

# ASX Release

## Report for the Quarter Ended 30 September 2020

30 October 2020

### Report for the Quarter Ended 30 September 2020

Dart Mining NL ("Dart" or "the Company") is pleased to present its Quarterly Report for the three-month period ending 30 September 2020 and to provide commentary and update to shareholders.

Commenting on the Quarter, Managing Director James Chirnside said:

***"The September quarter saw Dart Mining engaged in constant drill testing on its key Gold projects in NE Victoria. Assays have been very encouraging to date, and we look forward to delivering more results throughout the December quarter. Subsequent activities have seen drill testing commencement at Sandy Creek".***

#### OPERATIONS REPORT

Low impact, RAB drilling operations commenced at the Buckland and Sandy Creek gold projects during the quarter (Figure 1).

#### BUCKLAND GOLD PROJECT

The Buckland Gold Project drill program was designed to test the northern and southern extent of mineralisation at the Fairley's prospect where previous drilling and sampling by Dart has revealed very promising gold mineralisation (see ASX Announcement 01/09/2020). The drilling was designed to assess the subsurface extent of several rewarding chip and channel samples and targeted mineralisation 70m north of and 125m south of previous drilling, resulting in a concentration of drilling along a strike length of 300m. Due to steep terrain, drilling occupies a vertical range of 260m (Figure 2).

A total of 805m in 18 shallow RAB holes was completed at Fairley's prior to the end of September. All samples have been split and submitted to ALS in Adelaide for analysis. Assay results are pending.

The Buckland Gold Project is located 200km north-east of Melbourne and contains the regionally extensive Fairleys Shear Zone which controls the location of significant gold mineralisation in the Buckland Goldfield. Dart's exploration work has shown the Fairleys Shear Zone to consist of multiple individual mineralised shears, each several kilometres long (ASX 20 Aug 2019, ASX 2 Sept 2019). These shears are interpreted to be up to, or greater than 25m wide, and typically have a relatively narrow, high-grade quartz-sulphide core enveloped by wider, low to medium-grade disseminated sulphide mineralisation (ASX 13 Dec 2019). The scale of the shear-related mineralisation offers excellent potential for delineating a large-scale gold deposit.



