

ASX Release

Lithium Exploration Update

Summary of Activities

- **Excellent exploration progress achieved during the challenging winter period.**
- **Aerial surveys identified extensions to the Eagle and Eagle West pegmatite dykes.**
- **Mapping of the Boones area showed 2 parallel dykes containing coarse petalite (lithium silicate) with a strike length of at least 340m.**
- **Several additional prospective dykes mapped in the Gosport area.**
- **Proposed October drilling program postponed until March in order to secure, at reasonable cost, vegetation offset obligations.**

An extensive program of mapping and regional geochemical testing along the Dorchap Dyke Swarm has been underway over the winter period and is now well advanced, covering some 25 x 12km with detailed surface mapping within the northern part of the Dyke Swarm around Eskdale.

The huge scale of the Dyke Swarm and the absence of previous geochemical sampling data require that an extensive regional geochemical program is completed. The data generated from this work will provide further focus into key exploration areas.

The scale of the Dyke Swarm requires a very large sample dataset to better understand regional fractionation trends and achieve a critical mass of representative geochemical data. Improved weather conditions and the opening of access tracks after a winter closure period has rapidly increased mapping coverage across the tenement areas.

Mapping is being guided by systematic tenement-wide aerial surveys using both drone and helicopter to cover steep terrain. This has been successful in identifying outcrop targets and assisting in discriminating between pegmatite and non-prospective rock outcrops. This work is ongoing and remains the key focus of the field team. This will result in a growing number of dyke targets that will require drill testing over the months ahead.

Recent work has found a number of additional pegmatite dykes. New dykes 170m north of the large Eagle dyke have been mapped up to 20m X 10 m. At Eagle West a northern extension has been mapped up to 50m x 20m. In the Boones group two parallel pegmatites have been mapped over some 340m of strike extent and up to 12 m in width. Both the Boones and Eagle pegmatites are considered to be excellent drilling targets. Additional newly discovered dykes have also been found and mapped in the Gosport group up to 65m x 20m – Figure 1.



ASX Code: DTM

Key Prospects / Commodities:

GOLD

Mountain View / New Discovery - Au

Fairleys - Au

Rushworth – Phoenix - Au

Onslow – Au

Saltpetre Gap - Au

LITHIUM / TIN / TANTALUM

Glen Wills – Li-Sn-Ta

Eskdale / Mitta – Li-Sn-Ta

PORPHYRY GOLD / COPPER / MOLYBDENUM

Empress – Au-Cu

Stacey's – Au-Cu

Copper Quarry: Cu+/- Au

Gentle Annie: Cu

Morgan Porphyry: Mo-Ag-Au

Unicorn Porphyry: Mo-Cu-Ag

Investment Data:

Shares on issue: 856,614,232

Listed options: 419,830,574

Substantial Shareholders:

Top 20 Holdings: 44.62 %

Board & Management:

Managing Director: James Chirside

Non-Executive Director: Luke Robinson

Non-Executive Director: Russell Simpson

Non-Executive Director: Denis Clarke

Company Secretary: Julie Edwards

Dart Mining NL

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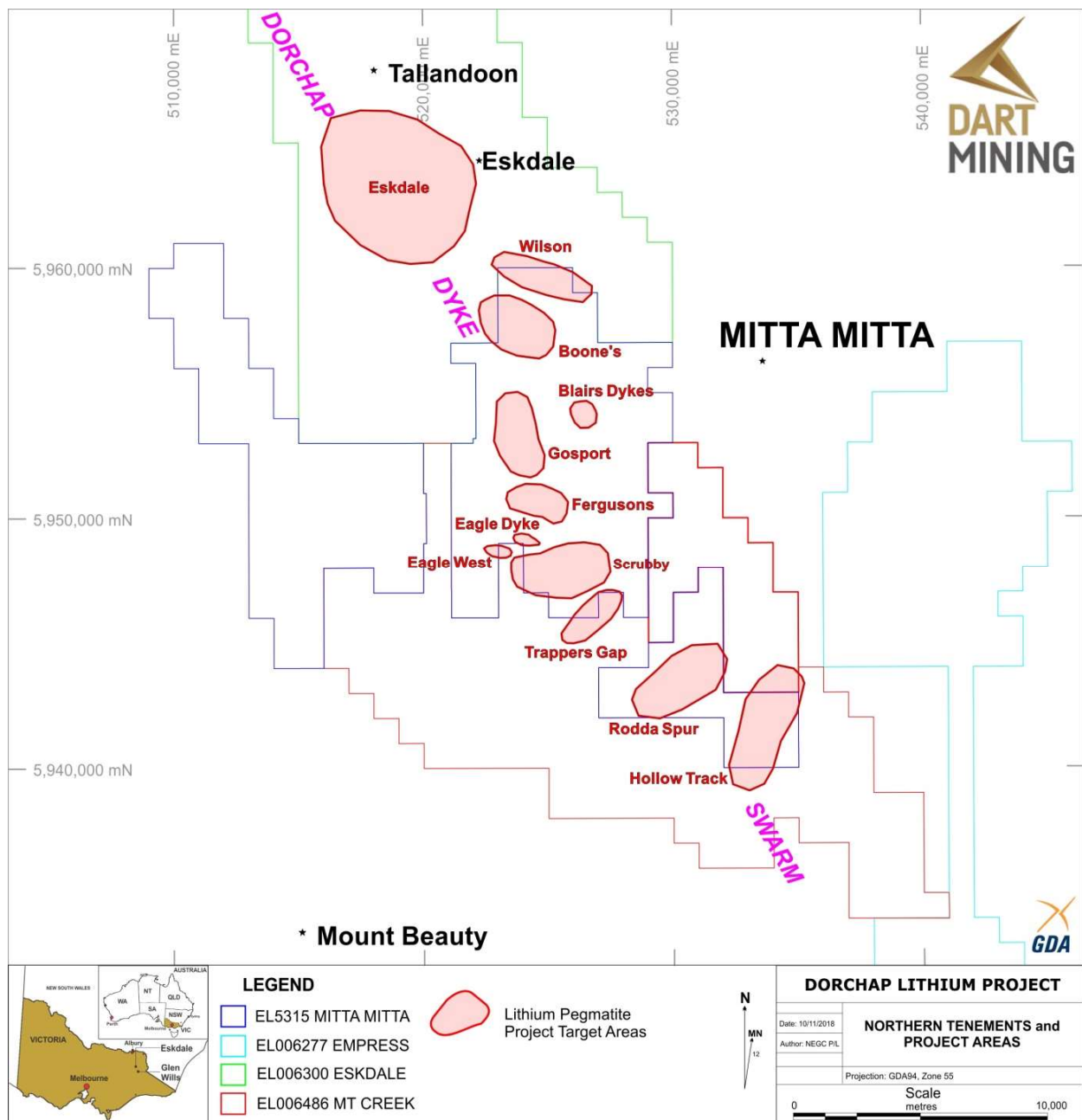


Figure 1. Prospect Areas – Dorchap Dyke Swarm (northern section) with tenement locations.

Ground checking and sampling continues with a large number of samples submitted for analysis. Results are becoming available and are expected to be completed before Christmas. It is anticipated that the full range of results will allow a more comprehensive picture of the different mineral phases within the pegmatite dyke swarm and provide additional vectors to focus exploration in areas most prospective for high grade lithium mineralisation.

Dart initially planned to drill test the Boones and Eagle pegmatites in late-2018 but has postponed the drilling until March 2019 primarily due to the unexpected and commercially-unacceptable high cost of vegetation offset obligations.

Native Vegetation Offset Obligations

In the state of Victoria, a permit is required to remove, destroy or lop native vegetation. In Dart's case this applies to any access tracks and drill pads where clearing is required.

The permits require that a Native Vegetation Offset (the Offset) is secured ahead of any vegetation removal under an approved work plan. The Offset secures by legal agreement another area of native habitat in perpetuity that is located within the same catchment management authority boundary.

The final area required for the Offset is determined through detailed site surveys and can result in a requirement to secure an Offset area significantly larger than that being cleared. Offset land is usually accessed through a third-party management agreement and is subject to high demand, commanding significant prices per hectare.

We speculate that the main reason for the sky high prices for offset is that the program is scarcely understood by land holders and as a consequence there are very few land holders offering land up for offset.

A First-party offset that satisfies regulations can be achieved through the purchase of freehold land and the registration of the land for availability to act as the Offset. The owner is required to prepare an approved management plan for the area over a 10 year period with an on-title commitment to prevent any clearing of native vegetation in perpetuity.

Ongoing exploration on the Dorchap lithium project is finding multiple dyke targets that will require drilling. The initially proposed drill program will likely be expanded. If Dart does not secure First-party offset land then offset obligations for each subsequent drill program will result in lengthy delays and considerable and unreasonable expense each time a new Offset area is required

Dart Mining intends to secure a First-party offset through the purchase of a freehold block with suitable biodiversity values able to provide for the current Offset requirements and importantly also provide for future expanded work plan Offsets required for additional drilling. This is expected to be achieved at a much lower cost than through a third-party Offset agreement.

Importantly this course of action will future proof Dart across its north-east Victorian tenements against excessive administration, and registration costs of separate Offset agreements and the variability of third-party expenses and market driven inflation to access Offset areas for future work.