

ASX Release

Report for the Quarter Ended 31 March 2020

30 April 2020

Dart Mining NL (“Dart” or “the Company”) is pleased to present its Quarterly Report for the three-month period ending 31 March 2020 and to provide commentary and update to shareholders.

Commenting on the Quarter, Managing Director James Chirnside said:

“As we progress on-ground exploration at the company’s Buckland Gold project our confidence increases in its scale potential. We are very keen to begin our scheduled phase 1 drill program as soon as possible which we expect will commence in May”

BUCKLAND GOLD PROJECT

During the Quarter, Dart continued with its work program at the Company’s primary project, The Buckland Gold Project located 200km north-east of Melbourne.

The Company prides itself on its exploration success and its recognition that the regionally extensive Fairleys Shear Zone controls the location of significant gold mineralisation in the Buckland Goldfield. The model underpins Dart’s exploration approach in that the Fairleys Shear Zone consists of multiple individual mineralised shears, each several kilometres long ([ASX 20 Aug 2019](#), [ASX 2 Sept 2019](#)).

Shears are interpreted to be up to, or greater than 25m wide, and typically have a relatively narrow, high-grade quartz-sulphide core (Type A mineralisation) enveloped by wider, low to medium-grade disseminated sulphide mineralisation (Type B mineralisation; [ASX 13 Dec 2019](#)). The scale of the shear related mineralisation (Type B) offers excellent potential for delineating a large-scale gold deposit.

Recent Exploration Highlights at Buckland Gold Project Include ([ASX 20 Feb 2020](#)):

- Preliminary sampling indicates both high-grade zones and lower grade sheared sediment halos are a feature along gold-mineralised shear zones in the Buckland Valley
- Three parallel mineralised structures have been identified
- 87.9 g/t Au grab sample from a quartz reef (Type A mineralisation) in the Perfect Cure workings
- 14m @ 2.19 g/t Au chip sample from Harp of Erin workings (Type B mineralisation)
- Up to 63 g/t and 22.6 g/t Au grab samples from Type A quartz veins at the Unicorn Reef
- Up to 1m @ 5.67 g/t Au and 2m @ 13.15 g/t Au chip samples from ~4m wide Type A laminated quartz in lower level of Redjacket workings
- Up to 0.4m @ 89.3g/t Au from Type A quartz veining in New Chum workings
- Significant soil anomalies identified over New Chum workings, associated with silicified sandstone (Type B mineralisation) showing anomalous Au in rock chip samples



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: 63,159,107

Unlisted options: 7,700,000

Substantial Shareholders:

Top 20 Holdings: 58.03%

Board & Management:

Managing Director: James Chirnside

Non-Executive Director: Denis Clarke

Non-Executive Director: Luke Robinson

Company Secretary: Julie Edwards

Dart Mining NL

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NE Victoria Fire Impact

As most investors would be aware there were extensive bushfires throughout the North-east region of Victoria during January and February of this year. Much of Dart's tenement footprint lies within this region. Roughly 50% of Dart's tenement areas were burnt.

The impact of this fire event is negligible to Dart in respect of material damage. Dart lost one container that had been used for processing drill core. The company had owned two of these and we don't expect it will have any impact on drill-core processing going forward.

Dart's vegetation offset block was completely burnt out but because the fire is considered a natural event it will not impact the company in respect of being able to provide for its own vegetation offsets in the future.

The company was active on the ground during the fire period near Corryong helping local communities defend against the fires themselves. Our sincere sympathies extend to those families and communities that were so severely affected by the fires. There were many such people.

COVID-19 Impact

COVID-19 restrictions have impacted Dart's activities in the field to some extent however we have still managed to continue with important exploration work during the quarter. We have adopted suggested workplace protocols as suggested by Government and the Minerals Council of Australia. We anticipate further easing of workplace restrictions over coming months that will allow for commencement of phase 1 drilling on the Buckland Gold, Sandy Creek Gold, Rushworth Gold and Mt View Gold projects. All these are scheduled for commencement before the end of 2020.