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: 87,739,915

Unlisted options: 21,850,808

**Substantial Shareholders:**

Top 20 Holdings: 56.47%

**Board & Management:**

Managing Director: James Chirnside

Non-Executive Director: Denis Clarke

Non-Executive Director: Luke Robinson

Company Secretary: Julie Edwards

**Dart Mining NL**

ACN 119 904 880

**Contact Details:**

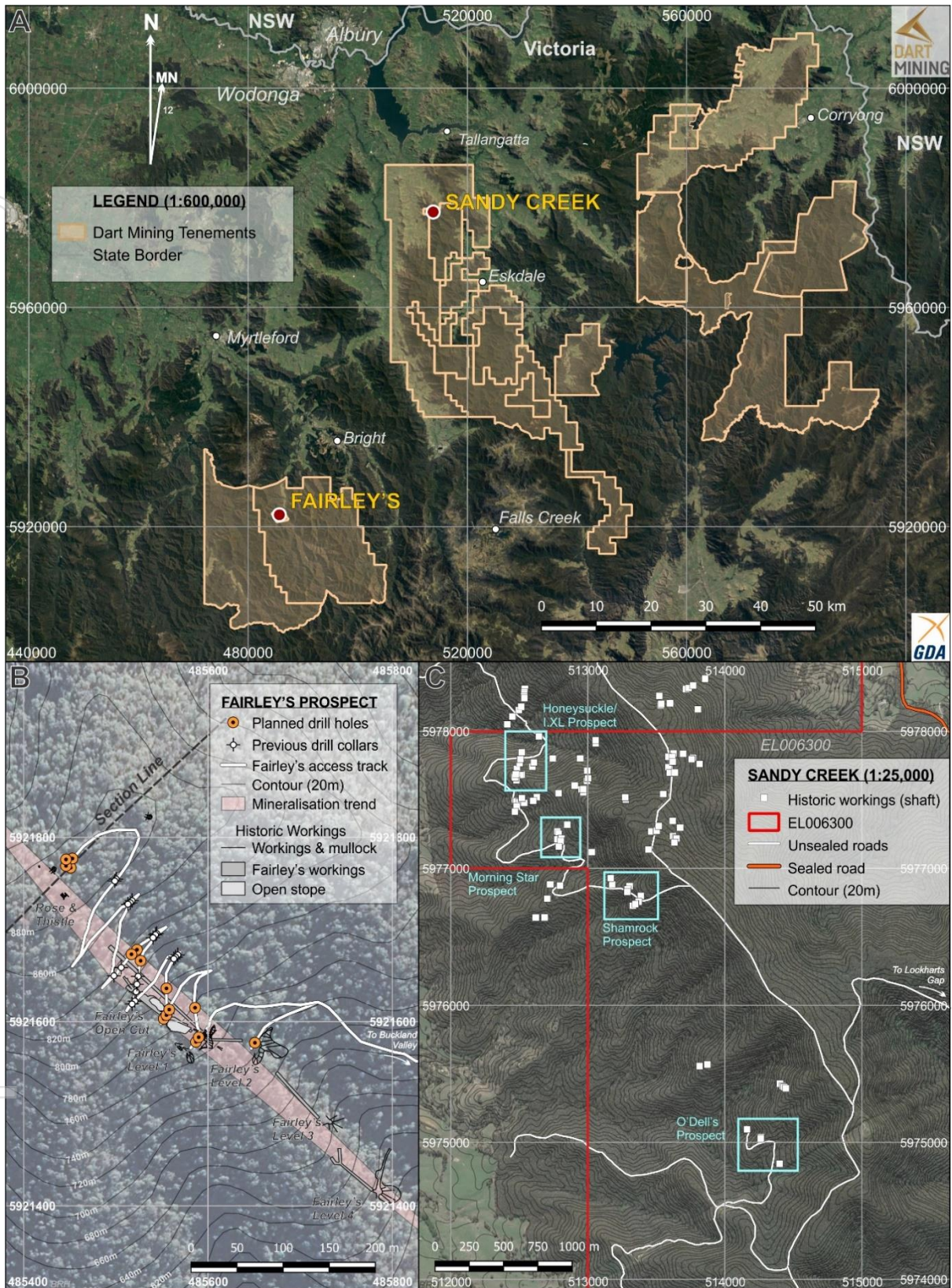
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**James Chirnside**

