

ASX Release

26 July 2022

DORCHAP LITHIUM PROJECT: ENTRY INTO AN EARN-IN AGREEMENT WITH SOCIEDAD QUÍMICA Y MINERA DE CHILE S.A.

The Directors of Dart Mining NL (**ASX:DTM**) (**Dart Mining** or **the Company**) are pleased to announce the entry into an Earn-in Agreement with Sociedad Química y Minera de Chile S.A. (via its wholly owned subsidiary SQM Australia Pty Ltd) (**SQM**) (**New York Stock Exchange NYSE:SQM; Santiago Stock Exchange: SQM-B, SQM-A**), for its Dorchap Lithium Project. SQM is a world-leading lithium miner and producer, with commercial offices in 20 countries, and customers in over 110 countries. SQM has a 50/50 joint venture with Wesfarmers, the Mt Holland Lithium project in Western Australia.

Highlights

- Dart Mining has granted SQM the right, but not the obligation, to sole fund exploration expenditure totalling **A\$12million over the next 6 years**
- During the *first* earn in period, SQM may earn an initial 30% interest in the Dorchap Lithium Project (**Project**) by sole funding exploration expenditure of **A\$3million** for the next 3 years
- Subject to meeting its initial funding obligations, and during the *second* and *third* earn in periods (respectively), SQM may elect to sole fund exploration expenditure of a **further A\$9million** in aggregate over two further periods totalling 3 years to earn a further 40% interest in the Project
- SQM may, at any time after it has earned an initial 30% interest in the Project, elect to enter into a Joint Venture Agreement with Dart Mining (and cease earning a further interest), on terms to be agreed. If that occurs, each party will be liable to fund their expenditure commitments in proportion to their percentage interests in the Project
- Dart Mining is appointed as the initial Manager of the Project during the earn-in phase
- SQM's earn in rights are subject to conditions, as detailed in the Key Terms section below

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- On 23 June 2022 Dart Mining announced encouraging drilling results for the Project, which includes 10m @14.5% Spodumene. Spodumene is the primary ore mineral mined globally for hard-rock lithium deposits. Mineralogical analyses has determined Spodumene as being the primary lithium mineral in LCT pegmatite dykes of the Dorchap Range (see Announcement: [DTM ASX release 23rd June 2022](#)).

Chairman, James Chirnside, commented: *"Dart Mining is delighted to be partnering with SQM on the further exploration of its Dorchap Lithium project. The collaboration with SQM brings world class technical and operational expertise to a very worthy exploration target.*

Dart Mining was the first exploration company to discover Lithium on the East Coast of Australia in 2016. Through Dart's persistence and early exploration efforts, the project is finally getting the recognition it deserves. We have a clear pathway for project exploration through to the next stage, and our partnership with SQM will ensure that we are able to both attain that objective and enhance our knowledge and understanding of the project within an accelerated timeframe."

SQM's Executive VP for Lithium, Carlos Díaz said today, *"We are looking forward to this new endeavour with Dart to find and potentially develop the first lithium project in Victoria. We believe that the combination of both partners' strengths and expertise will factor in the success of this partnership".*

Dart Mining has granted SQM the right, but not the obligation, to sole fund exploration expenditure totalling **A\$12million over the next 6 years**. In that regard, SQM has the right, but not the obligation, to earn an initial 30% interest in the Project (ELs 5315, 006277, 006300 and 006486) by sole funding a minimum of **A\$3million** for the next 3 years on exploration mining and treatment activities. SQM may then elect to sole fund expenditure of a further **A\$9million** in aggregate over a further 3-year period, to earn a further 40% interest in the Project.

The earn in periods and SQM's earn in rights are subject to conditions: see Key Terms below.

Dart Mining's Dorchap Lithium Project (Figure 1), in Victoria, has identified five types of lithium-bearing minerals, namely, spodumene, petalite, lepidolite, amblygonite, and cookeite. Spodumene, petalite and lepidolite (particularly spodumene) are the main sources of hard-rock lithium ores. Cookeite is a secondary lithium-silicate mineral formed through the alteration of other lithium-bearing minerals.

