



DART MINING NL

ABN: 84 119 904 880

**Financial Report
For the Half Year Ended
31 December 2018**

DART MINING NL
FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2018

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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2018 and any public pronouncements made by Dart Mining NL during the interim reporting period in accordance with the continuous disclosure requirements of the Australian Securities Exchange.

DIRECTORS' REPORT

Your directors present their report on the consolidated entity consisting of Dart Mining NL and the entities it controlled at the end of or during the half-year ended 31 December 2018.

Directors

The directors of Dart Mining NL at any time during or since the end of the half-year ended 31 December 2018 were:

James Chirnside (Chairman / Managing Director)

Luke Robinson (Non-Executive Director)

Dennis Clarke (Non-Executive Director)

Russell Simpson (Non-Executive Director) Retired 27 November 2018.

Julie Edwards (Company Secretary)

Operating Results

The operating loss after tax of the consolidated entity for the half-year ended 31 December 2018 is \$604,416 (2017: \$1,788,737).

Review of Operations

A detailed review of operations is contained in the quarterly reports of September 2018 and December 2018 issued to the Australian Stock Exchange Limited.

During the first half FY2019 Dart progressed on a number of fronts, the primary focus has been on the further discovery of Lithium mineralisation and we have achieved some enviable results from a new lithium district. A huge area now sampled has provided the critical data coverage necessary to enabled us to confidently refine the initial target area of 60km x 15km down to 20km x 8km for closer analysis and further investigation. The pioneering work undertaken to date has occurred within exceptionally rugged country and has required a highly committed field team to amass the large geochemical dataset now available. This has culminated in the identification of the optimal lithium fractionation zones for further work.

A continuation of regional aerial surveys has uncovered a number of previously unknown ground targets and directly contributed to the identification of extensions on previously identified pegmatite dykes, all adding to increased potential tonnage.

Gold exploration and discovery has also featured during the period. This includes some geologically unusual and promising mineralisation at the historic O'Dell's, Morning Star, and Rainbow mines near Upper Sandy Creek. Mullock heap and underground samples have assayed some very solid grades to this point.

Further regional soil sampling was undertaken on the Buckland EL to begin to identify the larger scale mineralised structural trends, potentially linking the significant arsenic and gold anomalies already identified, the Fairleys project being the type example. The Fairleys Project is currently subject to a Retention License application to allow further development and resource evaluation to continue.

Tenement Areas

Dart has been focused on re-establishing a number of tenement areas which in the past we have been forced to drop as part of statutory relinquishment requirements. The company is currently negotiating for acquisition of additional tenement areas that will enhance existing properties held by the company. These properties relate to Gold, Base metal, and Lithium prospectivity.

Exploration Team

Dart has established a reliable and talented pool of senior geologists and field assistants to extend its on-ground exploration activities. Demand for technical personnel is running high across Victoria particularly in Gold exploration.

Victorian Gold Activity

Exploration activity in Victoria, particularly in relation to Gold, is running high. There has been a gradual realisation by exploration companies that Victorian prospectivity is amongst the best in the country when considering how little exploration activity has been carried out over the last thirty years within the state.

Dart Mining NL

Kirkland Lake Gold's Fosterville mine has drawn international attention with it being rated among the highest recovered Gold per tonne producers in the world for 2018. Added to this the rejuvenation of the Stawell Mine and it is fair to conclude that in a contemporary sense Victorian gold interest has never been higher.

Commodity Prices

Lithium prices have been under pressure throughout most of 2018 and specifically with China domestic pricing. Spodumene 6% Concentrate (China domestic) pricing is at approximately US\$750 per tonne - down from US\$1100 per tonne a year ago.

There seems to be a consensus amongst forecasters that a wall of Lithium supply is about to emerge. In our conversations with analysts and industry participants we remain sceptical of this view. Where we believe the modelling to be wrong is on the demand side where, given the exponential build out of battery manufacturing capacity, demand will continue to outstrip supply for at least the several years. We believe that at some point in time financial markets will appreciate this and Lithium producers share prices will re-rate - particularly hard-rock Lithium producers.