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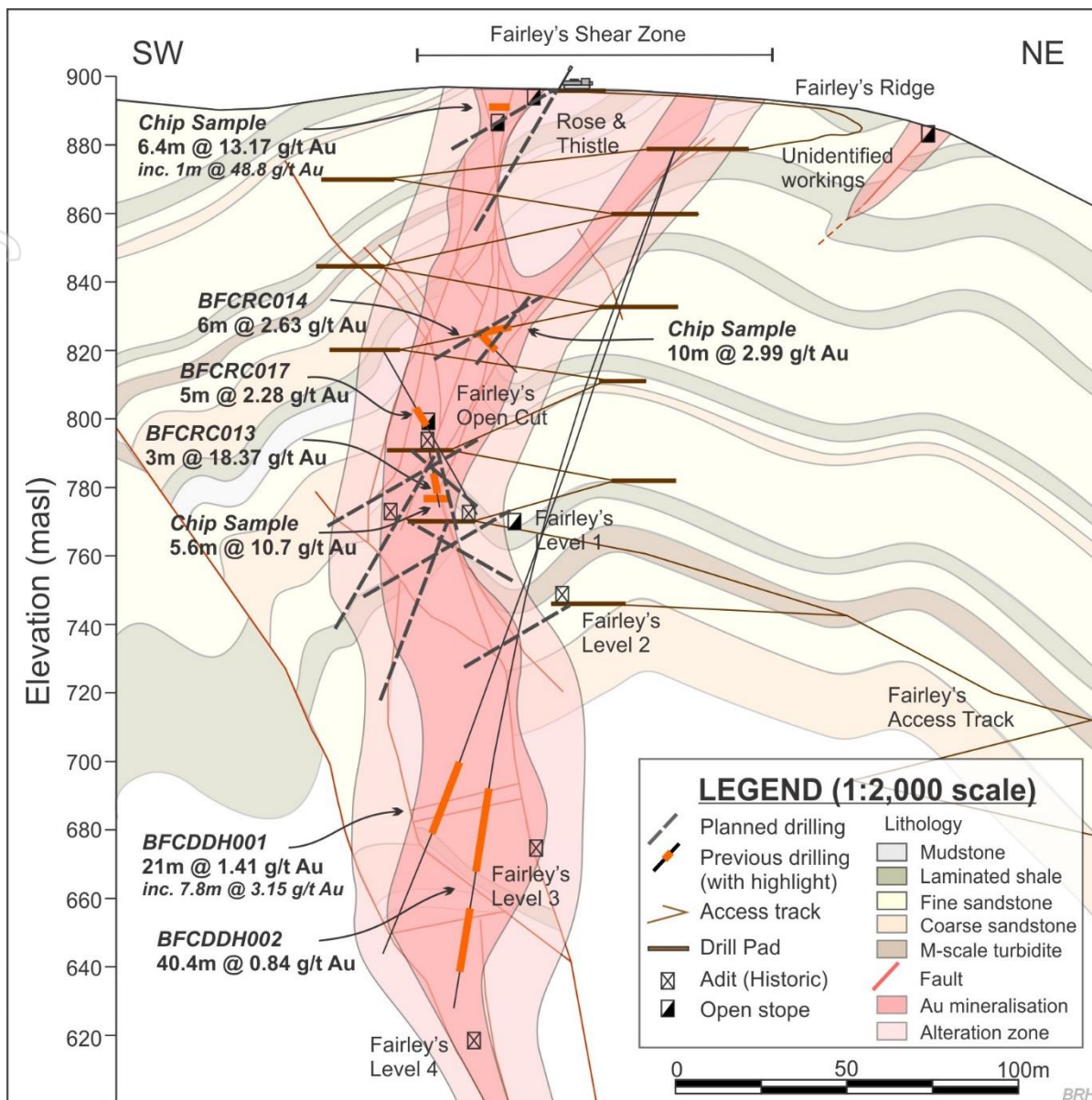


Figure 2: Cross-section of targeted mineralisation at Fairley's. Selected highlights from previous drilling (Dart ASX 15 December 2008, Dart ASX 31 December 2008) and chip sampling shown (Dart ASX December 2019; Dart ASX February 2020). Note that cross section (B) is compiled from approximately 150m of transposed data.

### SANDY CREEK GOLDFIELD

A program of approximately 1,000m of RAB drilling across five targets at Sandy Creek commenced late in September following the completion first phase drill program at the Buckland Gold Project.

A total of 12 holes, for 402m had been completed prior to the end of the quarter. The program is ongoing and assay results for the first 12 holes are pending.

The Sandy Creek and Tallandoon goldfields in northeast Victoria are known for historical production of exceptionally high-grade gold from narrow lodes (up to 3.5 kg/t). Located 60km south of Albury-Wodonga, detailed mapping and sampling by Dart Mining geologists have redefined the exploration and mineralisation model for these goldfields. Exploration focus has now shifted to higher volume, disseminated gold sulphide mineralisation in altered granites adjacent to high-grade, narrow-vein gold mineralisation.

During the quarter, Dart Mining reported exceptional results from recent mapping and sampling activities at Sandy Creek Gold (see ASX Announcement 03/07/2020). Rock chip and soil sampling has provided evidence for multiple zones of gold mineralisation associated with altered granite at structural intersections on the periphery of the Yabba Granite.

