranche of $4.5million for the purchase of a 2% NSR was received in May 2012, the second tranche will be received subject to certain conditions precedent contained in the agreement between the Company and RK Mine Finance and the satisfactory compliance of those conditions by the Company on or before October 2014.

Note 4 Profit/ (Loss) for the Year

Profit/ (loss) before income tax from continuing operations includes the following specific expenses:

	Consolidated Group 2013 $	Consolidated Group 2012 $
Write-off of capitalised exploration expenditure	582,362	7,781
Share-based payments	377,568	149,438
Depreciation	348	343

Note 5 Tax Expense

		Consolidated Group 2013 $	Consolidated Group 2012 $
(a)	The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax		
	Profit / (Loss) from continuing operations	3,502,694	(1,020,092)
	Income tax expense (benefit) calculated at 30%	1,050,809	(306,027)
	Effect of non-deductible expenses	147,936	52,348
	Effect of deductible temporary differences	(1,327,209)	(630,683)
	Effect of unused tax losses and tax offsets not recognised as deferred tax	-	884,362
	Utilisation of tax losses brought forward	128,464	-
	Income tax expense	-	-
(b)	Tax losses not brought to account		
	Tax losses brought forward	3,169,404	1,031,855
	Current year tax losses	-	884,362
	Utilisation of tax losses brought forward	128,464	-
	(Derecognition)/ Recognition of tax losses - prior years	(12,975)	1,253,187
	Tax losses carried forward	3,284,893	3,169,404

Note 6 Key Management Personnel Compensation

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Group's key management personnel (KMP) for the year ended 30 June 2013.

The totals of remuneration paid to KMP of the company and the Group during the year are as follows:

	2013 $	2012 $
Short-term employee benefits	723,169	559,573
Post-employment benefits	59,333	47,189
Share-based payments	483,700	220,000
Long-term employee benefits	24,210	18,946
Total KMP compensation	1,290,412	845,708

KMP Options and Rights Holdings

The number of listed options over ordinary shares held during the financial year by each KMP of the Group is as follows:

30 June 2013	Balance at beginning of year	Options acquired through Rights	Exercised during the year	Lapsed during the year	Balance at end of year
Christopher J Bain	-	-	-	-	-
Lindsay J Ward	-	-	-	-	-
Dean G Turnbull	-	-	-	-	-
Stephen G Poke	-	-	-	-	-
Richard G Udovenya	-	-	-	-	-
	-	-	-	-	-

30 June 2012	Balance at beginning of year	Options acquired through Rights	Exercised during the year	Lapsed during the year	Balance at end of year
Christopher J Bain	75,000	-	(75,000)	-	-
Lindsay J Ward	-	-	-	-	-
Dean G Turnbull	22,500	-	(22,500)	-	-
Stephen G Poke	42,083	-	(42,083)	-	-
Richard G Udovenya	19,250	-	-	(19,250)	-
	158,833	-	(139,583)	(19,250)	-

The number of unlisted options and incentive rights over ordinary shares held during the financial year by each KMP of the Group is as follows:

30 June 2013	Balance at beginning of year	Incentive rights granted as remuneration during the year	Incentive rights exercised, lapsed or excluded	Balance at end of year
Christopher J Bain	1,000,000	2,000,000	-	3,000,000
Lindsay J Ward	-	2,000,000	(2,000,000)	-
Dean G Turnbull	1,000,000	-	-	1,000,000
Stephen G Poke	1,000,000	2,000,000	-	3,000,000
Richard G Udovenya	1,000,000	2,000,000	-	3,000,000
	4,000,000	8,000,000	-	10,000,000

30 June 2012	Balance at beginning of year	Incentive rights granted as remuneration during the year	Incentive rights exercised, lapsed or excluded	Balance at end of year
Christopher J Bain	1,000,000	-	-	1,000,000
Lindsay J Ward	-	2,000,000	(2,000,000)	-
Dean G Turnbull	1,000,000	-	-	1,000,000
Stephen G Poke	1,000,000	-	-	1,000,000
Richard G Udovenya	1,000,000	-	-	1,000,000
	4,000,000	2,000,000	(2,000,000)	4,000,000

KMP Shareholdings

The number of ordinary shares in Dart Mining NL held by each KMP or their nominee, of the Group during the financial year is as follows:

30 June 2013	Balance at beginning of year	Shares acquired through Share Purchase Plan	Shares acquired via exercise of Options & Incentive Rights	Shares disposal	Net Change other	Balance at end of year
Christopher J Bain	1,853,332	-	-	-	-	1,853,332
Lindsay J Ward	2,000,000	-	2,000,000	(2,000,000)	-	2,000,000
Dean G Turnbull	4,822,500	-	-	(363,321)	-	4,459,179
Stephen G Poke	2,903,749	-	-	-	-	2,903,749
Richard G Udovenya	423,955	-	-	-	-	423,955
	12,003,536	-	2,000,000	(2,363,321)	-	11,640,215

30 June 2012	Balance at beginning of year	Shares acquired through Share Purchase Plan	Shares acquired via exercise of Options & Incentive Rights	Shares disposal	Net Change other	Balance at end of year
Christopher J Bain	1,628,332	150,000	75,000	-	-	1,853,332
Lindsay J Ward	-	-	2,000,000	-	-	2,000,000
Dean G Turnbull	4,700,000	100,000	22,500	-	-	4,822,500
Stephen G Poke	3,856,666	100,000	42,083	(1,095,000)	-	2,903,749
Richard G Udovenya	378,500	45,455	-	-	-	423,955
	10,563,498	395,455	2,139,583	(1,095,000)	-	12,003,536

Other KMP Transactions

There have been no other transactions involving equity instruments other than those described in the tables above.