A\$ Gold is near historic highs, at A\$1850 per ounce, supported by a stronger US\$ Gold price and further weakening in the US\$/A\$ exchange rate. We believe that this trend will continue and that the A\$ Gold price will establish new all-time highs in the medium term. This factor is a contributing factor to the renewed focus on Victorian Gold activity.

Marketing & Communications

Dart is close to launching a more integrated, user-friendly and interactive communications platform so that we can communicate more directly and effectively with our shareholders and prospective investors. We will be conducting more regular road-shows as well as one on one meetings, going forward, and we hope to build the company's profile through this. We have an excellent story to tell.

A copy of the auditor's Independence Declaration as required under Section 307C of the Corporation Act 2001 is set out on page 5 of the half-year Financial Report.

Signed in accordance with the resolution of Directors.



James Chirnside
Chairman / Managing Director



Luke Robinson
Non-Executive Director



Denis Clarke
Non-Executive Director

Melbourne
7 March 2019



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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 half-year ended 31 December 2018 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

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MORROWS AUDIT PTY LTD

L.S. WONG

Director

Melbourne: 7 March 2019

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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

	Note	Consolidated	
		December 2018	December 2017
		\$	\$
Interest revenue	3	10,185	1,382
Other income	3	-	-
Total revenue	3	10,185	1,382
Total expenses	3	(614,601)	(1,790,119)
Profit (loss) before income tax		(604,416)	(1,788,737)
Income tax (expense)/benefit		-	-
Profit (loss) for the period		(604,416)	(1,788,737)
Basic and diluted (loss) per share (cents per share)		(0.07)	(0.45)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

	Note	Consolidated	
		December 2018	June 2018
Current Assets			
Cash and cash equivalents		1,161,918	675,461
Trade and other receivables		41,970	22,603
Other assets		9,738	10,205
Total Current Assets		1,213,626	708,269
Non-Current Assets			
Property, plant and equipment	4	153,890	74,110
Other non-current assets		90,866	80,866
Deferred exploration and evaluation assets	5	7,865,767	7,571,747
Total Non-Current Assets		8,110,523	7,726,723
TOTAL ASSETS		9,324,149	8,434,992
Current Liabilities			
Trade and other payables		194,804	272,810
Provisions		57,079	67,949
Total Current Liabilities		247,883	340,759
Non-Current Liabilities			
Provisions		4,319	-
Total Non-Current Liabilities		4,319	-
TOTAL LIABILITIES		252,202	340,759
NET ASSETS		9,071,947	8,094,233
Equity			
Issued capital	6	23,424,034	21,841,904
Reserves		-	0
Accumulated losses		(14,352,087)	(13,747,671)
TOTAL EQUITY		9,071,947	8,094,233

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2018

	Ordinary Share Capital	Share-Based Payment Reserves	Accumulated losses	Total
	\$	\$	\$	\$
Consolidated Group				
Balance at 1 July 2017	19,934,094	11,040	(11,305,016)	8,640,088
Comprehensive income				
Loss for the period	-	-	(1,788,737)	(1,788,737)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income/(loss) for the period	-	-	(1,788,737)	(1,788,737)
Transactions with owners, in their capacity as owners, and other transfers				
Lapsed options transferred	-	-	-	-
Issue of fully paid shares	1,210,442	-	-	1,210,442
Capital raising costs during the period	(69,662)	-	-	(69,662)
Total transactions with owners and other transfers	1,140,780	-	-	1,140,780
Balance at 31 December 2017	21,074,874	11,040	(13,093,753)	7,992,131
Balance at 1 July 2018	21,841,904	-	(13,747,671)	8,094,233
Comprehensive income				
Loss for the period	-	-	(604,416)	(604,416)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income/(loss) for the year	-	-	(604,416)	(604,416)
Transactions with owners, in their capacity as owners, and other transfers				
Issue of fully paid shares	1,622,687	-	-	1,622,687
Capital raising costs during the period	(40,557)	-	-	(40,557)
Total transactions with owners and other transfers	-	-	-	-
Balance at 31 December 2018	23,424,034	-	(14,352,087)	9,071,947