First-phase drilling at Sandy Creek is focused on the I.X.L, Honeysuckle, Morning Star, Shamrock and O'Dell's prospects, with their prevalence of disseminated gold-sulphide mineralisation, and potential for producing a high tonnage target. Historically, these prospects were worked for low tonnage, narrow vein, high grade gold (Dart ASX July 2020). Dart geologists have reassessed the mineralisation style and identified significantly thick intersections of lower grade gold mineralisation in hydrothermally-altered granites and the first phase of drill testing in this program is designed to identify the extent of low-grade gold-sulphide mineralisation beyond the narrow confines of existing workings. Historic mining targeted narrow, high-grade gold mineralisation, and provides limited indication as to the extent of the disseminated gold-sulphide mineralisation of the Yabba Granite.

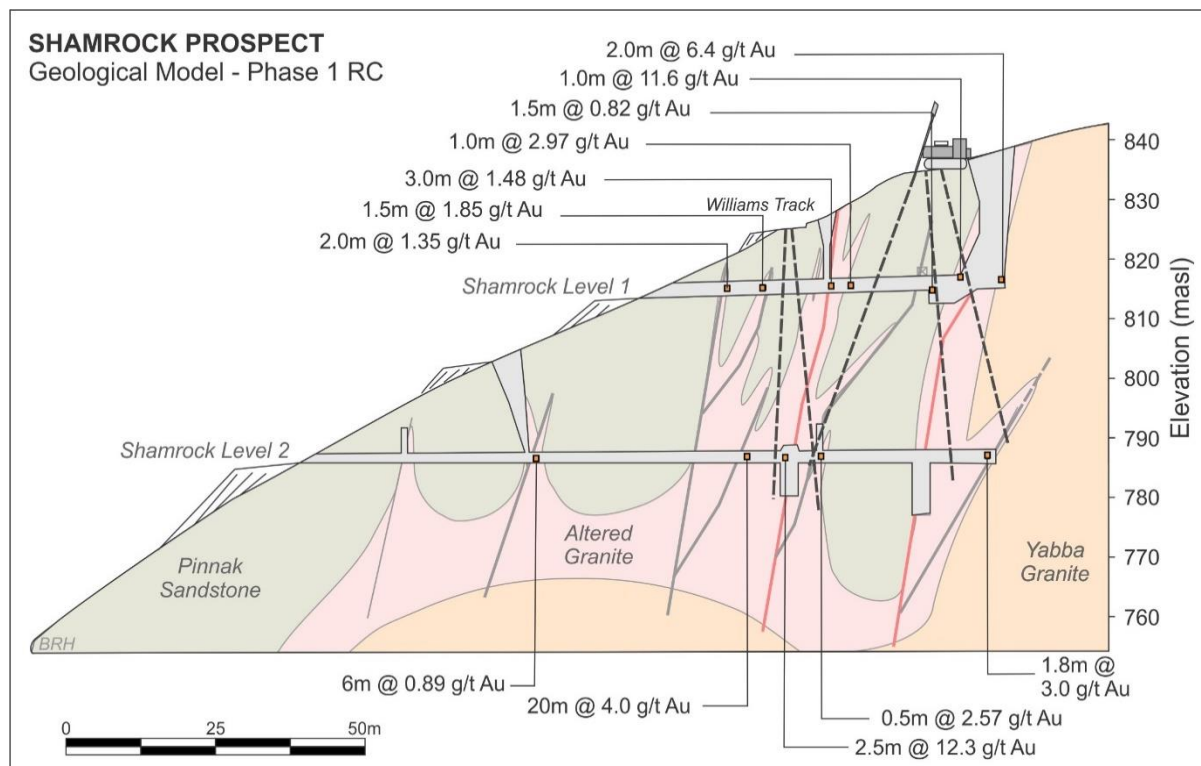


Figure 3: Cross-section through the Shamrock prospect showing sampling highlights and the conceptual geological model for altered granite mineralisation in the Sandy Creek Goldfield. High-grade silica-gold mineralisation is present along narrow veins (red lines), whereas granite intrusion and subsequent hydrothermal alteration has exploited fractures (grey lines), resulting in an inconsistent distribution of altered, gold mineralised granite. Section is oriented northeast-southwest and drawn to scale (1:1000)

## LITHIUM EXPLORATION UPDATE

The Company is reviewing its pegmatite prospects with a view to undertaking further exploration for lithium and rare earth minerals in northeast Victoria.

