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DART MINING NL

ABN: 84 119 904 880

**Financial Report
For the Half Year Ended
31 December 2020**

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 2020

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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 2020 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 2020.

Directors

The directors of Dart Mining NL at any time during or since the end of the half-year ended 31 December 2020 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 2020 is \$229,712 (2019: \$372,693).

Review of Operations

A detailed review of operations is contained in the quarterly reports of September 2020 and December 2020 issued to the Australian Stock Exchange Limited.

Corporate

A detailed review of operations is contained in the quarterly reports of September 2020 and December 2020 issued to the Australian Stock Exchange Limited.

Exploration

The first half of FY21 saw frenetic drilling activity (~5,000m) on four key projects – Buckland Gold, Granite Flat Copper Gold, Sandy Creek Gold, and Rushworth Gold.

To date we have received and reported assay results from three projects and are awaiting reporting on the fourth program (Rushworth). Assay laboratories have been very busy especially with Victorian sourced samples. COVID-19 delays have impacted processing times also.

The company's flagship projects remain Granite Flat (see ASX release March 8th), and Buckland (see ASX release October 19) and we expect to recommence drilling on Granite Flat in April 21 and Buckland as soon as we receive permitting expected by August 2021.

Significant exploration activities are planned for calendar 2021 and include a LIDAR survey, Geophysical programs, further Soil sampling and mapping, and most importantly drilling. It is the company's objective to drill 20,000m during calendar 2021 over multiple projects in NE Victoria.

Dart has managed to aggregate a large, targeted, and highly prospective portfolio of exploration assets in NE Victoria. We believe that the region is mineral rich and under-explored. Contemporary methods of exploration fit well with the portfolio's topography and vegetation profiles. New technologies and further refinement of existing technologies put the company in an excellent position to more quickly generate exploration targets for drilling. This is where we need to be.

Over the past few years, we have pursued an operational strategy of self-reliance in our ability to explore NE Victoria. We have acquired a transportable container camp which served us very well during the COVID-19 lockdown of Victoria in 2020. We were able to continue drilling despite most operators being forced to shut down during lock-down. The company has also acquired a small diamond drill rig at a modest cost which will enable us to continuously generate core results throughout the year. Percussion as well as deep core drilling will continue to be carried out by contractors on an as needed basis. We expect to achieve significant savings on drilling costs which enables us to pursue a more aggressive drill programs on a more consistent basis.

Commodity Markets

Gold and Silver markets displayed strong market action at the beginning of FY21 but retreated against a backdrop of rising bond markets. Meanwhile Crypto currencies attracted a lot of attention arguably at the expense of precious metals markets. Fundamentally precious metals markets are sound against a backdrop of Economic and Geopolitical uncertainty. Base metals including Copper, Tin, Zinc, look strong with solid supportive fundamentals on both the demand and supply side. Dart holds withing its portfolio strong base metals prospectivity at Granite Flat, Walwa Tin, and recent applications at Buchan in East Gippsland.

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
16 March 2021

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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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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	Note	Consolidated	
		December 2020	June 2020
Current Assets			
Cash and cash equivalents		3,023,195	890,086
Trade and other receivables		123,483	22,740
Other assets		35,038	26,709
Total Current Assets		3,181,716	939,535
Non-Current Assets			
Property, plant and equipment		1,442,826	695,552
Other non-current assets		105,527	106,175
Deferred exploration and evaluation assets	4	10,947,357	9,475,144
Total Non-Current Assets		12,495,710	10,276,871
TOTAL ASSETS		15,677,426	11,216,406
Current Liabilities			
Trade and other payables		177,157	232,292
Provisions		99,720	83,774
Total Current Liabilities		276,877	316,066
Non-Current Liabilities			
Provisions		11,241	10,218
Total Non-Current Liabilities		11,241	10,218
TOTAL LIABILITIES		288,117	326,284
NET ASSETS		15,389,309	10,890,122
Equity			
Issued capital	5	30,525,523	25,891,124
Reserves		287,000	192,500
Accumulated losses		(15,423,214)	(15,193,502)
TOTAL EQUITY		15,389,309	10,890,122