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

	Consolidated	
	December 2018 \$	December 2017 \$
Cash Flows from operating activities		
Interest received	7,610	1,246
Interest paid	(1,090)	-
Payments to suppliers and employees	(304,205)	(400,647)
Net cash inflow/ (outflow) from operating activities	(297,685)	(399,401)
Cash flows from investing activities		
Payment for exploration expenditure	(636,913)	(209,355)
Payment for Investments	-	-
Purchase of property, plant and equipment	(91,074)	-
Payment of security bonds	(10,000)	(28,955)
Net cash inflow/ (outflow) from investing activities	(737,987)	(238,310)
Cash flows from financing activities		
Proceeds from issue of shares	1,622,687	1,028,745
Share issue costs	(100,558)	(69,662)
Net cash inflow/ (outflow) from financing activities	1,522,129	959,083
Net cash inflow/ (outflow) for the reporting period	486,457	321,372
Cash and cash equivalents at the beginning of the period	675,461	218,722
Cash and cash equivalents at the end of the period	1,161,918	540,094

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

1. CORPORATE INFORMATION

Dart Mining NL (“the Company”) is a for profit Company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. The half-year report for the six months ended 31 December 2018 of the company is a general-purpose report that has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001. This report was authorised for issue in accordance with a directors’ resolution dated 6 March 2019.

The nature of the operations and principal activities of the Group are described in Note 8.

2. BASIS FOR PREPARATION

The consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian Dollars unless otherwise noted.

a) Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were used in the Group’s last reported annual financial statements at 30 June 2018, unless otherwise stated.

b) Critical Accounting Estimates and Judgements

The critical estimates and judgements are consistent with those applied and disclosed in the June 2018 annual report.

Key Judgements

i. Exploration and Evaluation Expenditure

Exploration expenditures incurred are capitalised in respect of each identifiable area of interest. These costs are only capitalised to the extent that they are expected to be recovered through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to a relinquished area are written off in full against the profit or loss 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 will be amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

ii. Government Grants/Rebates

Government grants and/or rebates are not recognised until there is reasonable assurance that the Group will be eligible and receive such incentives.

All Research and Development grants are made conditional upon possible post grant review by Innovation Australia (formerly AusIndustry), which may result in a grantee refunding part or all of a Research and Development grant. Innovation Australia will be reviewing the company’s subsequent submissions for Research and Development grant applications but no refund request has been made and the matter has not been finalised in an endeavour to resolve the matter at the date of this report.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

iii. 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 31 December 2018, the Group had a surplus of current assets over current liabilities of \$965,743 (30 June 2018: \$367,510) with cash reserves of \$1,161,918 (30 June 2018: \$675,461).

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 generate additional funds from activities including:

- other future equity or debt fund raisings; and
- successful development of existing tenements.

3. LOSS FOR PERIOD

The following revenue and expense items are relevant in explaining the financial performance for the interim period.

	Note	Consolidated	
		December 2018 \$	December 2017 \$
Revenue			
Interest received		10,185	1,382
TOTAL REVENUE		10,185	1,382
Expenses			
Receivables written off		-	214,264
Exploration expenditure written off		330,136	1,132,325
Administration expenses		93,964	81,987
Consultancy fees		14,000	36,861
Depreciation		4,303	8,842
Employee costs		80,457	187,546
Insurance		18,772	17,000
Office expenses		26,621	20,140
Professional fees		32,132	80,140
Travel		13,126	10,081
Other expenses from ordinary activities		1,090	933
TOTAL EXPENSES		614,601	1,790,119

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

4. PROPERTY, PLANT AND EQUIPMENT

	Plant & equipment	Computer equipment & software	Motor vehicles	Total
Consolidated	\$	\$	\$	\$
Balance at 1 July 2017	7,103	16,656	38,796	62,555
Additions/(Disposals)	963	5,056	45,832	51,851
Depreciation expense	(1,620)	(8,470)	(3,709)	(13,799)
Depreciation expense capitalised as deferred exploration expenditure	(968)	(2,823)	(22,706)	(26,497)
Balance at 30 June 2018	5,478	10,419	58,213	74,110
Balance at 1 July 2018	5,478	10,419	58,213	74,110
Additions/(Disposals)	16,271	17,058	63,820	97,149
Depreciation expense	(840)	(3,464)	-	(4,304)
Depreciation expense capitalised as deferred exploration expenditure	(1,095)	(1,154)	(10,816)	(13,065)
Balance at 31 December 2018	19,814	22,859	111,217	153,890

