



DARTMININGNL

ASX Release

Report for the Quarter Update Ended 31 December 2015

29 January 2016

ASX Code: DTM

Key Projects:

Unicorn Porphyry: Mo-Cu-Ag

Copper Quarry: Cu-Au

Gentle Annie: Cu

Morgan Porphyry: Mo-Ag-Au

Fairley's: Au

Mountain View: Au

Investment Data:

Shares on issue: 259,924,632

Unlisted options: 12,473,048

Substantial Shareholders:

Top 20 Holdings: 53.94%

Board & Management:

Managing Director: James Chirside

Non-Executive Director: Luke Robinson

Non-Executive Director: Russell Simpson

Company Secretary: Julie Edwards

Dart Mining NL

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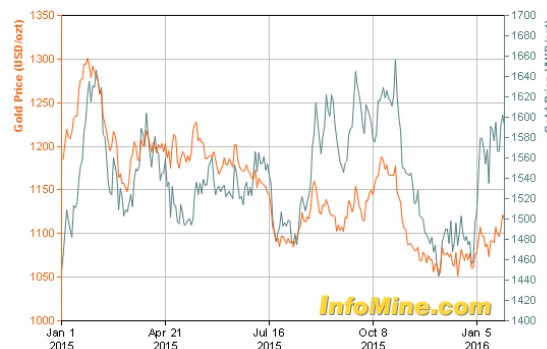
Corporate Update

- Development work progressed at the Mountain View Au project ahead of a "Decision to Mine" board resolution expected to be made in February.
- A review of exploration geochemistry work (pXRF) along strike, north of the Mountain View mine has identified arsenic soil anomalies that require further investigation.
- The Company issued a small amount of stock in a private placement in November raising \$200,000 for ongoing work at Mountain View and Rushworth.
- Final investigations into the Mt. Unicorn Mo project concluded with a decision to halt any further works given the dire situation in the Mo market. (See chart below)
- All resolutions at the AGM on the 27th November were carried affirmatively by overwhelming margins.
- Negotiations with joint-venture partner Northern Mine Ventures Pty Ltd concluded with a binding agreement to develop established Au mining and exploration tenements at Rushworth and Beechworth in Victoria.
- Work has begun – on site - at Rushworth with mapping and modelling of the project area and mineralisation (see below for further information)
- The Company continued to cut costs throughout the period, particularly at the corporate overhead level and notes plans for further cost reductions to be made in this area.
- The drawdown in cash reflects the substantial work completed during the period in development work around the Mountain View Au project.
- The company entered into further non-binding negotiations on additional prospective historic gold field tenements. The company expects to extend and broaden these discussions moving forward.
- The ongoing R&D concession dispute with Innovation Australia is progressing positively under the internal review process and we expect further guidance on this before the end of March.
- The A\$ and US\$ bullion price remained steady and within the Company's anticipated range and expectations. This trend lends further credence and confidence to the Company's revised strategy of achieving operating profitability from Au development and production. (See chart below)