Exploration Update

Further progress has been made in seeking to identify regional structural control aspects to the already identified extensive surface mineralisation at the Buckland Gold project ([ASX 20 Feb 2020](#)).

Mapping and Sampling

The Company has been carrying out regional soil sampling, chip sampling, and geological mapping of prospects which remains ongoing. The concurrent application of these methods to test the potential for large-scale gold mineralised systems is building a more robust understanding of the mineralisation style present at the Buckland Gold Project.

Dart's mapping and sampling activities in the Buckland Valley have provided further evidence for recurring zones of gold mineralisation that are open along a structural trend of approximately 17km strike length. Follow-up detailed geological mapping has confirmed the structural model underpinning the exploration strategy, with at least three parallel trends of mineralised structures identified in the Buckland Valley to date (Figure 1). Prospect-scale mapping and sampling throughout the field is conducted during regional soil sampling programs, with targeted field checks of identified soil gold – arsenic anomalies and significant historical workings also undertaken. This work has led to the discovery of encouraging mineralised intersections from chip samples across the Redjacket, New Chum, Harp of Erin and Samson historic workings during reconnaissance mapping ([ASX 20 Feb 2020](#)).

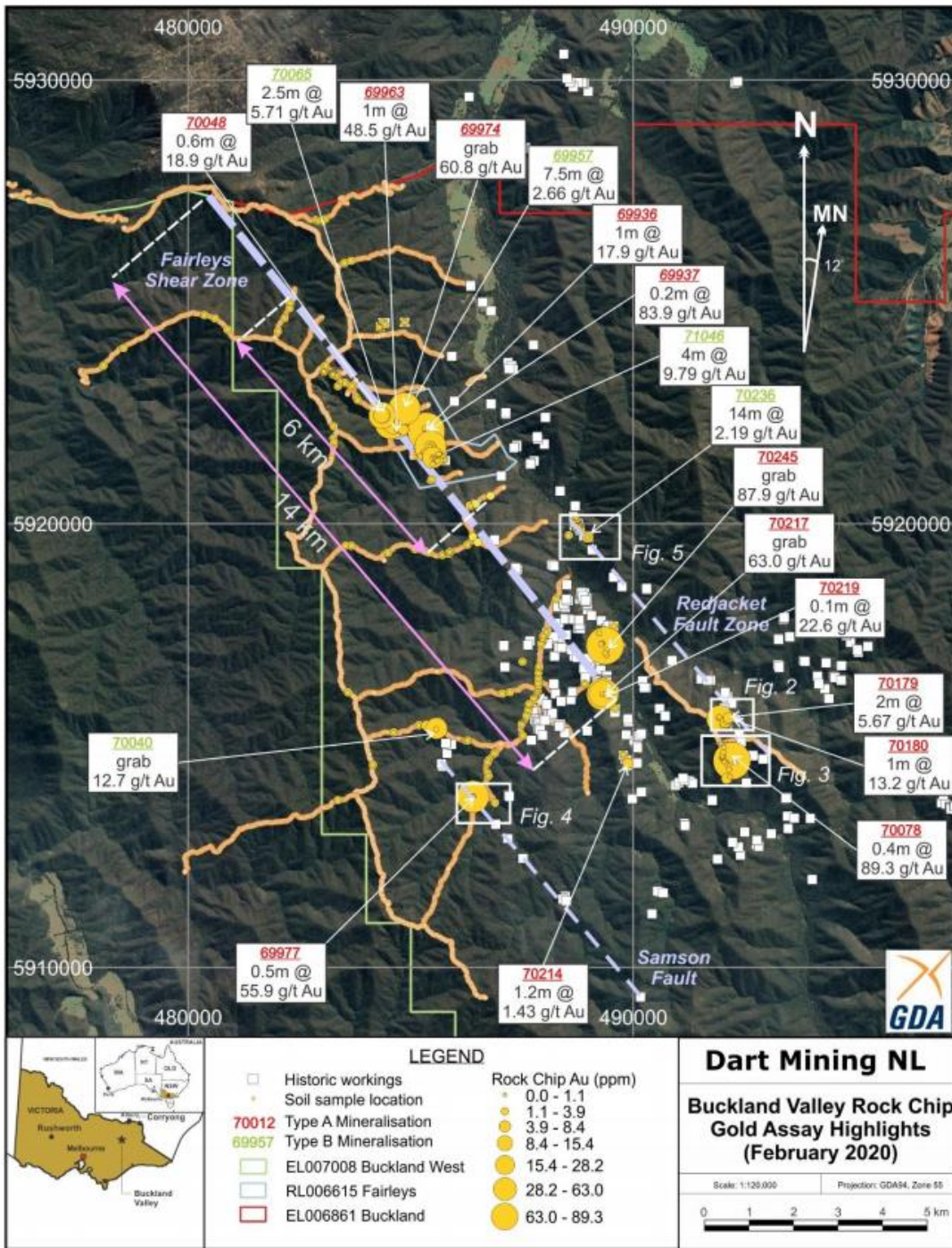


Figure 1. Exploration highlights from the Buckland goldfield with soil sample locations and graduated rock chip gold assay data). Significant gold assays from rock samples identified. Red sample numbers indicate Type A (silica-sulphide) mineralisation and green text indicates Type B (disseminated sulphide) mineralisation. Type A mineralisation typically occur as kernels to Type B targets across ~20km strike length. Italicised sample numbers indicate samples previously (discussed in detail in [ASX 13 Dec 2019](#)). Historic mine location data (white squares) from F. Sargent Historical Mining Activity layer (GeoVic: <https://earthresources.vic.gov.au/geology-exploration/maps-reports-data/geovic/>) for reference.

During the 2019 field season, 323 rock samples were collected by Dart in the Buckland Valley, with 131 samples returning anomalous gold values (>0.20 ppm Au), 61 of which were >1.0 ppm Au. Rock chip sample data from the Fairleys prospect has been previously reported ([ASX 13 Dec 2019](#)).

Rock Chip Sampling

