

ASX Release

Report for the Quarter Ended 30 September 2016

31 October 2016

CORPORATE UPDATE

- Dart progressed a number of exploration related activities including critical planning around pegmatite dyke targets ahead of an anticipated granting of the exploration licenses (EL's) either late this year or early in CY 2017.
- Circa \$600,000 raised via private placement to pre-existing and new shareholders.
- Progress continues to be made in consultations with Innovation Australia in relation to R&D tax concession grants.
- Dart remains positive in relation to the AI R&D matter and hopes for further progress before CYE.
- Continuing assessment of new opportunities and projects has led to advanced Due Diligence on one project and the discarding of numerous others during the quarter.
- Focused and specific commercial strategies have been refined and now formally adopted by the board with emphasis on medium-term positive cash flow for the company.

TENEMENT APPLICATION PROGRESS

The exploration licence applications submitted in the June Quarter to secure the highly prospective Dorchap Dyke Swarm are now proceeding through Native Title as part of the statutory processes prior to an assessment for grant. The exploration licenses cover approximately 460 km² centered on the townships of Eskdale and Glen Wills, adjacent to other Dart Mining tenements – Figure 1.

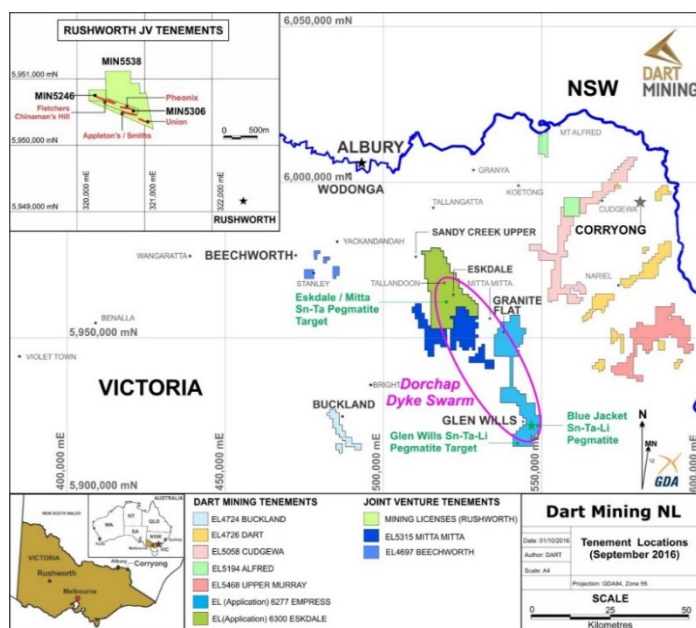


Figure 1. Dart Mining and JV Tenement Locations with Application areas EL006277 and EL006300



ASX Code: DTM

Key Prospects / Commodities:

GOLD

Mountain View / New Discovery - Au

Fairleys - Au

Rushworth - Phoenix - Au

Beechworth - North/South Taff - Au

Saltpetre Gap - Au

Onslow - Au

LITHIUM / TIN / TANTALUM

Glen Wills - Li-Sn-Ta

Eskdale - Li-Sn-Ta

PORPHYRY GOLD / COPPER

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: 346,151,714

Unlisted options: 7,200,000

Substantial Shareholders:

Top 20 Holdings: 42.12%

Board & Management:

Managing Director: James Chirnside

Non-Executive Director: Luke Robinson

Non-Executive Director: Russell Simpson

Company Secretary: Julie Edwards

Dart Mining NL

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Contact Details:

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ORIENTATION GEOCHEMISTRY PROGRAM

The Dorchap Range Dyke Swarm is prospective for Sn, Ta and Li bearing pegmatite dykes with recent studies showing dykes east of the historic township of Glen Wills contain Lithium minerals at significant grades. Recent assay analysis of grab samples from the Blue Jacket pegmatite dyke (Figure 2) show up to 1.57% Li_2O (See DTM ASX 9 August 2016), the grab samples show visible Lepidolite (Lithium Silicate) and possible Amblygonite (lithium Phosphate). The Dorchap Dyke Swarm extends for over 50km from south of Glen Wills to north of Eskdale, the area has supported small scale historical tin mining with limited modern exploration for Sn / Ta and gold.

Dart Mining will be the first to target the Lithium bearing LCT pegmatite's that are known to exist in the area.

Due to the vast area of interest along the dyke swarm (over 50km of strike length and 7 km width); it is necessary to complete an orientation geochemistry program to establish the geochemical signatures of fertile LCT dykes. The Li bearing Blue Jacket dyke represents the type example of lithium mineralisation to date and will be the focus of the orientation soil and stream sediment orientation study currently underway (Figure 2). The results of the Orientation Program at the Blue Jacket area will provide guidance for the design of the regional geochemistry program planned within EL Application areas EL006277 and EL006300 and within the existing EL5315 (Figure 1).