For details of other transactions with KMP, refer to Note 24: Related Party Transactions.

For details of loans to KMP, refer to Note 24: Related Party Transactions.

Note 7 Auditors' Remuneration

	Consolidated Group 2013 $	2012 $
Remuneration of the auditor for:		
— auditing or reviewing the financial report	25,800	26,250
	25,800	26,250

Note 8 Earnings per Share

		Consolidated Group 2013 $	Consolidated Group 2012 $
(a)	Reconciliation of earnings to profit or loss		
	Net profit/ (loss) for the year	3,502,696	(1,020,091)
	Earnings/ (loss) used to calculate basic EPS	3,502,696	(1,020,091)
(b)	Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	193,001,042	149,989,031
	Weighted average number of dilutive options outstanding	-	-
	Weighted average number of dilutive converting preference shares on issue	-	-
	Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	193,001,042	149,989,031

Diluted earnings per share is calculated after classifying all unlisted options on issue remaining unconverted at 30 June 2013 as potential ordinary shares. At 30 June 2013, the Company had on issue 18,823,048 unlisted options over unissued capital and had incurred a net loss. Unlisted Options are not considered dilutive and have not been included in the calculations of diluted earnings per share.

Note 9 Cash and Cash Equivalents

	Note	Consolidated Group 2013 $	Consolidated Group 2012 $
Cash at bank and on hand		962,931	1,150,690
Short-term bank deposits		4,784,900	2,331,647
	25	5,747,831	3,482,337

The effective interest rate on short-term bank deposits was 4.61% (2012: 5.58%); these deposits have an average maturity of 134 days.

Note 10 Trade and Other Receivables

	Note	Consolidated Group 2013 $	Consolidated Group 2012 $
CURRENT			
Other receivables			
- Accrued interest - other persons/ corporations		33,589	18,281
- R&D Grant		876,733	-
- Security Deposit		1,549	1,676
- GST receivable		131,238	103,883
- Withholding tax receivable		547	547
- Others		4,584	15,588
Total current trade and other receivables		1,048,240	139,975

No receivable amounts were past due or impaired at 30 June 2013 (2012: NIL)

Credit risk

The Group has no significant concentration of credit risk with respect to any single counter party or group of counter parties other than those receivables specifically provided for and mentioned within Note 10. The class of assets described as Trade and Other Receivables is considered to be the main source of credit risk related to the Group.

Note 11 Controlled Entities

(a) **Controlled Entities Consolidated**

Subsidiaries of Dart Mining NL:	Country of Incorporation	Percentage Owned (%)* 2013	Percentage Owned (%)* 2012
Dart Resources Pty Ltd	Australia	100%	100%
Mt Unicorn Holdings Pty Ltd (incorporated 20 December 2012)	Australia	100%	100%
Mt View Holdings Pty Ltd (incorporated 20 December 2012)	Australia	100%	100%

* Percentage of voting power is in proportion to ownership

Note 12 Property, Plant and Equipment

	Consolidated Group 2013 $	Consolidated Group 2012 $
PLANT AND EQUIPMENT		
Plant and equipment:		
At cost	150,283	144,914
Accumulated depreciation	(115,697)	(92,599)
	34,586	52,315
COMPUTER EQUIPMENT & SOFTWARE		
Computer equipment & software	118,715	118,715
(Accumulated depreciation)	(104,007)	(92,320)
	14,708	26,395
MOTOR VEHICLES		
Motor vehicles	100,811	100,811
(Accumulated depreciation)	(99,495)	(95,720)
	1,316	5,090
Total property, plant and equipment	50,610	83,801

The following useful lives are used in the calculation of depreciation:

Plant and equipment	3 - 6 years
Computer equipment & software	3 - 4 years
Motor vehicles	4 - 5 years

(a) **Movements in Carrying Amounts**

Movements in carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	Plant and Equipment $	Computer Equipment & Software $	Motor Vehicle $	Total $
Consolidated Group:				
Balance at 1 July 2011	21,760	26,848	26,365	74,973
Additions	47,815	13,247	-	61,062
Depreciation expense		(343)		(343)
Depreciation expense capitalised	(17,260)	(13,357)	(21,274)	(51,891)
Balance at 30 June 2012	52,315	26,395	5,091	83,801
Balance at 1 July 2012	52,315	26,395	5,091	83,801
Additions	5,369	-	-	5,369
Depreciation expense	-	(348)	-	(348)
Depreciation expense capitalised	(23,098)	(11,339)	(3,775)	(38,212)
Balance at 30 June 2013	34,586	14,708	1,316	50,610