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 2020

	Ordinary Share Capital	Share-Based Payment Reserves	Accumulated losses	Total
	\$	\$	\$	\$
Consolidated Group				
Balance at 1 July 2020	25,891,124	192,500	(15,193,502)	10,890,122
Comprehensive income				
Loss for the period	-	-	(229,712)	(229,712)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income/(loss) for the year	-	-	(229,712)	(229,712)
Transactions with owners, in their capacity as owners, and other transfers				
Options and performance rights issued	-	94,500	-	94,500
Issue of fully paid shares	4,997,274	-	-	4,997,274
Capital raising costs during the period	(362,875)	-	-	(362,875)
Total transactions with owners and other transfers	-	-	-	-
Balance at 31 December 2020	30,525,523	287,000	(15,423,214)	15,389,309
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

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 2020

	Consolidated	
	December 2020 \$	December 2019 \$
Cash Flows from operating activities		
Receipts from customers	6,416	6,416
Government rebates	28,969	-
Payments to suppliers and employees	(446,253)	(207,223)
Interest received	100	759
Interest paid	(1,003)	(835)
Net cash inflow/ (outflow) from operating activities	(411,771)	(200,883)
Cash flows from investing activities		
Payment for exploration expenditure	(1,368,805)	(528,590)
Payment for Investments	-	(10,750)
Refund of Investments	10,750	-
Purchase of property, plant and equipment	(806,248)	(122,998)
Payment of security bonds	(10,000)	(4,000)
Net cash inflow/ (outflow) from investing activities	(2,174,303)	(666,338)
Cash flows from financing activities		
Proceeds from issue of shares	4,997,274	797,975
Share issue costs	(271,675)	(10,840)
Net cash inflow/ (outflow) from financing activities	4,725,599	787,135
Net cash inflow/ (outflow) for the reporting period	2,133,108	(80,086)
Cash and cash equivalents at the beginning of the period	890,086	331,740
Cash and cash equivalents at the end of the period	3,023,194	251,654

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

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 2020 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 16 March 2021.

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 2020, unless otherwise stated.

b) Critical Accounting Estimates and Judgements

The critical estimates and judgements are consistent with those applied and disclosed in the June 2020 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 2020

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 2020, the Group had net current assets over current liabilities of \$2,904,839 (30 June 2020: net current asset of \$623,469) with cash reserves of \$3,023,195 (30 June 2020: \$890,086).

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 2020 \$	December 2019 \$
Revenue		
Interest received	216	712
Vegetation offset sales	-	6,416
Government rebates	28,969	-
TOTAL REVENUE	29,185	7,128
Expenses		
Cost of vegetation offset sales	3,440	6,837
Exploration expenditure written off	-	-
Administration expenses	64,429	88,734
Consultancy fees	18,522	998
Depreciation	5,624	4,683
Employee costs	64,712	70,016
Share based payments	-	117,500
Insurance	15,134	16,770
Office expenses	11,662	16,479
Professional fees	73,052	45,286
Travel	594	10,698
Other expenses from ordinary activities	1,728	1,820
TOTAL EXPENSES	258,897	379,821

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

4. EXPLORATION AND EVALUATION ASSETS

	Consolidated Group	
	December 2020	June 2020
	\$	\$
Balance at the beginning of the period	9,475,144	8,536,188
Costs for the period	1,472,213	938,956
Exploration costs written off	-	-
Balance at the end of the period	10,947,357	9,475,144

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 2020	June 2020
	\$	\$
Issued Capital	30,525,523	25,891,124
	No.	\$
Movements in ordinary shares on issue		
At 1 July 2019	1,011,376,136	23,919,997
Share issue transaction costs net of capital raising costs	(937,889,242)	1,971,127
At 30 June 2020	74,959,107	25,891,124
Share issue (i)	24,986,369	4,997,274
Capital raise costs	-	(362,875)
At 31 December 2020	99,945,476	30,525,523

(i) Rights Issue and Rights Issue Shortfall placement.

Unlisted Options

1,250,000 exercisable at 30 cents and expiring 5 May 2022
 1,250,000 exercisable at 40 cents and expiring 5 May 2022
 1,250,000 exercisable at 30 cents and expiring 28 March 2022
 2,700,000 exercisable at 25 cents and expiring 30 June 2022
 2,620,000 exercisable at 8 cents and expiring 30 June 2022
 26,486,369 exercisable at 30 cents and expiring 30 September 2022

6. COMMITMENTS AND CONTINGENCIES

In addition to the commitments disclosed in the June 2020 Financial Report, the Group notes the changes to the following expenditure commitments during the six months ended 31 December 2020.

	December 2020	June 2020
Minimum exploration commitments	30,640,839	623,277

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 2020 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
16 March 2021

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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 2020, 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 2020 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 2020 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


I.L. JENKINS

Director
Melbourne: 16 March 2021

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