



DART MINING NL

ABN: 84 119 904 880

**Financial Report
For the Half Year Ended
31 December 2019**

Corporate Directory

Directors	Mr James Chirnside, Managing Director / Chairman Mr Luke Robinson Non-executive Director Mr Denis Clarke, Non-Executive Director
Company Secretaries	Ms Julie Edwards
Registered Office in Australia	Level 6 412 Collins Street Melbourne Victoria 3000
Principal Office in Australia	4 Bryant Street Corryong Victoria 3707
Share Registry	Automic Registry Services Level 5 126 Phillip Street Sydney New South Wales 2000 Phone: 1300 288 664 Overseas Callers: 61 8 9324 2099 Facsimile: 61 8 9321 2337
Auditor	Morrows Audit Level 13 Freshwater Place 2 Southbank Boulevard Southbank Victoria 3006
Stock Exchange Listing	Australian Securities Exchange Ltd DTM – Listed Ordinary Shares
Website Address	www.dartmining.com.au

DART MINING NL
FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2019

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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 2019 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 2019.

Directors

The directors of Dart Mining NL at any time during or since the end of the half-year ended 31 December 2019 were:

James Chirnside (Chairman / Managing Director)

Luke Robinson (Non-Executive Director)

Dennis Clarke (Non-Executive Director)

Julie Edwards (Company Secretary)

Operating Results

The operating loss after tax of the consolidated entity for the half-year ended 31 December 2019 is \$372,692 (2018: \$604,416).

Review of Operations

A detailed review of operations is contained in the quarterly reports of September 2019 and December 2019 issued to the Australian Stock Exchange Limited.

Corporate

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Exploration

During the first half FY2020 exploration activities focused mainly on the company's Buckland, and Sandy Creek Gold projects.

At the Buckland Gold project geochemical soil and rock-chip sampling has now been completed over 160km of sample lines along what is now 17.5km of mineralisation trend. It remains open. Stacked sheer zones have been identified up to a width 400m.

Along the sample lines are a number of super high-grade pods associated with the disseminated Gold. Having identified numerous drill-ready targets we anticipate commencement of an initial 2,000m first pass program in early April.

Limited access as a result of the NE Victorian fires has pushed back the possibility of an earlier planned drill program. Conditions on the ground now mean that the terrain is more open and easier to traverse.

On the Sandy Creek prospect, our exploration team identified a number of drill-ready targets and we will schedule further work around these in the first half of 2020.

A portion of the company's drill-core library was burnt during the NE Victorian bushfires. Historic drill-core had been previously logged and imaged. About one third of all the core has been salvaged and all the drill-core from our historic drill programs on the Buckland/Fairlys project are secure.

Tenement Areas

During the period we continued to assess and apply for tenement leases with a single focus on Gold related prospectivity. Darts portfolio of Gold related prospectivity now includes nine historic Gold fields all of which have associated Gold production. An application to secure more Porphyry exploration targets was lodged also.

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Along the sample lines are a number of high-grade mineralised zones associated with disseminated gold. As numerous drill-ready targets have been identified, we anticipate commencement of an initial 2,000m first pass program in April.

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Tenement Areas

During the period we continued to assess and apply for tenement leases with a single focus on Gold-related prospectivity. Dart's portfolio of Gold-related prospectivity now includes nine historic Gold fields all of which have associated Gold production. An application to secure more Porphyry exploration targets was lodged also.

Victorian Gold Activity

Domestic and international interest in Victorian Gold exploration and development remains very high as the historic production areas of Bendigo and Ballarat ramp up on-ground exploration and development work. Trickle down interest in other areas has begun to emerge and Dart has commenced conversations with multiple parties around farm-in deals that may eventually lead to joint-venture exploration and development arrangements.

Commodity Prices

Australian dollar Gold prices remained flat at around A\$2,200 during the period although elevated by historic standards and not far from historic all-time highs.