Note 13 Deferred Exploration and Evaluation

	Consolidated Group 2013 $	Consolidated Group 2012 $
Balance at beginning of financial year	7,833,200	5,898,385
Current year expenditure capitalised	3,410,879	1,942,596
Exploration costs written off	(582,362)	(7,781)
Balance at end of year	10,661,717	7,833,200

Ultimate recovery of deferred exploration and evaluation costs is dependent upon the success of pre-feasibility studies, exploration and evaluation or sale or farm-out of the exploration interests. A percentage of the CEO's salary and associated costs are capitalised in line with the Company's policy for capitalising costs directly relating to pre-feasibility and exploration. Broadly the Company has three cost centres, Corporate, Pre-feasibility and Exploration. Where identifiable, costs associated with the Pre-feasibility and Exploration cost centres are capitalised, these costs are annually reviewed for impairment and a charge is made direct to the Income Statement of the Company where an impairment is identified. An impairment of $582,362 (2012: $7,781) was brought to account for the financial year for costs associated with the Mt Elliot and Copper Reward projects. The Company still intends to exploit the remaining tenements under its control.

Note 14 Other Assets

	Consolidated Group 2013 $	Consolidated Group 2012 $
CURRENT		
Prepayments	28,319	28,986
	28,319	28,986
NON-CURRENT		
Other receivables		
— Bond Security for exploration tenement licences	62,211	60,828
— Bond Security for company credit cards	25,500	25,500
	87,711	86,328

Note 15 Trade and Other Payables

	Consolidated Group 2013 $	Consolidated Group 2012 $
CURRENT		
Unsecured liabilities		
Trade payables	531,033	438,583
Sundry payables and accrued expenses	76,970	105,481
	608,003	544,064

Terms and conditions relating to the above financial instruments:

(i) Trade creditors are non-interest bearing and are usually settled on 30 day terms.
(ii) Other creditors are non-interest bearing and have an average term of 30 days.

Note 16 Provisions

	Consolidated Group 2013 $	Consolidated Group 2012 $
CURRENT		
Short-term Employee Benefits		
Opening balance at 1 July 2012	21,109	33,312
Additional provisions	9,258	48,086
Amounts used	-	(60,289)
Balance at 30 June 2013	30,367	21,109

Note 17 Issued Capital

	Consolidated Group 2013 $	Consolidated Group 2012 $
207,091,315 (2012: 180,937,593) fully paid ordinary shares	17,310,599	15,193,057
	17,310,599	15,193,057

The company has authorised share capital amounting to 207,091,315 ordinary shares.

(a) **Ordinary Shares**	Consolidated Group 2013 No.	2013 $	2012 No.	2012 $
At the beginning of the reporting period	180,937,593	15,193,057	119,838,316	9,812,795
Shares issued during the year	26,153,722	2,279,988	61,099,277	5,694,475
Less transaction costs arising from issue of shares	-	(162,446)	-	(314,213)
At the end of the reporting period	207,091,315	17,310,599	180,937,593	15,193,057

During the year ended 30 June 2013, the Company issued 23,598,722 fully paid ordinary shares for a consideration of $1,887,201, after costs, through three share placements ultilising the provisions of ASX listing rule 7.1 and 7.1A.

The funds were raised to primarily fund the next stage of development of the Unicorn Project while $800,000 before costs related to the sale of a 2% Net Smelter Returns Royalty to RK Mine Finance (see note 3(i))

The Company granted 2,000,000 incentive rights to its Managing Director in accordance with his employment contract. Each incentive right on exercise carries the right to one fully paid ordinary share in Dart Mining NL. The incentive rights were exercised in August 2012 and 2,000,000 fully paid ordinary shares were issued with a fair value at grant date of $0.092 per share totalling $184,000.

In addition, the Company granted 435,000 incentive rights to its employees and 120,000 incentive rights to a contractor. Each incentive right on exercise carries the right to one fully paid ordinary share in Dart Mining NL. The incentive rights were exercised during December 2012 and 555,000 fully paid ordinary shares were issued with a fair value at grant date of $0.084 per share totalling $46,620.

(b) Terms and condition of contributed equity

Ordinary shares

Ordinary shares have the right to receive dividends as declared and, in the event of the winding up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

The issued capital of the Company quoted on the ASX comprises 207,901,315 (2012: 180,937,593) ordinary shares.

(c) **Share Options**

Options over ordinary shares

During the financial year, the Company issued 6,000,000 unlisted options to Non-Executive Directors subsequent to shareholder approval being granted and 4,273,048 unlisted options as part of the Red Kite Royalty and Equity subscription agreement.

