

ASX Release

Report for the Quarter Ended 30 June 2017

31st July 2017

CORPORATE & EXPLORATION UPDATE

- Confirmation of Spodumene bearing Lithium fertile pegmatite dykes within EL 5315 (see ASX release 3rd April 2017).
- Significant progress with R&D offset claim dispute, with AusIndustry now recognizing over 84% of the claimed activities are eligible, with the amount remaining in dispute approximately \$320,000 (see ASX release 14th July 2017).
- Regional dyke geochemistry trend defines a 20km by 12km lithium target zone at the northern end of the Dorchap Dyke Swarm for targeted initial exploration (see ASX release 24th July 2017).
- Grab sampling from the Gosport # 3 dyke shows up to 1.28% Li₂O (see ASX release 24th July 2017).
- Darts internal exploration program – utilizing Drone survey equipment as well as boots on the ground - is focused on identifying additional large sized pegmatites akin to the spodumene bearing Eagle dyke.
- The company has furthered advanced farm-in style joint-venture discussions and negotiations on its Lithium strategy. Dart is confident that joint-venture terms can be achieved and that an accelerated exploration and exploitation program can begin.
- Dart is actively seeking external farm-in style joint-venture interest across its three defined strategies including Lithium, Porphyries, and Small Gold. Discussions are progressing across all three strategies at present.
- The company raised \$160,000 before costs during the quarter (see ASX release 29th June 2017). Proceeds are to be used to further the company's Lithium exploration program and meet corporate overheads.

REGIONAL PEGMATITE GEOCHEMISTRY

Dart first reported the discovery of lithium mineralisation from the southern end of the Dorchap Dyke Swarm at Glen Wills (See DTM ASX 9th August 2016) with two grab samples taken at the Blue Jacket Dyke showing results of up to 1.57% (Li₂O) and 1172ppm tantalum oxide (Ta₂O₅). Further results were reported (ASX 3 April 2017) from limited grab and rock chip sampling along the northern end of the dyke swarm (27 samples from 13 individual dykes) with up to 4m @ 1.13% (Li₂O) and 56.4ppm tantalum oxide (Ta₂O₅) at the Gosport dyke group – Eskdale (Figure 1). The identification of spodumene by XRD in all 7 dyke samples submitted for analysis from the northern end of the swarm has prompted the focus of initial regional exploration along the northern 40km section (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: 411,485,049

Unlisted options: 1,250,000

Substantial Shareholders:

Top 20 Holdings: 41.09%

Board & Management:

Managing Director: James Chirside

Non-Executive Director: Luke Robinson

Non-Executive Director: Russell Simpson

Company Secretary: Julie Edwards

Dart Mining NL

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A regional dyke geochemistry rock chip program was completed along the northern end of the dyke swarm during the June Quarter. The aim of this work was to use predictable variations in trace element composition within the dyke swarm at a regional scale to provide an exploration vector to the most prospective regions within the 600 km² northern end of the Dorchap Dyke Swarm (some 40km by 15km in size). The sheer size of the dyke swarm and the harsh terrain means it is not time efficient or cost effective to systematically visit every dyke. The use of established trace element trends to focus exploration toward the more fractionated zones produces a far more targeted and efficient exploration program within the most highly prospective areas. At the present level of regional sampling (see ASX release 24th July 2017) the more fractionated dykes appear to form within an area of 240 km² as a belt some 20km along strike by 12km across strike (Figure 1). This fractionation target zone represents the more prospective area for lithium, tin and tantalum mineralisation and will be the initial focus of ongoing exploration.