## ACTIVITIES SUBSEQUENT TO THE REPORTING PERIOD

### Buckland Gold Project – Drilling Results

During October, the company received all assay results from sampling from the Fairley's drilling program discussed above (see ASX Announcement 19/10/2020). The results revealed further high-grade gold mineralisation at Fairley's and extended the mineralisation strike by over 100m. Significant intersections included:

Table 1: Significant intersections from recent Fairley's RAB Drilling

Hole ID	From (m)	To (m)	Interval (m)	Au (ppm)	Comments
BFCRAB001	19	26	7	1.27	South of Fairley's Level 1 open cut
BFCRAB002	17	19	2	<b>4.70</b>	Beneath Fairley's Level 1 drive
	25	26	1	0.57	
BFCRAB003	28	34	<b>11</b>	2.64	Hole drilled between Level 1 open cut and top open cut, including
	29	32	3	<b>7.49</b>	targeting high-grade mineralisation
BFCRAB004	10	14	4	1.23	
	20	23	3	1.15	
BFCRAB005	3	7	2	0.74	
	11	12	1	1.27	
	15	16	1	1.67	
BFCRAB007	49	50	1	0.70	
BFCRAB008	12	25	<b>13</b>	<b>4.82</b>	Targeting NW extension of Fairley's structure including
	20	22	2	<b>11.60</b>	
BFCRAB009	21	22	1	0.73	Targeting NW extension of Fairley's structure
	32	37	5	1.30	
BFCRAB010	5	7	2	2.32	Targeting and extension of a secondary mineralised structure identified by earlier drilling at depth
	18	22	4	1.10	
BFCRAB011	9	10	1	0.69	Targeting an extension of a secondary mineralised structure identified by earlier drilling at depth
	21	23	2	1.56	
	30	32	2	0.97	
	46	47	1	0.64	
BFCRAB014	35	37	2	2.58	Targeting mineralisation associated with Rose & Thistle
BFCRAB013	34	36	2	1.58	Targeting mineralisation associated with Rose & Thistle
	40	41	1	0.92	
BFCRAB015	29	31	2	0.87	Targeting small structure east of Fairley's main line
BFCRAB017	4	14	<b>10</b>	2.27	Vertical hole over structure dipping at 57 degrees SW, near Rose & Thistle workings including
	7	9	2	<b>5.52</b>	
BFCRAB018	26	29	3	2.62	Above Rose & Thistle workings

Notes:

1. Significant intervals are calculated using a 0.5ppm Au lower cut-off and no more than 2m of internal dilution
2. All intervals are down hole thicknesses with true widths yet to be determined

The results have demonstrated that significant widths and grades of gold mineralisation occur across a large strike and depth extent at the Fairley's Prospect. Although most of the holes were relatively shallow, the varying topography allows the Fairley's Shear Zone to be tested at a significant vertical range along strike. The program successfully extended the drilled strike extent to approximately 240m and has shown that both narrow, high-grade gold and broad, disseminated, lower grade enveloping mineralisation exist across the full strike and depth extent tested to date. Much of the current drill program was designed to also confirm that surface rock and channel sampled silica-sericite-sulphide altered and mineralised rock extends to depth and has successfully demonstrated that this is indeed the case. The Fairley's Shear remains open along strike and at depth and Dart believes that great potential exists at the prospect for the discovery of a significant body of gold mineralisation.

The Fairley's Prospect represents a small portion of a 17.5 km-long shear zone (which remains open to the south) that has been identified in the last two years by Dart through extensive soil sampling and mapping that have revealed strong As and Au anomalism.