Expiry Date	**Securities**	**No. of options**	**Exercise price**	**Escrow period**
31 December 2015	Unlisted	3,000,000	15 cents	-
31 December 2016	Unlisted	3,000,000	15 cents	-
7 May 2016	Unlisted	4,273,048	11.1 cents	-

At the end of the financial year, there were 18,823,048 (2012: 8,550,000) unlisted options on issue

Expiry Date	**Securities**	**No. of options**	**Exercise price**	**Escrow period**
31 December 2013	Unlisted	8,350,000	15 cents	-
20 March 2017	Unlisted	100,000	18 cents	-
20 March 2017	Unlisted	100,000	22 cents	-
31 December 2015	Unlisted	3,000,000	15 cents	-
31 December 2016	Unlisted	3,000,000	15 cents	-
7 May 2016	Unlisted	4,273,048	11 cents	-

Note 18 Expenditure Commitments

Under the terms of the exploration tenement licences held by the Group, the Group has a commitment to meet a minimum expenditure requirement in order to keep its rights current. The minimum expenditure requirement is not recognised as a liability in the statement of financial position of the Group as the Group may relinquish its right to a particular tenement thereby removing the requirement to meet the minimum expenditure requirement.

		Consolidated Group	
		2013	2012
	Note	$	$
(a) **Exploration expenditure**			
Not longer than 1 year		256,500	794,700
Between 1 and 5 years		256,500	794,700
Longer than 5 years		1,359,450	-
Committed at the reporting date but not recognised as liabilities		1,872,450	1,589,400
(b) **Operating leases**			
Leases as lessee			
Non-cancellable operating lease rentals are payable as follows:			
Not longer than 1 year		2,872	10,791
Between 1 and 5 years		-	2,872
Longer than 5 years		-	-
Committed at the reporting date but not recognised as liabilities		2,872	13,663

The Group entered is a party to a operating lease with an initial term of 2 years. The lease relates to its exploration office at Corryong, North East Victoria and has one year remaining.

Note 19 Contingent Liabilities and Contingent Assets

No contingent liabilities or contingent assets existed at reporting date except under tenement licences in Victoria where the Group is required to rehabilitate each licence area to its original state subsequent to any exploration works. Rehabilitation costs are estimated to be no more than $60,000.

Note 20 Operating Segments

The Group's activities consist of base metal and gold exploration currently in one geographic region, North-East Victoria. There are no other significant classes of business, either singularly or in aggregate. Internal monthly management reports are provided to the Group's Managing Director that consolidate operations in one segment. Therefore the Group's activities are classed as one business segment and therefore operating results and financial information are not separately disclosed in this note.

Note 21 Cash Flow Information

		Consolidated Group	
		2013	2012
		$	$
(a)	**Reconciliation of Cash Flow from Operations with Profit after Income Tax**		
	Profit/ (loss) after income tax	3,502,695	(1,020,091)
	Non-cash flows in profit		
	Depreciation	348	343
	Share-based payments	377,568	149,438
	Exploration cost written off	582,362	7,781
	Changes in assets and liabilities:		
	(Increase) in trade and term receivables	(908,265)	(94,446)
	Decrease/(increase) in other assets	667	(11,502)
	(Decrease)/Increase in trade payables and accruals	34,946	101,373
	Increase/(decrease) in provisions	9,258	(12,203)
	Cash flow from operations	3,599,579	(879,307)
(b)	**Reconciliation of cash**		
	Cash balance comprises:		
	Cash on hand and at call	962,931	1,150,690
	Term deposits	4,784,900	2,331,647
		5,747,831	3,482,337

(c) Financing facility

The Group has no available finance facilities at balance date.

(d) Non-cash financing and investing activities

There were no non-cash financing or investing activities during the financial year.

Note 22 Share-based Payments

The aggregate share-based payments for the financial year are set out below:

		Consolidated Group	
		2013	2012
		$	$
Details of share-based payments			
Fair value of incentive rights granted to Managing Director	(ii)	184,000	220,000
Fair value of incentive rights granted to employees	(iii)	36,540	-
Fair value of options to be granted to Non-Executive Directors	(iv)	299,700	-
Fair value of granted options which is classified as exploration cost by nature and capitalised during the financial year		(129,420)	(55,000)
Fair value of options granted as share based payments	(i),(v) & (vi)	177,583	55,700
Fair value adjustment of options issued as at 30 June 2012		(190,836)	(71,262)
Expense arising from share-based payments		377,567	149,438

(i) In prior year, the Company granted 3,550,000 options to unrelated third parties in lieu of services provided to the Company.

(ii) The Company granted 2,000,000 incentive rights, following share holder approval of the Company's Incentive Rights Plan, to its Managing Director. Each incentive right on exercise carries the right to one fully paid ordinary share in Dart Mining NL. The incentive rights were exercised in August 2012 and 2,000,000 fully paid ordinary shares were issued with a fair value at grant date of $0.092 per share totalling $184,000.

(iii) The Company granted 435,000 incentive rights, following share holder approval of the Company's Incentive Rights Plan, to its employees. Each incentive right on exercise carries the right to one fully paid ordinary share in Dart Mining NL. The incentive rights were exercised in December 2012 and 435,000 fully paid ordinary shares were issued with a fair value at grant date of $0.084 per share totalling $36,540.