Molybdenum Oxide Price
5.44 USD/lb
26 Jan '16

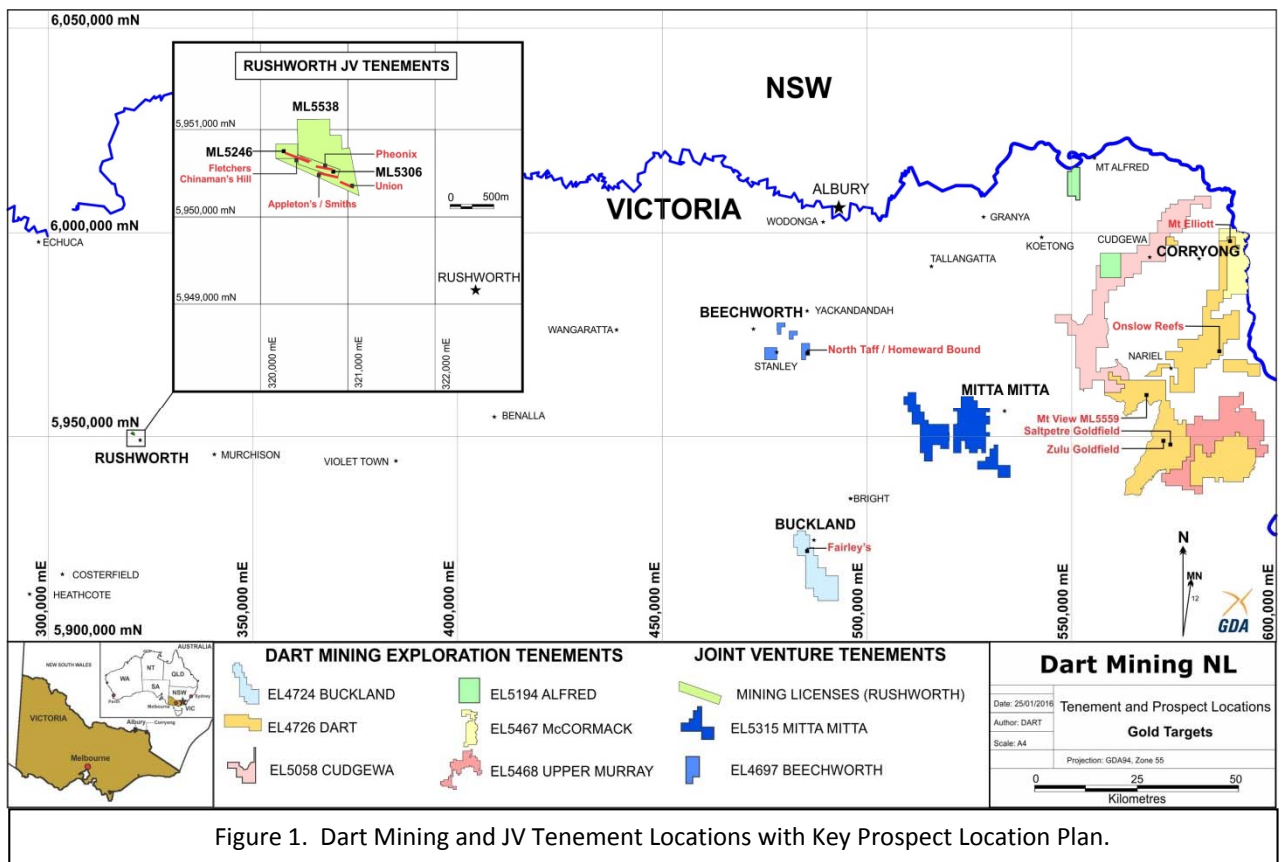


GOLD PRICE - GOLD PRICE
Jan 1, 2015 - Jan 27, 2016



GOLD ASSET DEVELOPMENT UPDATE

Consistent with the Company's revised strategy and focus on Au development and production Dart has prioritised and focused work on two specific projects at Mountain View and Rushworth in Victoria.



MOUNTAIN VIEW PROJECT (ML5559)

Bulk Sample / Metallurgical Program

Scoping level mine design and costing aspects of the proposed Mountain View open pit have been completed with economic assessment awaiting the results of metallurgical testing from recently completed bulk sampling. The bulk sampling program was designed to provide gold recovery details and indicative processing operating costs associated with consumables. The results of the metallurgical testing will assist with the selection of the best toll treatment facility for the mineralisation style. The bulk sample was excavated from the base of the existing open pit. The sampling targeted what is interpreted to represent the upper portion of a high grade shoot (silica / sulphide lens) developed within the envelope of the Main Lens structure, exploited by the existing open pit (mined in 1992 by a private company). Drilling carried out by Dart Mining identified high grade gold mineralisation only some 3m below the current pit floor. The shallow excavation uncovered a silica / sulphide rich lens (Photographs 1 & 2) enclosed within an envelope of lower grade material, consistent with the geological model. Samples of both the high and low grade material have been submitted for a series of metallurgical tests, results are expected early in the March Quarter.