The Company's Rock Chip Sampling program has indicated that there are at least three northwest-southeast oriented trends that have high-grade gold zones within a broader mineralised shear halo. This is similar to the mineralisation style known to occur at the Fairleys Prospect (*ASX 13 Dec 2019*), with high-grade structures exploited historically and the lower grade envelopes and intersecting structures unmined.

Effectively, this divides the mineralisation into two distinct styles:

- Type A – high-grade, narrow vein style mineralisation, and
- Type B – low-grade disseminated sulphide with coincident Au mineralisation.

The recurrent nature of this mineralisation style throughout the valley is very encouraging and supports the current geological model. The continued mapping and sampling of historic mine workings, and areas of anomalous As indicated by soil geochemistry is adding to the understanding of the extent, style and structural controls of gold mineralisation in the Buckland Valley.

Soil Sampling

Dart has now completed 3,750 samples, with recent efforts directed northwest of Murrays Ridge, identifying a soil As anomaly that indicates the mineralised halo associated with the Fairleys Shear zone (incorporating Centennial/Fairlys/Try Again/St Lawrence) spans a strike length of 6 km.

Targeted grid sampling across Miners Glory has identified a significant As soil anomaly in the area adjacent to the mined structure. Substantial soil anomalies have been identified above the New Chum workings in the southern Buckland Valley, coincident with a large zone of anomalous rock-chip gold values.

Future Exploration Plans

The Company's exploration activities to date have identified multiple drilling targets, supporting Dart's belief that the Buckland Valley has excellent potential to host large-scale shear-hosted mineralisation.

Ongoing exploration activities will include focused chip sampling and soil sampling across promising prospects. Additional chip sampling across the strike of prospective structures, in particular, the Motor, Redjacket, beneath Harp of Erin, and Samson workings will be continued, and supplemented by a soil sampling program. Multiple drilling targets have been identified and it is expected that Phase 1 drilling will commence in May.

SANDY CREEK GOLDFIELD

No update this quarter.

LITHIUM EXPLORATION UPDATE

No update this quarter.

CORPORATE

The Company's cash position at the end of the March quarter was approximately \$172,000. As required by Appendix 5B 6.1, payments to related parties for the quarter of \$53,000 related to the Managing Director's and Non-Executive Director's fees.