(iv) The Company granted 6,000,000 options to Non-Executive Directors subsequent to shareholder approval during the financial year ending 30 June 2013.

(v) The Company granted 120,000 incentive rights, in accordance with the Company's Incentive Rights Plan, to a contractor. Each incentive right on exercise carries the right to one fully paid ordinary share in Dart Mining NL. The incentive rights were exercised in December 2012 and 120,000 fully paid ordinary shares were issued with a fair value at grant date of $0.084 per share totalling $10,080.

(vi) The Company granted 4,273,048 options to RK Mine Finance, as part consideration for the Red Kite Royalty and Equity Subscription Agreement, the issue utilised the provisions of ASX listing rules 7.1 and 7.1A.

Executive options

Share-based payment options held at the end of the reporting year were as follows:

Grant date	Grantee	Number	Vesting date	Expiry date	Exercise price	Fair value at grant date
26 Nov 2010	Christopher J Bain	1,000,000	26 Nov 2010	31 Dec 2013	15c	0.629c
26 Nov 2010	Dean G Turnbull	1,000,000	26 Nov 2010	31 Dec 2013	15c	0.629c
26 Nov 2010	Stephen G Poke	1,000,000	26 Nov 2010	31 Dec 2013	15c	0.629c
26 Nov 2010	Richard G Udovenya	1,000,000	26 Nov 2010	31 Dec 2013	15c	0.629c
05 Nov 2012	Christopher J Bain	1,000,000	05 Nov 2012	31 Dec 2015	15c	4.600c
05 Nov 2012	Stephen G Poke	1,000,000	05 Nov 2012	31 Dec 2015	15c	4.600c
05 Nov 2012	Richard G Udovenya	1,000,000	05 Nov 2012	31 Dec 2015	15c	4.600c
05 Nov 2012	Christopher J Bain	1,000,000	05 Nov 2012	31 Dec 2016	15c	5.390c
05 Nov 2012	Stephen G Poke	1,000,000	05 Nov 2012	31 Dec 2016	15c	5.390c
05 Nov 2012	Richard G Udovenya	1,000,000	05 Nov 2012	31 Dec 2016	15c	5.390c

These shares were issued as compensation to key management personnel of the Group. Further details are provided in the directors' report.

No executive options were exercised during the financial year.

The following table shows options over unissued shares held by the former director (resigned 30 May 2011) of the Company at 30 June 2013.

Grant date	Grantee	Number	Vesting date	Expiry date	Exercise price	Fair value at grant date
26 Nov 2010	Bernhard R Hochwimmer	1,000,000	26 Nov 2010	31 Dec 2013	15c	0.629c

Third Party Options

Grant date	Number	Vesting date	Expiry date	Exercise price	Fair value at grant date
07 Nov 2011	3,350,000	07 Nov 2011	31 Dec 2013	15c	1.420c
20 Mar 2012	100,000	20 Mar 2012	20 Mar 2017	18c	4.500c
20 Mar 2012	100,000	20 Mar 2012	20 Mar 2017	22c	3.630c
07 May 2013	4,273,048	07 May 2013	06 May 2016	11.1c	4.490c

The total fair value of the unexercised share options granted during the financial year was $467,203.Options were priced using the Black-Scholes model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate of the effects of non-transferability and exercise restrictions. Expected volatility is based on the historical share price volatility of the Company over the reporting period.

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Share price at grant date
Exercise price
Expected volatility
Option life
Dividend yield
Risk-free interest rate

The share options outstanding at the end of the financial year had a weighted average contractual life of 682 days (2012: 576 days).

	Number	2013 Weighted average exercise price (cents)	Number	2012 Weighted average exercise price (cents)
Balance at beginning of year	8,550,000		5,000,000	
Granted with an exercise price of 0.92c during the year	2,000,000	0.92c	-	
Granted with an exercise price of 0.84c during the year	555,000	0.84c	-	
Granted with an exercise price of 11c during the year	-		2,000,000	11c
Granted with an exercise price of 11.1c during the year	4,273,048	11.1c	-	
Granted with an exercise price of 15c during the year	6,000,000	15c	3,350,000	15c
Granted with an exercise price of 18c during the year	-		100,000	18c
Granted with an exercise price of 22c during the year	-		100,000	22c
Exercised at 0.92c during the year	(2,000,000)	0.92c	(2,000,000)	11c
Exercised at 0.84c during the year	(555,000)	0.84c	-	
Balance at end of year	18,823,048		8,550,000	
Exercisable at end of year	18,823,048		8,550,000	

There were no performance rights on issue on 30 June 2013.

Note 23 Events After the Reporting Period

No matters or circumstances have arisen since the end of the financial year that have significantly affected or may have a significant effect on the financial operations of the Group, the financial performance of those operations or the financial position of the Group in the subsequent financial year.

Note 24 Related Party Transactions

Related Parties

(a) The Group's main related parties are as follows:

i. **Key Management Personnel:**

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise) of that entity are considered key management personnel.