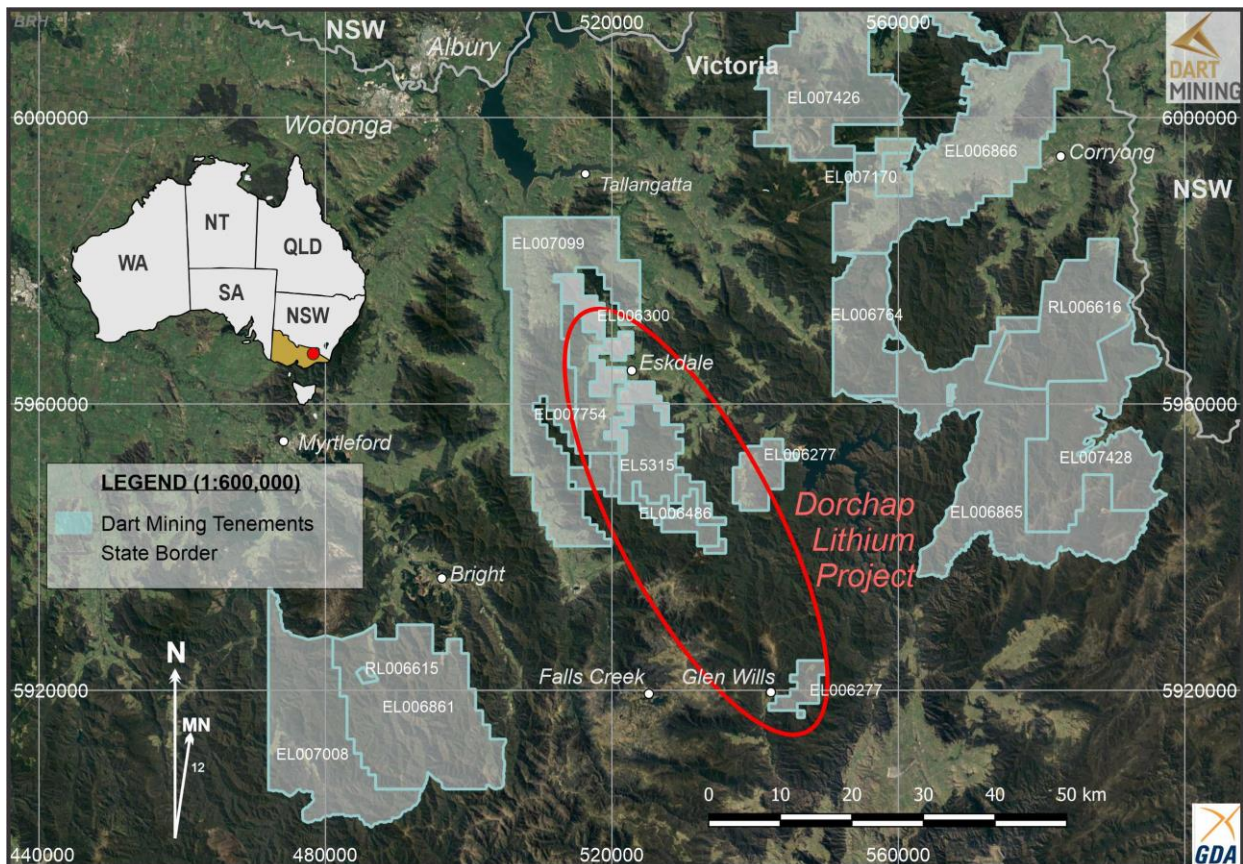


Figure 1 – Location of Dart Mining’s tenements and the Dorchap Lithium / LCT pegmatite exploration project in Northeast Victoria.

Dart Mining geologists first identified the lithium prospectivity of pegmatite dykes in the Dorchap Range in 2016 (see [DTM ASX release May 2016](#); [DTM ASX release August 2016](#)). These are the first recorded lithium pegmatites identified in Victoria, and are believed to have been sourced from the nearby Mount Wills Granite. A regional sampling program has identified a strong fractionation trend across the Dorchap Range, resolving a 20×12 km zone of strongly fractionated pegmatites bearing enriched Li, Cs, Ta, Be and Sn mineralisation (see [DTM ASX release July 2021](#); [DTM ASX release June 2022](#)).