TENEMENT STATUS

Tenement Number	Name	Tenement Type	Area (km2) Unless specified	Interest	Location
EL5315	Mitta Mitta ⁴	Exploration	172	100%	NE Victoria
EL006016	Rushworth	Exploration	60	100%	Central Victoria
EL006277	Empress	Exploration	165	100%	NE Victoria
EL006300	Eskdale ³	Exploration	183	100%	NE Victoria
EL006486	Mt Creek	Exploration	190	100%	NE Victoria
EL006764	Cravensville	EL (Application)	170	100%	NE Victoria
EL006861	Buckland	EL (Application)	414	100%	NE Victoria
EL006865	Dart	EL (Application)	567	100%	NE Victoria
EL006866	Cudgewa	EL (Application)	508	100%	NE Victoria
EL006994	Wangara	EL (Application)	190	100%	Central Victoria
EL007007	Union	EL (Application)	3	100%	Central Victoria
EL007008	Buckland West	EL (Application)	344	100%	NE Victoria
EL007099	Sandy Creek	EL (Application)	437	100%	NE Victoria
EL007170	Berringama	EL (Application)	27	100%	NE Victoria
RL006615	Fairley's ²	Retention License Application	340 Ha	100%	NE Victoria
RL006616	Unicorn ^{1&2}	Retention License Application	23,243 Ha	100%	NE Victoria
MIN006619	Mt View ²	Mining License	224 Ha	100%	NE Victoria

All tenements remain in good standing at 31 March 2020.

NOTE 1: Unicorn Project area subject to a 2% NSR Royalty Agreement with Osisko Gold Royalties Ltd dated 29 April 2013.

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

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

NOTE 4: Areas are subject to a 0.75% Net Smelter Royalty on gold production, payable to Bruce William McLennan.

For more information, please contact:

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About Dart Mining

Dart Mining (ASX: DTM) floated on the ASX in May of 2007 with the aim of evaluating and developing several historic Goldfields as well as substantiating a new porphyry province in NE Victoria. The area is prospective for precious, base, and minor metals. These include Lithium, Gold, Silver, Copper, Molybdenum, Zinc, Tungsten, Tin, Tantalum, and a host of other important minerals. Dart Mining has built a strategic gold footprint in the Central and North East Region of Victoria where historical surface mining and alluvial gold indicates the existence of potentially significant gold endowment.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

DART MINING NL

ABN

84 119 904 880

Quarter ended ("current quarter")

31 March 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	6
1.2 Payments for		
(a) exploration & evaluation (if expensed)	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(6)	(54)
(e) administration and corporate costs	(59)	(220)
1.3 Dividends received (see note 3)		
1.4 Interest received	1	1
1.5 Interest and other costs of finance paid	(1)	(1)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(65)	(268)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities		
(b) tenements		
(c) property, plant and equipment	(44)	(130)
(d) exploration & evaluation (if capitalised)	(222)	(785)
(e) investments	-	(15)
(f) 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) entities		
(b) tenements		
(c) property, plant and equipment		
(d) investments		
(e) other non-current assets	14	14
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	(252)	(916)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	252	1,050
3.2 Proceeds from issue of convertible debt securities		
3.3 Proceeds from exercise of options		
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(15)	(26)
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	237	1,024

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	252	332
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(65)	(268)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(252)	(916)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	237	1,024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	172	172

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	172	252
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)	172	252

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
53

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities		
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 Total financing facilities	-	-

7.5 Unused financing facilities available at quarter end	
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(65)
8.2 Capitalised exploration & evaluation (Item 2.1(d))	(252)
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(317)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	172
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	172
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	0.54

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Yes the company expects the same levels of operating cashflows for the time being.

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

The company has lodged a notice of meeting in order to refresh capital. It is scheduled for June 4, 2020. In addition, the company has prepared documentation for a rights issue that we are currently looking to launch in June 2020.

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

The company expects to be able to continue its operations and meet its objectives through a combination of cost cutting and capital raising over the next 3 months whilst at the same time progress its field exploration activities.

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.

Date: 30 April 2020

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.