For details of disclosures relating to key management personnel, refer to Note 6: Interests of Key Management Personnel Compensation.

ii. **Other Related Parties**

Other related parties include entities controlled by the ultimate parent entity and entities over which key management personnel have joint control.

(b) Transactions with related parties:

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

		Consolidated Group 2013 $	2012 $
i.	**Director related entities**		
-	Professional fees paid to ResourcesLaw International, of which Mr Udovenya is a member.	27,102	22,025
	Directors fees payable to Mr Udovenya was also paid to ResourcesLaw International.	53,050	38,150
-	Consultancy fees paid to North East Geological Contractors Pty Ltd, a Company of which Mr Turnbull is a director and shareholder.	27,000	27,000
-	Professional fees payable to Draffin Walker Pty Ltd, a Company of which Mr Draffin is a director and shareholder.	44,175	57,175
-	Drilling services fee paid to Edrill Pty Ltd, a Company of which Mr Poke is a part owner.	1,003,290	-
(c)	**Amount due to related parties as at 30 June 2013:**		
	Draffin Walker & Co.	25,332	20,260
	ResourcesLaw International	15,689	-
	Edrill Pty Ltd	221,208	-

(d) Other transactions and balances with Key Management Personnel:

There were no related party transactions other than those described in Note 24 (b) & (c).

Note 25 Financial Risk Management

The Group's financial instruments consist mainly of deposits with banks, receivables and trade and other payables.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	Consolidated Group 2013 $	2012 $
Financial Assets			
Cash and cash equivalents	9	5,747,831	3,482,337
Other receivables		1,048,240	139,975
Other non-current receivables		87,711	86,328
Total Financial Assets		6,883,781	3,708,640
Financial Liabilities			
Financial liabilities at amortised cost			
— Trade and other payables	15	608,003	544,064
Total Financial Liabilities		608,003	544,064

Specific Financial Risk Exposures and Management

The main risks the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk and foreign currency risk. There have been no substantive changes in the types of risks the Group is exposed to, how these risks arise, or the Board's objectives, policies and processes for managing or measuring the risks from the previous period.

a. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group's exposure to credit risks are continuously monitored and controlled by counterparty limits that are reviewed and approved by management on a regular basis.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk on liquid funds and derivative financial instruments is limited as the counterparties are banks with high credit ratings assigned by international credit rating agencies.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represent the Group's maximum exposure to credit risk.

b. Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows together with matching profiles of financial assets and liabilities.

The following tables details the Group's remaining contractual maturity for its financial liabilities and financial assets:

Consolidated Group	Within 1 Year 2013 $	2012 $	1 to 5 years 2013 $	2012 $	Over 5 years 2013 $	2012 $	Total 2013 $	2012 $
Financial liabilities due for payment								
Trade and other payables	608,003	544,064	-	-	-	-	608,003	544,064
Total contractual outflows	608,003	544,064	-	-	-	-	608,003	544,064

Consolidated Group	Within 1 Year 2013 $	2012 $	1 to 5 years 2013 $	2012 $	Over 5 years 2013 $	2012 $	Total 2013 $	2012 $
Financial Assets - cash flows realisable								
Cash and cash equivalents	5,747,831	3,482,337	-	-	-	-	5,747,831	3,482,337
Trade, term and loans receivables	-	-	87,711	86,328	-	-	87,711	86,328
Held-to-maturity investments	-		-	-	-	-	-	-
Other non-interest bearing receivables	1,046,691	138,299	-	1,676	-	-	1,046,691	139,975
Total anticipated inflows	6,794,522	3,620,636	87,711	88,004	-	-	6,882,232	3,708,640
Net (outflow) / inflow on financial instruments	6,186,519	3,076,571	87,711	88,004	-	-	6,882,232	3,708,640

c. Market Risk

i. Interest rate risk

The Group's exposure to market risk primarily consists of financial risks associated with changes in interest rates as detailed below. As the level of risk is low, the Group does not use any derivatives to hedge its exposure. Market risks are managed through cash flow forecasts and sensitivity analysis on a regular basis.

The Group is exposed to interest rate risks as it holds funds at both fixed and variable interest rates. This risk is managed through the use of cash flow forecasts supplemented by sensitivity analysis.

The Group currently holds no amounts of borrowed funds.

Interest rate sensitivity analysis

A sensitivity analysis has been determined based on the exposure to interest rates at reporting date with the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the possible change in interest rates.

These sensitivities assume that the movement in a particular variable is independent of other variables.

	Consolidated Group	
	Profit	**Equity**
Year ended 30 June 2013	**$**	**$**
+/- 0.5% in interest rates	29,178	29,178

	Consolidated Group	
	Profit	**Equity**
Year ended 30 June 2012	**$**	**$**
+/- 0.5% in interest rates	3,946	3,946

There have been no changes in any of the methods or assumptions used to prepare the above sensitivity analysis from the prior year.

d. Fair Values

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at cost less any accumulated impairments in the financial statements approximates their fair values.

The fair values of financial assets and financial liabilities are determined as follows:

- Other financial assets and financial liabilities are determined in accordance with generally accepted pricing models.