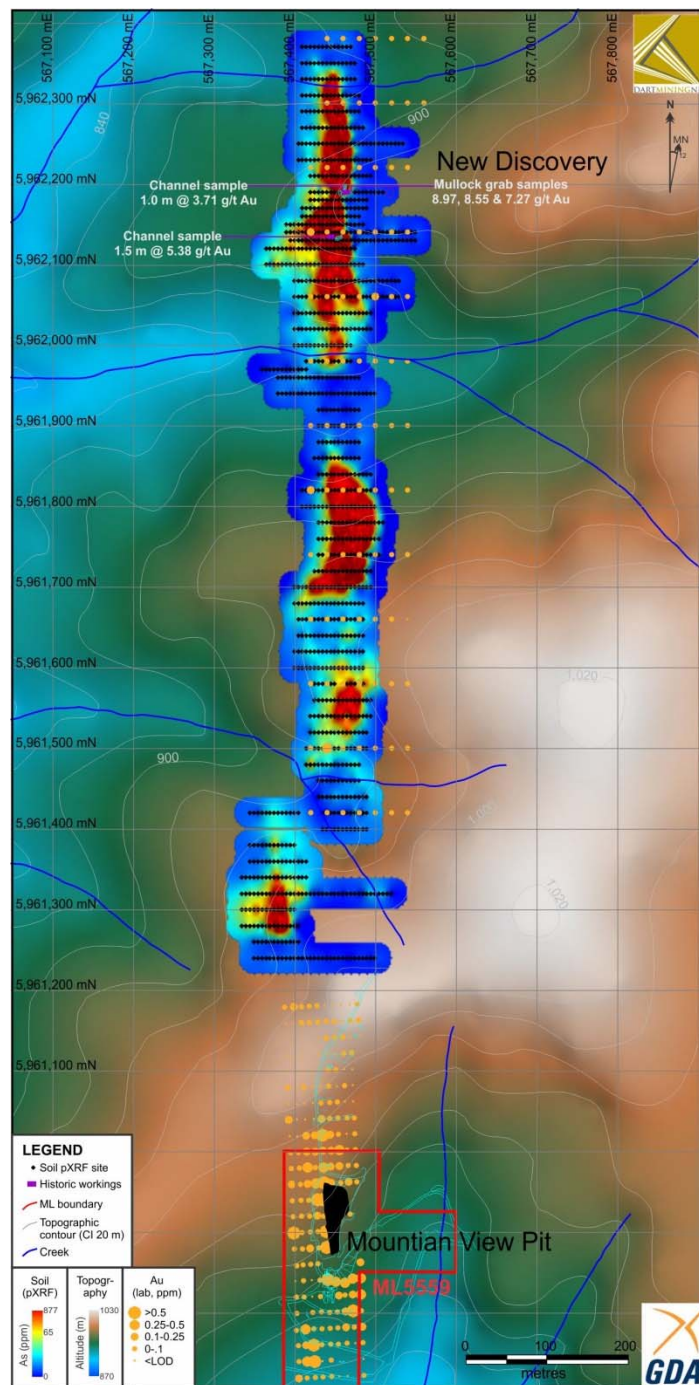
Photograph 1. Bulk Sample excavation



Photograph 2. High Grade Sample

Mountain View Line – Further Potential and Drill Targeting

The program of portable XRF (pXRF) infill soil geochemistry reported in the September 2015 quarter shows four strong arsenic in soil anomalies developed over a strike length of 1.3km, to the north of the Mountain View mine (Figure 2). These four arsenic in soil anomalies (See ASX DTM 16 Oct 2015) and the existing soil anomalies identified south of the Mountain View pit now show up to six target zones. These targets represent likely repetitions of gold mineralised sulphide lenses along the strike of the Brown's Creek fault over some 2 km of strike length with the larger anomalies worthy of first pass shallow drilling with an aim to expand the Mountain View line resource base.



FAIRLEY'S PROJECT

A Mineralisation Report is currently being prepared for the Fairley's Project using all available drill and rock chip data to model the drill tested near surface mineralisation. Additional soil traverses are planned to further expand and better define the very broad As in soil anomaly defined over approximately 400m width across strike over the western portion of the most southern soil line – 5,921,400mN (Figure 3). In addition, a Work Plan will be prepared for drilling to further test the shallow mineralisation already tested by a small drill program (December 2014) with first pass shallow drilling also being considered for the new Western Line along potential ridge top access.