Dart Mining’s sampling program has seen some rewarding results, including: **10m at 0.95% Li₂O** from the Eagle Dyke and **10m at 1.38% Li₂O** from the Holloway Dyke (Dorchap Range), and **10m at 1.22% Li₂O** from Scrubby Dyke, **1m at 838 ppm Cs₂O** and **0.46% SnO₂**, and a grab sample at **9.98% SnO₂** from elsewhere in the Dorchap Range, in addition to **16m at >530 ppm Cs₂O**, **0.32% Li₂O** and **104 ppm Ta₂O₅**, and grab samples at **1.57% Li₂O** and **0.1% Ta₂O₅** at the Bluejacket Dyke in Glen Wills (see [Dart ASX release July 2021](#)). An initial drilling

program in 2019 has been followed by an airborne LiDAR mapping program in early 2021 (see [Dart ASX release March 2021](#)), which has allowed additional, detailed mapping of pegmatite dykes that were previously overlooked in pockets of dense bush across the Dorchap Range.

GLOBAL LITHIUM MARKETS

Global Lithium markets currently remain firm (Figure 2) as evidenced by recent auction results by Pilbara Minerals Ltd (ASX:PLS), reflecting ongoing strong demand from converters and battery manufacturers for use in Electric Vehicles (EV's). Supply imbalances in the form of increased production have also, so far, failed to materialise. Given the outlook for demand and supply there is potential for these conditions to continue at least in the medium term.

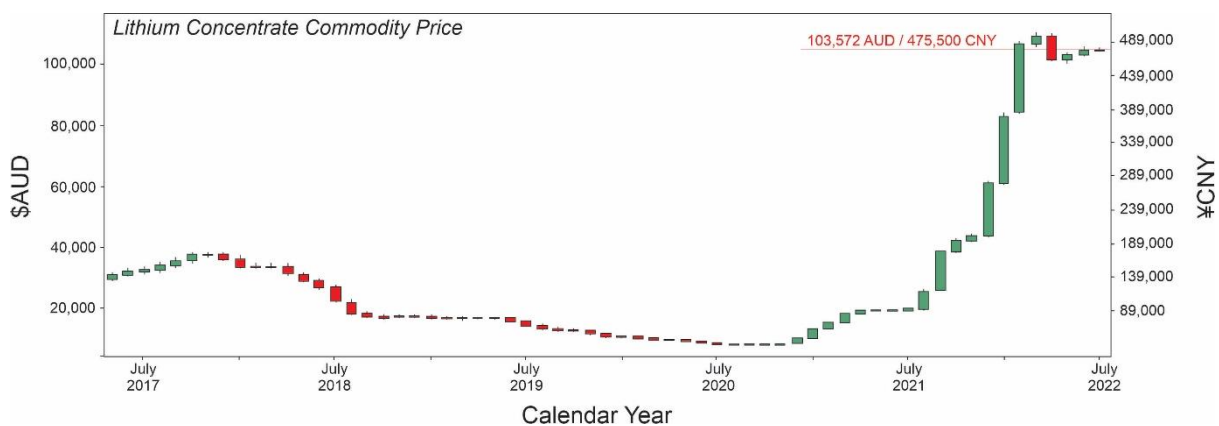


Figure 2 – Five year monthly trends in Lithium concentrate commodity price (source: Market Economics).

KEY TERMS

The execution of the Earn In Agreement (**Agreement**) between Dart Mining and SQM validates Dart Mining's view of the prospectivity for its Dorchap Lithium Project. The agreed expenditure is intended to be at a level which should enable better definition around that prospectivity.