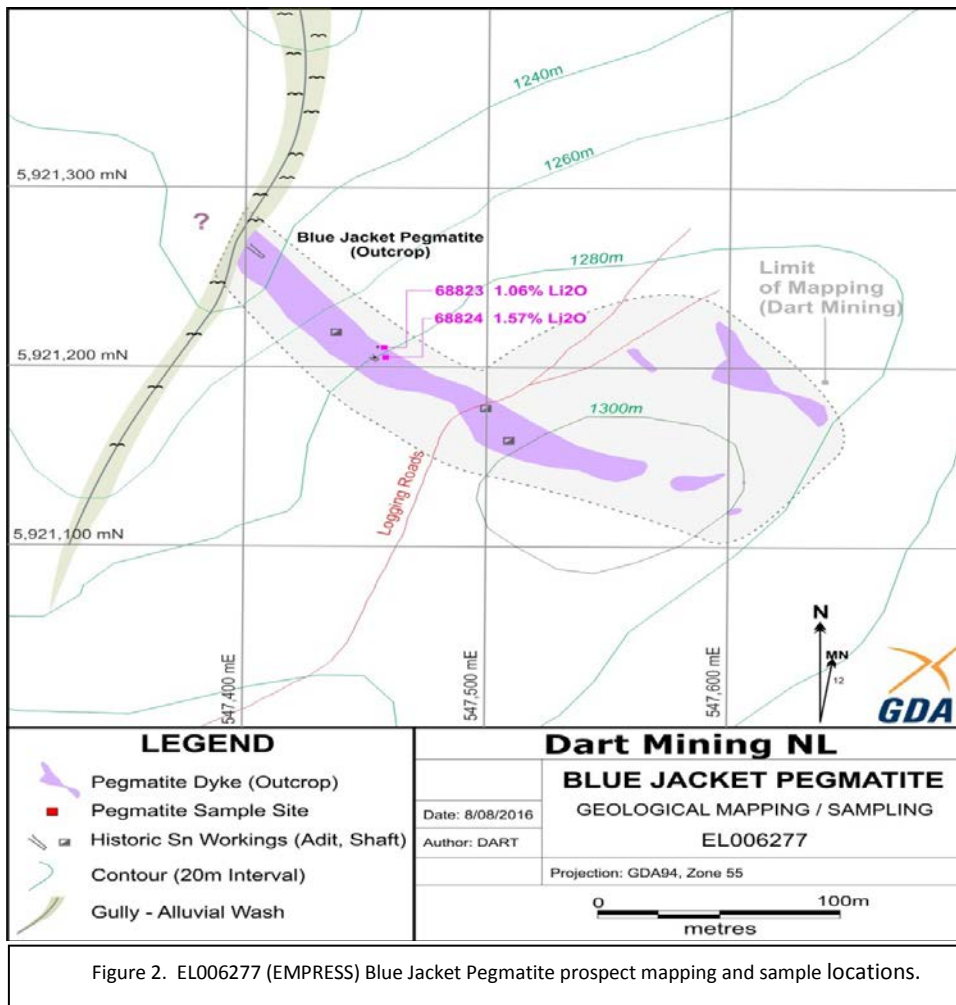


Figure 2. EL006277 (EMPRESS) Blue Jacket Pegmatite prospect mapping and sample locations.

EMPRESS PORPHYRY GOLD/COPPER TARGET (DATA COMPILATION)

The Banimboola Granodiorite (Figure 3) at Granite Flat hosts known gold and copper mineralisation and significant previous exploration has defined additional mineralisation that persists outside the historically mined zones. In order to assess the results of past exploration it has been necessary to carry out field mapping and survey control over the target area. All previous drill hole collars, drill access tracks and pads have been located and mapped via handheld GPS. As part of the prospect data compilation, it was established the available government database of drill hole data was incomplete with some recorded drill hole locations in error. The recent mapping and survey program has now established a full base map and will greatly assist in establishing the best drill hole location data possible. A full 3D database of previous geophysics, drilling, trenching, soil geochemistry and stream sediment sampling will generate a fresh interpretation of the mineralisation and guide targeted exploration upon granting of the tenement.