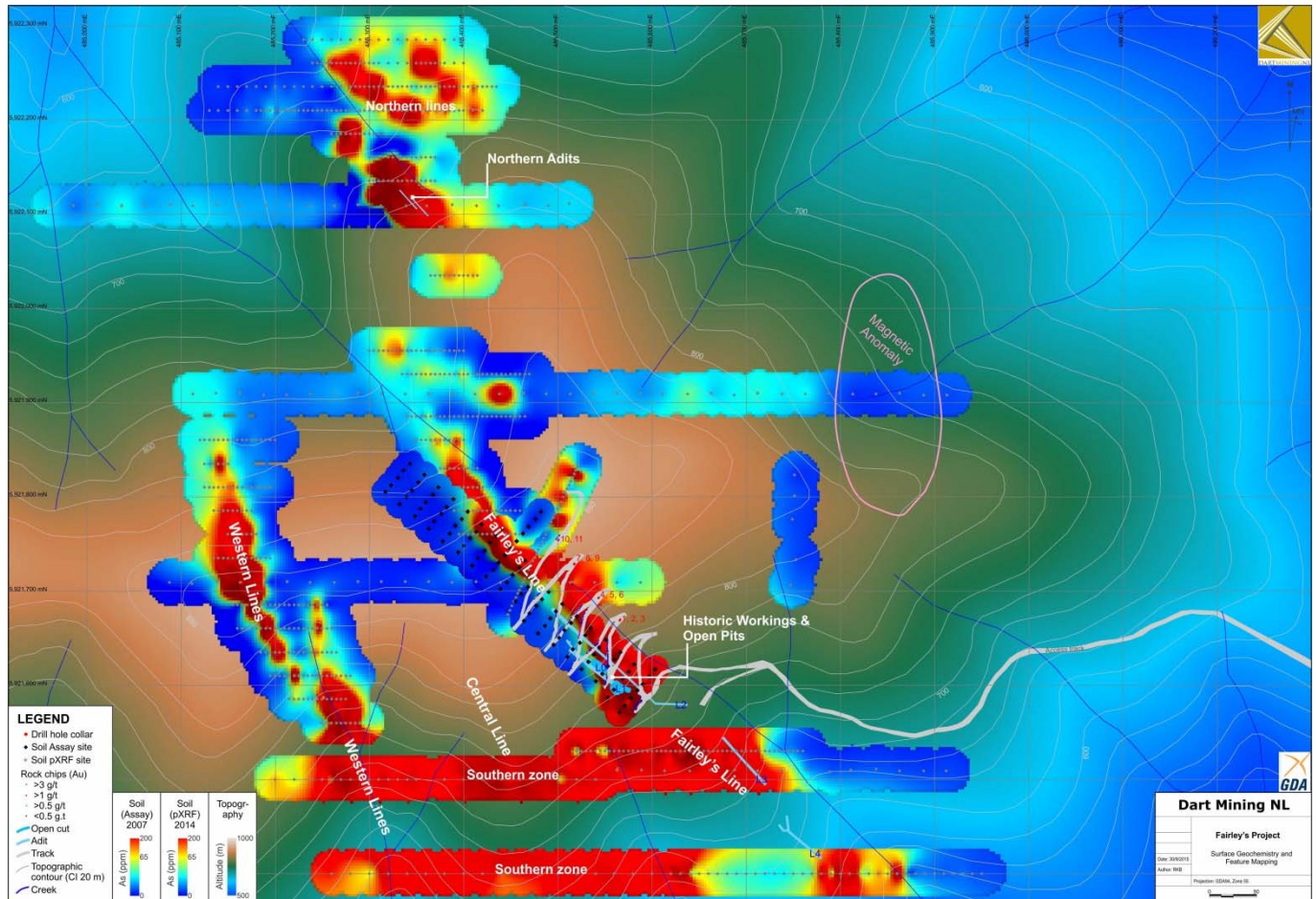


Figure 3. pXRF Soil As geochemistry colour contour over topography showing the location of historic workings and various parallel and strike extensions of mineralised shear systems at Fairley's Project – Buckland EL4724.

NORTHERN MINE VENTURES (NMV) JOINT VENTURE

Dart announced the Northern Mine Ventures Pty Ltd (**NMV**) Joint Venture (**JV**) agreement 13 November 2015. The JV agreement required registration by the Department of Economic Development, Jobs, Transport and Resources (DEDJTR) of a 50% interest by Dart Mining NL in NMV's tenements. Notification of the creation of interest agreements were registered on 9 December 2015 against EL4697 and EL5315 (Beechworth and Mitta Mitta tenements – Figure 1).

Following the compilation of extensive due diligence research conducted prior to the JV agreement, it is now appropriate to provide an update on the JV tenements and key targets.

The NMV JV tenement package comprises 44.8 Ha under mining licenses MIN5246, 5306 & 5538 in Rushworth, Central Victoria and 231 Graticules under Exploration License EL4697 & EL5315 in northeast Victoria (Figure 1).