The key terms of the Agreement are:

- SQM has been granted the right, amongst other things, to explore, mine and treat lithium (and related) minerals within the Project (comprising Victorian exploration tenements EL5315, EL006277, EL006300 and EL006486)
- SQM also has the right, but not the obligation, to sole fund exploration expenditure totalling **A\$12million over the next 6 years**
- During the *first* earn in period of 3 years, Dart Mining has granted SQM the right, but not the obligation, to earn an initial 30% interest in the Project by sole funding exploration expenditure of **A\$3million**

- SQM may elect to sole fund expenditure of a further **A\$9million** over two further periods totalling 3 years to earn a further 40% interest in the Project:
 - If SQM elects to continue with the Agreement, a *second* earn in period until the fifth anniversary of the Commencement Date in which SQM may elect to spend A\$3,500,000, to earn a further 21% interest in the Project
 - If SQM elects to continue with the Agreement, a *third* earn in period until the sixth anniversary of the Commencement Date in which SQM may elect to spend A\$5,500,000, to earn a further 19% interest in the Project
- EL5315 is currently subject to renewal by the Minister: if the renewal is granted, SQM will pay the Company the sum of \$300,000. If the renewal is not granted and SQM elects to continue to sole fund, then all funding amounts described above will be reduced by approximately 15% to reflect the area lost with EL5315. If EL5315 has not been renewed by the time SQM has spent A\$1million, then it may elect to suspend funding exploration activities until the renewal is granted, and the initial 3-year earn in period is extended accordingly
- Dart Mining is appointed as the Manager for the earn in period to conduct exploration and development work on the Project
- SQM may at any time after it has earned an initial 30% interest in the Project elect to enter into a Joint Venture Agreement (**JVA**) with Dart Mining, on terms to be agreed and in accordance with principles set out in the Agreement. If a JVA is entered into SQM will cease earning a further interest and each party will be liable to fund their expenditure commitments in proportion to their then percentage interests in the Project
- The parties have agreed that Dart Mining retains all rights and obligations in relation to minerals within the tenements comprising the Project, except for lithium and related metals
- The parties agree to establish a Technical Advisory Committee to make decisions to progress of the Project with SQM as the funding party having a casting vote
- SQM and Dart has been granted a right of first refusal in the event that the other party wishes to sell its interest in the Project.

Note, the Company cannot give any assurance that EL5315 will be renewed by the Minister, as renewal is at the Minister's discretion. Nevertheless, to date, Dart Mining has not received any notification from the Department that EL5315 will not be renewed. The renewal applied for is a second renewal.

NEXT STEPS

Dart Mining intends to accelerate exploration activities on the Dorchap Lithium Project in the coming months, with exploration works encompassing chip sampling of outcrop and historic tin pegmatite workings, and drilling of highly prospective roadside pegmatite dykes. Sampling activities will be focused within the identified Lithium fractionation zone in the northern and eastern Dorchap Range. Sampling of historic mines identified in LiDAR are also intended to be undertaken – historic tin mines are confirmed pegmatite localities, and there is large number of mines with few sampled to date (Lithium has previously been identified from tin workings in the Dorchap Range).

This release has been authorised by the Board of Directors.

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About Dart Mining

Dart Mining (ASX: DTM) has the aim of evaluating and developing several historic goldfields, as well as substantiating a new porphyry province in Northeast Victoria. The area is prospective for precious, base, and strategic metals. These include Lithium, Gold, Silver, Copper, Molybdenum, Zinc, Tungsten, Tin, Tantalum, and a host of other important minerals. Dart Mining has built a strategically placed gold exploration footprint in the Central and Northeast regions of Victoria, where historic surface and alluvial gold mining indicates the existence of potentially significant gold endowment.

Forward-Looking Statement

Certain statements contained in this release may constitute forward looking statements. Such forward-looking statements are based on a number of estimates and assumptions made by the Company and its consultants in light of experience, current conditions and expectations of future developments which the Company believes are appropriate in the current circumstances. These estimates and assumptions while considered reasonable by the Company are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, achievements and performance of the Company to be materially different from the future results and achievements expressed or implied by such forward-looking statements.

Investors are cautioned that forward looking information is no guarantee of future performance and accordingly, investors are cautioned not to place undue reliance on these forward-looking statements.