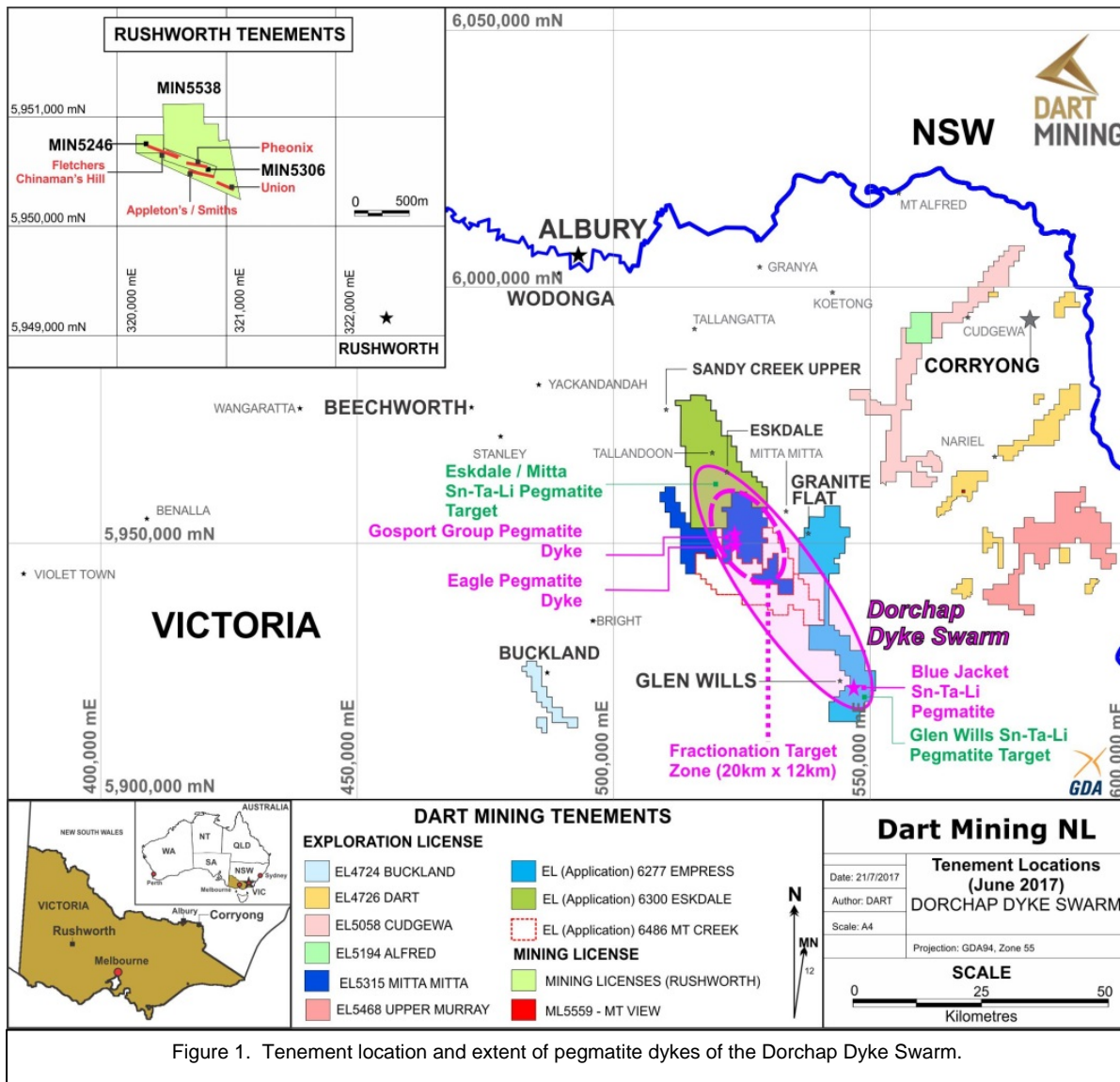


Figure 1. Tenement location and extent of pegmatite dykes of the Dorchap Dyke Swarm.

TENEMENT STATUS

Tenement applications EL006277 (Empress) and EL006300 (Eskdale) have proceeded through Native Title advertising as the final step toward grant in the statutory application processes. Application EL006486 was submitted 30th March 2017 and is subject to the ongoing approvals process.

Table 1. Tenement Status

Tenement Number	Name	Tenement Type	Area (Grats) Unless specified	Interest	Interest Post-Completion of Tenement Acquisition ⁵	Location
EL4724	Buckland ²	Exploration	40	100%		NE Victoria
EL4726	Dart ^{1&2}	Exploration	164	100%		NE Victoria
EL5058	Cudgewa	Exploration	216	100%		NE Victoria
EL5194	Mt. Alfred	Exploration	27	100%		NE Victoria
EL006277	Empress	EL (Application)	~220	100%		NE Victoria
EL006300	Eskdale ³	EL (Application)	~240	100%		NE Victoria
EL006486	Mt Creek	EL (Application)	~191	100%		NE Victoria
EL5468	Upper Murray	Exploration	148	100%		NE Victoria
ML5559	Mt View ²	Mining	4.8 Ha	100%		NE Victoria
EL5315	Mitta Mitta ⁴	Exploration	195	50% JV	100%	NE Victoria
MIN5246	Chinaman's ⁴	Mining	5 Ha	50% JV	100%	Central Victoria
MIN5306	Phoenix ⁴	Mining	5 Ha	50% JV	100%	Central Victoria
MIN5538	Rushworth ⁴	Mining	34.8 Ha	50% JV	100%	Central Victoria

All tenements remain in good standing at 30 June 2017.

NOTE 1: Unicorn Project area subject to a 2% NSR Royalty agreement with BCKP Limited (Orion Mine Finance) dated 29 April 2013.

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

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

NOTE 4: Subject to Completion of a Mining Tenement Acquisition Agreement (see Note 5 below), these areas are subject to a 0.75% Net Smelter Royalty on gold production, payable to Bruce William McLennan

NOTE 5: See Dart's ASX Announcement "Acquisition of Tenement Package" dated 6 February 2017

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

DART MINING NL

ABN

84 119 904 880

Quarter ended ("current quarter")

30 June 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
144 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(52)	(153)
(b) development	-	-
(c) production	-	-
(d) staff costs	(126)	(459)
(e) administration and corporate costs	(81)	(636)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	13
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other	-	-
1.9 Net cash from / (used in) operating activities	(258)	(1,235)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	(10)	(20)
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	10
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(10)	(10)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	160	1,090
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(63)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	160	1,027

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	327	437
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(258)	(1,235)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(10)	(10)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	160	1,027
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	219	219

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	219	327
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	219	327

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
53
-

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
-
-

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	25
9.2 Development	-
9.3 Production	-
9.4 Staff costs	115
9.5 Administration and corporate costs	90
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	230

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

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

Sign here:


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Company secretary

Date: 31 July 2017

Print name: Julie Edwards

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.