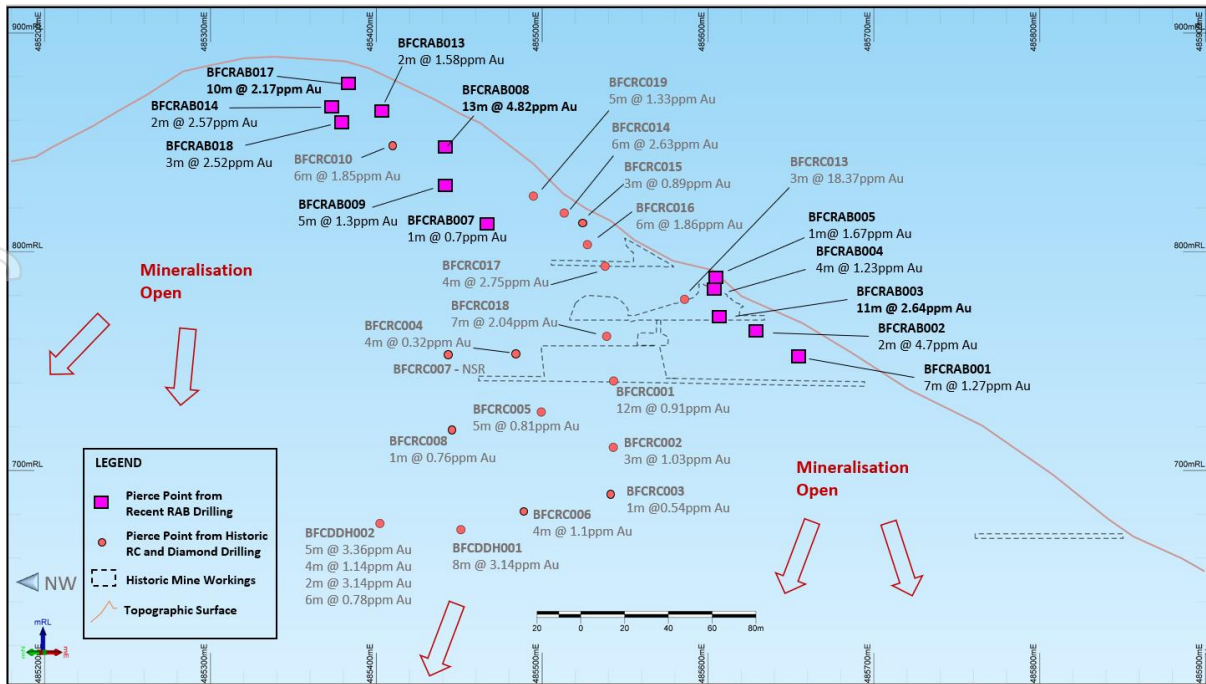


Figure 4: Oblique Long Section looking northeast through the Fairley's mineralised zone. Recent RAB intercepts are marked by purple squares. Mineralisation remains open and untested along strike and at depth. Historic drill results (pink spots) are described in ([Dart ASX 15 December 2008](#), [Dart ASX 31 December 2008](#), [Dart ASX 30 January 2015](#)).

## CORPORATE

### Entitlement Offer

During the quarter, Dart Mining introduced and completed an Entitlement Offer of one New Share offered for every three shares held by Eligible Shareholders at an issue price of \$0.20 per share and one free attaching option for every new share issued, exercisable at \$0.30 and expiring on 30 September 2022 has now closed.

The Company received acceptances from Eligible Shareholders for a total of 12,780,808 New Shares raising \$2,556,162.

The number of New Shares offered pursuant to the Offer was 24,986,369 resulting in a shortfall of 12,205,561 New Shares, being 48% of the shares on offer.

The Company's cash position at the end of the September quarter was approximately \$2.419m.

## TENEMENT STATUS

During the quarter, the Company submitted applications for 5 additional exploration licences in northeast and eastern Victoria (Table 2). The five new applications total 2,326km<sup>2</sup> in area and are awaiting formal acceptance by the Department of Earth Resources.



Table 2: Tenement Status to October 2020.