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
12 March 2020



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

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Facsimile: 03 9690 6509
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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 2019 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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L.S. WONG

Director

Melbourne: 12 March 2020

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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2019**

	Note	Consolidated	
		December 2019	December 2018
		\$	\$
Interest revenue	3	712	10,185
Other income	3	6,416	-
Total revenue	3	7,128	10,185
Total expenses	3	(379,821)	(614,601)
Profit (loss) before income tax		(372,693)	(604,416)
Income tax (expense)/benefit		-	-
Profit (loss) for the period		(372,693)	(604,416)
Basic and diluted (loss) per share (cents per share)		(0.7)	(1.4)*

*adjusted for 20 for 1 share consolidation.

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 2019

	Note	Consolidated	
		December 2019	June 2019
Current Assets			
Cash and cash equivalents		251,654	331,740
Trade and other receivables		28,544	47,241
Other assets		16,168	21,576
Total Current Assets		296,366	400,557
Non-Current Assets			
Property, plant and equipment		714,905	653,897
Other non-current assets		119,869	105,121
Deferred exploration and evaluation assets	4	9,146,047	8,536,188
Total Non-Current Assets		9,980,821	9,295,206
TOTAL ASSETS		10,277,187	9,695,763
Current Liabilities			
Trade and other payables		306,462	271,082
Provisions		78,252	63,993
Total Current Liabilities		384,714	335,075
Non-Current Liabilities			
Provisions		7,586	6,743
Total Non-Current Liabilities		7,586	6,743
TOTAL LIABILITIES		392,300	341,818
NET ASSETS		9,884,887	9,353,945
Equity			
Issued capital	5	24,706,132	23,919,997
Reserves		192,500	75,000
Accumulated losses		(15,013,745)	(14,641,052)
TOTAL EQUITY		9,884,887	9,353,945

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 2019

	Ordinary Share Capital \$	Share-Based Payment Reserves \$	Accumulated losses \$	Total \$
Consolidated Group				
Balance at 1 July 2019	23,919,997	75,000	(14,641,052)	9,353,945
Comprehensive income				
Loss for the period	-	-	(372,693)	(372,693)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income/(loss) for the year	-	-	(372,693)	(372,693)
Transactions with owners, in their capacity as owners, and other transfers				
Options and performance rights issued	-	117,500	-	117,500
Issue of fully paid shares	797,975	-	-	797,975
Capital raising costs during the period	(11,840)	-	-	(11,840)
Total transactions with owners and other transfers	-	-	-	-
Balance at 31 December 2019	24,706,132	192,500	(15,013,744)	9,884,887
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 2019

	Consolidated	
	December 2019 \$	December 2018 \$
Cash Flows from operating activities		
Receipts from customers	6,416	-
Payments to suppliers and employees	(207,223)	(304,205)
Interest received	759	7,610
Interest paid	(835)	(1,090)
Net cash inflow/ (outflow) from operating activities	(200,883)	(297,685)
Cash flows from investing activities		
Payment for exploration expenditure	(528,590)	(636,913)
Payment for Investments	(10,750)	-
Purchase of property, plant and equipment	(122,998)	(91,074)
Payment of security bonds	(4,000)	(10,000)
Net cash inflow/ (outflow) from investing activities	(666,338)	(737,987)
Cash flows from financing activities		
Proceeds from issue of shares	797,975	1,622,687
Share issue costs	(10,840)	(100,558)
Net cash inflow/ (outflow) from financing activities	787,135	1,522,129
Net cash inflow/ (outflow) for the reporting period	(80,086)	486,457
Cash and cash equivalents at the beginning of the period	331,740	675,461
Cash and cash equivalents at the end of the period	251,654	1,161,918

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 2019

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 2019 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 12 March 2020.

The nature of the operations and principal activities of the Group are described in Note 7.