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying amounts as presented in the statement of financial position. Fair value is the amount at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

Differences between fair values and carrying amounts of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the Group. Most of these instruments, which are carried at amortised cost (i.e. term receivables, held-to-maturity assets), are to be held until maturity and therefore the fair value figures calculated bear little relevance to the Group.

	Note	**2013**		**2012**	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Consolidated Group		$	$	$	$
Financial assets					
Cash and cash equivalents	(i)	5,747,831	5,747,831	3,482,337	3,482,337
Trade and other receivables	(i)	87,711	87,711	86,328	86,328
Other non-interest bearing receivables	(i)	1,046,691	1,046,691	139,975	139,975
Total financial assets		6,882,232	6,882,232	3,708,640	3,708,640
Financial liabilities					
Trade and other payables	(i)	608,003	608,003	544,064	544,064
Total financial liabilities		608,003	608,003	544,064	544,064

The fair values disclosed in the above table have been determined based on the following methodologies:

(i) Cash and cash equivalents, trade and other receivables and trade and other payables are short-term instruments in nature whose carrying amount is equivalent to fair value. Trade and other payables excludes amounts provided for annual leave, which is outside the scope of AASB 139.

Financial Instruments Measured at Fair Value

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

- quoted prices in active markets for identical assets or liabilities (Level 1)
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

Consolidated Group

2013	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets:	**$**	**$**	**$**	**$**
Cash and cash equivalents				
- cash on hand and fixed interest deposits	-	5,747,831	-	5,747,831
	-	5,747,831	-	5,747,831

2012	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets:	**$**	**$**	**$**	**$**
Cash and cash equivalents				
- cash on hand and fixed interest deposits	-	3,482,337	-	3,482,337
	-	3,482,337	-	3,482,337

Note 26 Reserves

	Consolidated Group	
Options Reserve	**2013**	**2012**
	$	**$**
Balance at beginning of financial year	60,080	75,642
3,000,000 options granted at a fair value of 4.60 cents per option to Non-Executive Directors on 5 November 2012	138,000	-
3,000,000 options granted at a fair value of 5.39 cents per option to Non-Executive Directors on 5 November 2012	161,700	
4,273,048 options granted at a fair value of 4.49 cents per option	167,503	
3,350,000 options granted at a fair value of 1.42 cents per option to an unrelated third party on 7 November 2011	-	47,570
100,000 options granted at a fair value of 4.50 cents per option to an unrelated third party on 20 March 2012	-	4,500
100,000 options granted at a fair value of 3.63 cents per option to an unrelated third party on 20 March 2012	-	3,630
Fair value adjustments for options issued as at 30 June 2013	(190,835)	(71,262)
Balance at end of financial year	336,448	60,080

The reserve arises on the grant of share options to third parties and executives as equity-based payments.

At the date of this report no Incentive Rights are on issue therefore no fair value can be attributed to them resulting in the adjustment.

Note 27 Company Details

The registered office of the company is:
Dart Mining NL
Level 2
395 Collins Street
Melbourne VIC 3000

The principal places of business are:
Dart Mining NL
Level 2
395 Collins Street
Melbourne VIC 3000

DART MINING NL ABN: 84 119 904 880
AND CONTROLLED ENTITIES
DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Dart Mining NL, the directors of the company declare that:

1. the financial statements and notes, as set out on pages 18 to 40, are in accordance with the Corporations Act 2001 and:
   (a) comply with Accounting Standards, which, as stated in accounting policy note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS); and

   (b) give a true and fair view of the financial position as at 30 June 2013 and of the performance for the year ended on that date of the consolidated group;
2. in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable;
3. the directors have been given the declarations required by section 295A of the Corporations Act 2001 from the Chief Executive Officer and Chief Financial Officer.

The company and a wholly-owned subsidiary, Dart Resources Pty Ltd, have entered into a deed of cross guarantee under which the company and its subsidiary guarantee the debts of each other.

At the date of this declaration, there are reasonable grounds to believe that the companies which are party to this deed of cross guarantee will be able to meet any obligations or liabilities to which they are, or may become subject to, by virtue of the deed.

Christopher J Bain
Director

Melbourne, 3rd September 2013

msi RAGG WEIR
Chartered Accountants

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Hawthorn Victoria
Australia

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Postal Address: PO Box 325 Hawthorn Victoria 3122

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF DART MINING NL

Report on the Financial Report

We have audited the accompanying financial report of Dart Mining NL, which comprises the consolidated statement of financial position as at 30 June 2013, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards (IFRS).

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

MSI RAGG WEIR
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF DART MINING NL

Auditor's Opinion
In our opinion:

a. the financial report of Dart Mining NL is in accordance with the Corporations Act 2001, including:
   (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2013 and of its performance for the year ended on that date; and
   (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and

b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Report on the Remuneration Report
We have audited the remuneration report included in pages 6 to 9 of the directors' report for the year ended 30 June 2013. The directors of the consolidated entity are responsible for the preparation and presentation of the remuneration report in accordance with s 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion
In our opinion the remuneration report of Dart Mining NL for the year ended 30 June 2013 complies with s 300A of the Corporations Act 2001.