Tenement	Name	Holder	Status	Granted Date	Expiry Date	Application Date	Current Area (Grats/Ha)	Report Date
EL006016	Rushworth 2	Dart Mining NL	Granted	20-Apr-17	19-Apr-22	20-Apr-17	61	30-Sep
EL006277	Empress	Dart Mining NL	Granted	15-Aug-17	14-Aug-22	15-Aug-17	165	30-Sep
EL006300	Eskdale	Dart Mining NL	Granted	14-Aug-17	13-Aug-22	14-Aug-17	182	30-Sep
EL006486	Mt Creek	Dart Mining NL	Granted	19-Mar-18	18-Mar-23	19-Mar-18	142	30-Sep
EL006764	Eskdale	Mt Unicorn Holdings Pty Ltd	Granted	20-Aug-20	19-Aug-25	4-Jun-18	170	30-Jun
EL006861	Buckland	Dart Mining NL	Application			20-Dec-18	414	30-Sep
EL006865	Dart Goldfields	Dart Mining NL	Application			24-Jun-19	567	30-Sep
EL006866	Cudgewa	Dart Mining NL	Application			24-Jun-19	508	30-Sep
EL006994	Rushworth	Dart Mining NL	Application			30-May-19	190	30-Sep
EL007007	Union	Dart Mining NL	Application			14-Jun-19	3	30-Sep
EL007008	Buckland West	Dart Mining NL	Application			18-Jun-19	344	30-Sep
EL007099	Sandy Creek	Dart Mining NL	Application			1-Oct-19	437	30-Sep
EL007170	Berringama	Dart Mining NL	Application			10-Jun-20	27	30-Sep
EL007425	Deddick	Dart Mining NL	Application-Acceptance Pending			5-Aug-20	341	30-Sep
EL007426	Walwa	Dart Mining NL	Application-Acceptance Pending			7-Aug-20	499	30-Sep
EL007428	Boebuck	Dart Mining NL	Application-Acceptance Pending			11-Aug-20	355	30-Sep
EL007430	Buchan	Dart Mining NL	Application-Acceptance Pending			12-Aug-20	546	30-Sep
EL007435	Goonerah	Dart Mining NL	Application-Acceptance Pending			14-Aug-20	587	30-Sep
EL4724		Dart Mining NL	*s16A Continues in effect	31-Oct-03	30-Oct-17	31-Oct-15	8	30-Sep
EL4726		Dart Mining NL	*s16A Continues in effect	31-Oct-03	30-Oct-17	31-Oct-15	76	30-Sep
EL5194	Alfred	Dart Mining NL	Expired	7-Oct-09	6-Oct-19	7-Oct-14	27	30-Sep
EL5315	Mitta	Dart Mining NL	Granted	22-Sep-11	21-Sep-21	22-Sep-16	172	30-Sep
MIN006619	Mountain View Project	Mt Unicorn Holdings Pty Ltd	Granted	29-Nov-19	28-Nov-29	15-Dec-17	223.9 ha	30-Jun
RL006615	Fairleys Project	Mt Unicorn Holdings Pty Ltd	Application			15-Nov-17	340.2 ha	30-Sep
RL006616	Unicorn Project	Mt Unicorn Holdings Pty Ltd	Application			15-Nov-17	23,116.27 ha	30-Sep

**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")

30 September 2020

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(32)	(32)
	(e) administration and corporate costs	(207)	(207)
1.3	Dividends received (see note 3)		
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid		
1.7	Government grants and tax incentives	17	17
1.8	Other (provide details if material)		
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(222)</b>	<b>(222)</b>

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment	(414)	(414)
	(d) exploration & evaluation (if capitalised)	(351)	(351)
	(e) investments	(10)	(10)
	(f) other non-current assets	-	-

## Mining exploration entity or oil and gas exploration entity quarterly cash flow 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) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) 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)		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(775)</b>	<b>(775)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,556	2,556
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	(30)	(30)
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)		
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>2,526</b>	<b>2,526</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	890	890
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(222)	(222)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(775)	(775)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,526	2,526

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,419	2,419

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	2,419	890
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)	2,419	890

**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

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>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 <b>Total financing facilities</b>	-	-

7.5 <b>Unused financing facilities available at quarter end</b>	
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.	

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (Item 1.9)	(222)
8.2 Capitalised exploration & evaluation (Item 2.1(d))	(351)
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(573)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	2,419
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	2,419
8.7 <b>Estimated quarters of funding available (Item 8.6 divided by Item 8.3)</b>	4.22

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?

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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?

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

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## 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 October 2020

Authorised by: By the Board

## 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.