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 2019, unless otherwise stated.

b) Critical Accounting Estimates and Judgements

The critical estimates and judgements are consistent with those applied and disclosed in the June 2019 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 2019

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 2019, the Group had a deficit of current assets over current liabilities of \$88,348 (30 June 2019: net current asset of \$65,482) with cash reserves of \$251,654 (30 June 2019: \$331,740).

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.

	Consolidated	
	December 2019	December 2018
	\$	\$
Revenue		
Interest received	712	10,185
Vegetation offset sales	6,416	
TOTAL REVENUE	7,128	10,185
Expenses		
Cost of vegetation offset sales	6,837	-
Exploration expenditure written off	-	330,136
Administration expenses	88,734	93,964
Consultancy fees	998	14,000
Depreciation	4,683	4,303
Employee costs	70,016	80,457
Share based payments	117,500	-
Insurance	16,770	18,772
Office expenses	16,479	26,621
Professional fees	45,286	32,132
Travel	10,698	13,126
Other expenses from ordinary activities	1,820	1,090
TOTAL EXPENSES	379,821	614,601

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

4. EXPLORATION AND EVALUATION ASSETS

	Consolidated Group	
	December 2019	June 2019
	\$	\$
Balance at the beginning of the period	8,536,188	7,571,747
Costs for the period	609,859	1,294,577
Exploration costs written off	-	(330,136)
Balance at the end of the period	9,146,047	8,536,188

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.

5. ISSUED CAPITAL

	Consolidated Group	
	December 2019	June 2019
	\$	\$
Issued Capital	24,706,132	23,919,997
	No.	\$
Movements in ordinary shares on issue		
At 1 July 2018	731,871,191	21,841,904
Share issue transaction costs net of capital raising costs	279,504,945	2,078,093
At 30 June 2019	1,011,376,136	23,919,997
Share issue (i)	6,000,000	30,000
Share issue transaction costs net of capital raising costs	53,000,000	307,160
Twenty for one share consolidation	(1,016,857,029)	-
Capital raise net of capital raising costs	-	448,975
At 31 December 2019	53,519,107	24,706,132

- (i) July 2019, 6,000,000 shares were issued to Ostrack for the purchase of EL006016 with a value of \$30,000.
- (ii) October 2019, 53,000,000 shares were issued to sophisticated investors raising \$318,000.
- (iii) December 2019, \$449,975 was received for shares that were issued on 31 January 2020.

Unlisted Options

Incentive options were issued to Mr James Chirnside as approved by shareholders on 6 December 2019. 1,250,000 unlisted options exercisable at 30 cents and expiring 5 May 2020 and 1,250,000 unlisted options exercisable at 40 cents and expiring 5 May 2020 were issued.

6. COMMITMENTS AND CONTINGENCIES

In addition to the commitments disclosed in the June 2019 Financial Report, the Group notes the changes to the following expenditure commitments during the six months ended 31 December 2019.

	December 2019	June 2019
Minimum exploration commitments	586,867	928,859

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

7. 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.

8. 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.

9. EVENTS AFTER THE END OF THE INTERIM PERIOD

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

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 7 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 2019 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 Chirnside
Chairman / Managing Director



Luke Robinson
Non-Executive Director



Denis Clarke
Non-Executive Director

Melbourne
12 March 2020

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 2019, 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 2019 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.

Emphasis of matter - Material Uncertainty Related to Going Concern

We draw attention to Note 2(iii) in the half year financial report which indicates that the ability of the Entity to continue as a going concern is dependent on its ability to generate additional funds from activities including other future equity or debt raising and successful development of existing tenements. These conditions, the loss for the period along with the expenditure commitments as set out in Note 6, indicate the existence of a material uncertainty that may cast significant doubt about the Entity's ability to continue as a going concern and therefore the Entity may be unable to realise its assets and discharge its liabilities in the normal course of business at amounts stated in the half year financial report.

Our opinion is not qualified in respect of this matter.

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.





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

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 2019 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.

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MORROWS AUDIT PTY LTD

L.S. WONG
Director

Melbourne: 12 March 2020