Rushworth Tenements

Rushworth was an early hard rock goldfield in Victoria with underground operations within the NMV JV tenements first recorded in 1857 from the Appleton's zone. Gold mineralisation is hosted within quartz veins developed in various orientations resulting from thrust faulting through the folded sediments. The folds and bedding in the local area strike east – west with the main underground working (Phoenix Shaft to 45m) showing evidence for close vertical stacking of north dipping mineralised faults. These north dipping faults cross cut bedding in the south limb of the anticlinal fold and become bedded in the north limb. Where the main north dipping faults cross cut the dip of bedding, fault parallel quartz veining is observed, quartz veins are also developed within bedding and cleavage and perpendicular to bedding; collectively forming a halo to the main fault structure. A geology cross section through the Phoenix Anticline (Figure 4) illustrates the interpretation of vertically stacked shallow north dipping mineralised faults. The faults project up dip from the anticline axis and at outcrop can be defined by extensive open pits, trenches and shafts over the entire length of the tenements (some 950m).

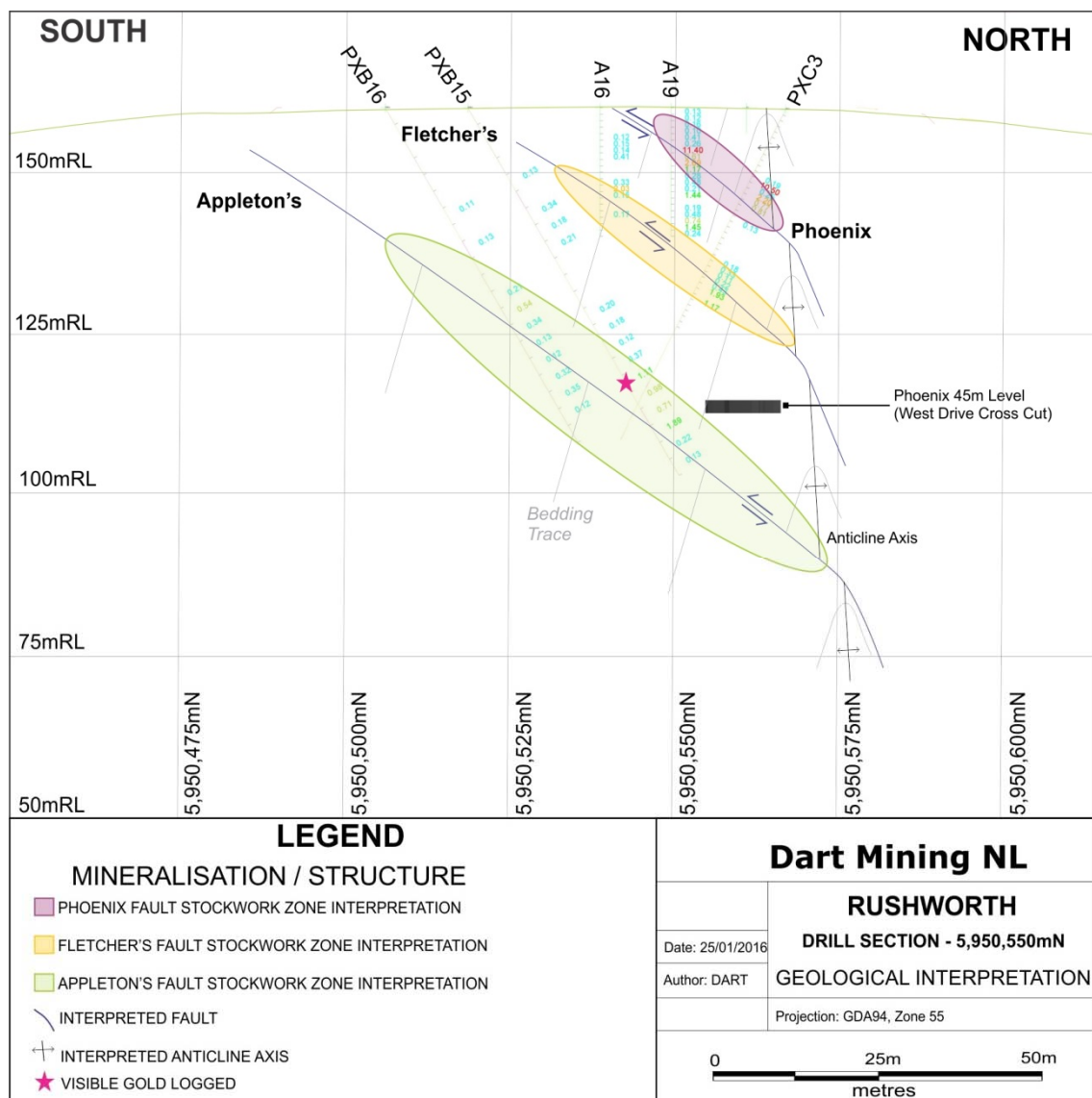


Figure 4. Simplified Geological Cross Section Interpretation (Looking West), Rushworth NMV JV Tenement MIN5306. Geological model indicates stacked stockwork zones halo shallow north dipping thrust faults in south limb sediments. Drilling conducted by New Holland Mining NL indicates isolated high grade intersections and recorded visible gold during chip logging (PXB15 – 48m downhole – Appleton's Zone).

Historic workings are not recorded below the 45m Phoenix mine level and commonly only exploited shallow high grade gold shoots to 10 – 20m down dip. The historic workings at surface are not continuous over the full 950m along strike, apparently being offset by near north-south faulting with down dip offsets also causing historic miners to loose very rich gold shoots only to have the offset portion discovered in an adjacent claim. The general trend of the outcropping mineralisation is evident throughout the length of the mining licenses (Figure 1 Inset) and illustrates the structural continuity of the main faults. There are numerous reports of mining bonanza grade shoots within the NMV JV mining tenements at Rushworth with a report from the Argus newspaper (10/11/1859) stating that the Chinaman's Hill Reef has averaged 7oz/t (218 g/t Au) since it was first worked, and that from one bucket of stone (*quartz reef material*) 180oz have been taken, and 265oz from another. The reports of multiple ounce per tonne mineralisation is noted from along the main mineralised faults over the 950m of outcrop, historic reports also observe payable spur zones at the 45m level in the Phoenix shaft but do not provide reliable production figures.

Rushworth Mining and Resource Evaluation Strategy