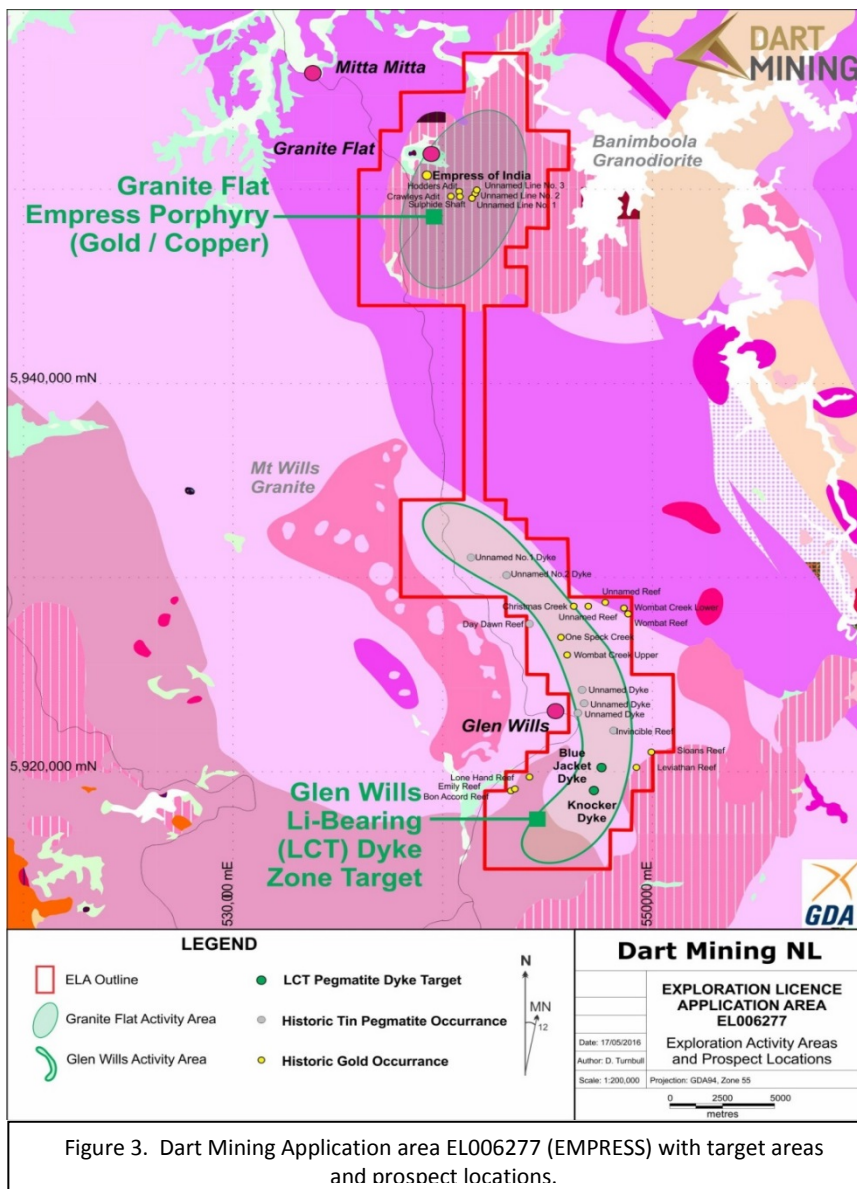


Figure 3. Dart Mining Application area EL006277 (EMPRESS) with target areas and prospect locations.

TENEMENT STATUS REPORT AS AT SEPTEMBER 30 2016

Dart Mining is still awaiting approval of a Retention License (RL) over the highly prospective portions of EL4697 (Beechworth). Pending approval of the RL, exploration activities within the area of EL4697 covered by the RL Application are permitted. Tenement applications EL006277 (Empress) and EL006300 (Eskdale) are proceeding through Native Title advertising as part of the statutory processes prior to an assessment for grant.

Table 1. Tenement Status

Tenement Number	Name	Tenement Type	Area (Grats) Unless specified	Interest	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	51	100%	NE Victoria
EL006277	Empress	EL (Application)	~220	100%	NE Victoria
EL006300	Eskdale ³	EL (Application)	~240	100%	NE Victoria
EL5468	Upper Murray	Exploration	148	100%	NE Victoria
ML5559	Mt View ²	Mining	4.8 Ha	100%	NE Victoria
MIN5246	Chinaman's ⁴	Mining	5 Ha	50% JV	Central Victoria
MIN5306	Phoenix ⁴	Mining	5 Ha	50% JV	Central Victoria
MIN5538	Rushworth ⁴	Mining	34.8 Ha	50% JV	Central Victoria
EL4697	Beechworth ⁴	Exploration	36	50% JV	NE Victoria
RL006013	Beechworth ⁴	RL (Application)	3616 Ha	50% JV	NE Victoria
EL5315	Mitta Mitta ⁴	Exploration	195	50% JV	NE Victoria

All tenements remain in good standing at 30 September 2016.

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 Minvest Corporation Pty Ltd (See DTM ASX Release 1 June 2016).

NOTE 4: Areas subject to a Joint Venture Agreement with NMV Pty Ltd (See DTM ASX Release 13 November 2015) applies to Gold production only. Other commercially exploited minerals within the Joint Venture tenement areas with NMV Pty Ltd are subject to a 1% Net Smelter Royalty Agreement payable to NMV Pty Ltd. EL4697 remains current within RL006013 (Retention Licence) application area until RL Application is finalized.

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 September 2016

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
144 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(55)	(55)
(b) development	-	-
(c) production	-	-
(d) staff costs	(90)	(90)
(e) administration and corporate costs	(282)	(282)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	11	11
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	(416)	(416)

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

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(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	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	630	630
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	(53)	(53)
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	577	577

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	437	437
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(416)	(416)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	577	577
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	598	598

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	598	598
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)	598	598

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	30
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	

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
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	

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available

Add notes as necessary for an understanding of the position

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.

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
-	-
-	-
-	-

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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	12
9.2 Development	-
9.3 Production	-
9.4 Staff costs	112
9.5 Administration and corporate costs	156
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	280

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: 28 October 2016

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.