MSI Ragg Weir

MSI RAGG WEIR
Chartered Accountants

L.S, WONG
Partner

Melbourne: 3 September 2013

DART MINING NL ABN: 84 119 904 880
AND CONTROLLED ENTITIES
ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

The following information is current as at 21 August 2013:

1. Shareholding

a. Distribution of Shareholders

Category (size of holding)	No. of Holders	No. of Ordinary Shares
1 – 1,000	49	7,502
1,001 – 5,000	100	389,105
5,001 – 10,000	270	2,369,743
10,001 – 100,000	753	29,990,035
100,001 – and over	280	174,334,930
	1,452	207,091,315

b. The number of shareholdings held in less than marketable parcels is 185 (2012: 152) with a combined total of 597,397 securities (2012: 453,465)

c. The names of the substantial shareholders listed in the holding company's register are:

Shareholder	Number Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
R. Simpson, E. Simpson and M. Simpson	18,933,930	9.15%

d. Voting Rights
All shares carry one vote per share without restriction.

e. 20 Largest Shareholders — Ordinary Shares

	Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1.	MR RUSSELL SIMPSON & MRS ELIZABETH SIMPSON & MS MEREDITH SIMPSON <RIMERED SUPER FUND A/C>	15,670,331	7.57%
2.	JP MORGAN NOMINEES AUSTRALIA LIMITED <CASH INCOME A/C>	8,741,814	4.22%
3.	W & E MAAS HOLDINGS PTY LIMITED	6,045,000	2.92%
4.	CITICORP NOMINEES PTY LIMITED	5,840,562	2.82%
5.	MR PHILIP ALAN KENNETH NAYLOR & MRS ANDREA NAYLOR <CALLAHORN SUPER FUND A/C>	4,500,000	2.17%
6.	NORTH EAST GEOLOGICAL CONTRACTORS PTY LTD	4,459,179	2.15%
7.	GONCANG PTY LTD <DGA SUPERANNUATION FUND A/C>	3,600,000	1.74%
8.	MR RUSSELL MCLARTY SIMPSON & MRS ELIZABETH VERNON SMPSON & MS MEREDITH HILARY SIMPSON <RIMERED S/F A/C>	3,263,599	1.58%
9.	SPECIALISED ALLOYS SERVICES PTY LTD	3,250,600	1.57%
10.	B HOCHWIMMER & ASSOCIATES PTY LTD <HOCHWIMMER SUPER FUND A/C>	3,250,483	1.57%
11.	STRATH DEE PTY LTD	3,200,000	1.55%
12.	FINOOK PTY LTD <B & A JAMES SUPER FUND A/C>	2,900,000	1.40%
13.	J BARLOW CONSULTANTS PTY LTD	2,666,666	1.29%
14.	TESANEER PTY LTD	2,425,000	1.17%
15.	NATIONAL NOMINEES LIMITED	2,365,371	1.14%
16.	MR ERROL GIUSEPPE ROBERTSON	2,225,000	1.07%
17.	GRANITE HILLS (VICTORIA) PTY LTD	2,181,546	1.05%
18.	LINDSAY WARD	2,000,000	0.97%
18.	MR ANDREW MATTHEW CAMERON & MRS GWENETH MARSH CAMERON & MRS FIONA CRICHTON BARCLAY < EST LATE HUGH L CAMERON A/C>	2,000,000	0.97%
19.	MR JAMES VINCENT CHESTER GUEST	1,668,962	0.81%
20.	MR ROBERT CHARLES SEAWRIGHT	1,500,000	0.72%
20.	MR MICHAEL ANDREW PAJMON	1,500,000	0.72%
		85,254,113	41.17%

f. **Options on issue**

The following unlisted options are on issue and remain outstanding at the date of this report

- 8,350,000 options exercisable on or before 31 December 2013 at an exercise price of 15 cents;
- 100,000 options exercisable on or before 20 March 2017 at an exercise price of 18 cents;
- 100,000 options exercisable on or before 20 March 2017 at an exercise price of 22 cents;
- 3,000,000 options exercisable on or before 31 December 2015 at an exercise price of 15 cents;
- 3,000,000 options exercisable on or before 31 December 2016 at an exercise price of 15 cents; and
- 4,273,048 options exercisable on or before 7 May 2016 at an exercise price of 11.1 cents.
- 1,000,000 options exercisable on or before 30 August 2016 at an exercise price of 11.1 cents.

2. The name of the company secretary is Andrew Draffin.

3. The address of the principal registered office in Australia is Level 2, 395 Collins Street, Melbourne VIC 3000.
Telephone (03) 9621 1299.

4. Registers of securities are held at the following addresses
Link Administration Services Pty Ltd
Level 12, 680 George Street, Sydney NSW 2000

5. **Stock Exchange Listing**
Quotation has been granted for all the ordinary shares of the company on all Member Exchanges of the Australian Securities Exchange Limited.

6. **Other Disclosures**