5. EXPLORATION AND EVALUATION ASSETS

	Consolidated Group	
	December 2018	June 2018
	\$	\$
Balance at the beginning of the period	7,571,747	8,266,737
Costs for the period	624,156	958,720
Exploration costs written off	(330,136)	(1,653,710)
Balance at the end of the period	7,865,767	7,571,747

Ultimate recovery of deferred exploration and evaluation costs is dependent upon the success of the Pre-feasibility Study, exploration and evaluation or sale or farm-out of the exploration interests. A percentage of the Managing Director's salary and associated costs are capitalised in line with the Company's policy for capitalising costs directly relating to Pre-feasibility and exploration. Namely, the Company has four cost centres, Corporate, Pre-feasibility Study, Research and Development and Exploration. Where identifiable, costs associated with the Pre-feasibility Study and Exploration cost centres are capitalised. These costs are annually reviewed for impairment and a charge is made directly to the Income Statement of the Company when an impairment is identified.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

6. ISSUED CAPITAL

	Consolidated Group	
	December 2018	June 2018
	\$	\$
Issued Capital	23,424,034	21,841,904
	No.	\$
Movements in ordinary shares on issue		
At 1 July 2017	411,485,049	19,934,094
Share issue transaction costs net of capital raising costs	320,386,142	1,907,810
At 30 June 2018	731,871,191	21,841,904
Share issue transaction costs net of capital raising costs	196,171,612	1,582,130
At 31 December 2018	928,042,803	23,424,034

On the 18 July 2018, 99,408,267 shares and 99,408,267 options were issued. On 24 July 2018, 25,334,774 shares and 25,334,774 options were issued. On 29 November 2018, 71,428,571 shares were issued.

7. COMMITMENTS AND CONTINGENCIES

In addition to the commitments disclosed in the June 2018 Financial Report, the Group notes the changes to the following expenditure commitments during the six months ended 31 December 2018.

	December 2018	June 2018
Operating lease	-	15,924
Minimum exploration commitments	780,458	1,318,884

The exploration commitment can decrease owing to time reduction of permits maintained by the Group.

8. OPERATING SEGMENTS

The Group's activities consist of base metal and gold exploration in Australia. There are no other significant classes of assets, either singularly or in aggregate. Internal monthly management reports are provided to the Group's managing director that consolidate operations into one segment. Therefore, the Group's activities are as one business segment and therefore operating results and financial information are not separately disclosed in this note.

9. FAIR VALUE

In the absence of an active market for an identical asset or liability, the Group selects and uses one or more valuation techniques to measure the fair value of the asset or liability. The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The market approach is the valuation technique selected by the Group. This valuation technique uses prices and other relevant information generated by market transactions for identical or similar assets or liabilities. The carrying value in the Statement of Financial Position is the same as fair value for all monetary assets and liabilities.

10. EVENTS AFTER THE END OF THE INTERIM PERIOD

The Directors are not aware of any significant events since the end of the interim period.

Dart Mining NL

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 6 to 13 are in accordance with the Corporations Act 2001, and
 - a. comply with Australian Accounting Standard AASB 134: Interim Financial Reporting; and
 - b. give a true and fair view of the financial position as at 31 December 2018 and of the performance for the half-year ended on that date.
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: and

Signed in accordance with the resolution of the Directors made pursuant to section 303(5) of the Corporations Act 2001.



James Chirside
Chairman / Managing Director



Luke Robinson
Non-Executive Director



Denis Clarke
Non-Executive Director

Melbourne
7 March 2019



Level 13, Freshwater Place, 2 Southbank Boulevard,
Southbank VIC 3006

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

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Dart Mining NL (the Entity), which comprises the consolidated statement of financial position as at 31 December 2018, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Entity is not in accordance with the Corporations Act 2001 including:

- i. giving a true and fair view of the Entity's financial position as at 31 December 2018 and of its performance for the half-year ended on that date; and
- ii. complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Entity are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001 and for such internal control as the directors' determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

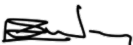
Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Entity's financial position as at 31 December 2018 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of the Entity, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

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


MORROWS AUDIT PTY LTD



L.S. WONG
Director

Melbourne: 7 March 2019

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