The strategy for development of the Rushworth JV mining tenements involves progressive small scale mining to target near surface, high grade drill intersections via small open pits. Drill grade and production grade can then be directly compared to build up a grade estimation process which can then be applied to the rest of the drilled mineralisation and any further drilling conducted by Dart Mining. The organic growth path proposed is appropriate at Rushworth given a number of shallow drill indicated targets exist, suitable toll treatment facilities are readily available within close trucking distances and the mineralisation style is very simple metallurgically with high gold recoveries expected. The simple metallurgy is predominantly a result of the coarse free gold particles within the quartz, making the mineralisation particularly suitable for simple gravity separation. A typical example of the coarse gold recovered by gravity separation from drill samples from the Phoenix reef is shown in (Photograph 3).



following the high grade historic mining, hosted within the series of stacked stockwork halos to the thrust faults (Figure 4). The feasibility of the larger resource potential will be evaluated following Work Plan approval for small scale mining, additional drilling and resource estimation. The coarse, erratic nature of this style of gold mineralisation, typical of Central Victorian gold fields, makes resource estimation via drilling alone impractical. The use of small scale production to estimate average grades along the mineralised fault structures helps to overcome the small sample size available with drilling and also provides early gold production potential from the licenses following Work Plan approval.

Beechworth Tenement

The Beechworth Tenement (EL4697 – currently under a Retention Licence Application) forms a part of the NMV JV package and is located in north east Victoria (Figure 1). The tenement contains the main production centres of the historic Beechworth – Stanley Goldfield. Gold mineralisation typically occurs within quartz vein structures that form predominantly parallel with bedded north-south shear zones, but can also form within pipe like stockwork zones associated with the interaction of shears with large sandstone beds. Gold mineralisation is broadly scattered along two corridors within the tenement. The east corridor is approximately 1km wide and hosts the Taff, Bon Accord and Homeward Bound (Hillsborough) reef lines. The west corridor trends from Mt Stanley through to the Hurdle Flat Goldfield. Both corridors trend around 330° strike. Gold mineralisation is associated with quartz vein development and is generally present as free gold and minor associated sulphides, historical processing has relied upon simple gravity separation to recover the majority of the gold.

The Hillsborough Group is a collection of mines situated approximately 7km south-west of Yackandandah. The Homeward Bound mine was the most productive mine in this area producing 31,872ozs of gold from 61,199t of ore, averaging 16.2g/t Au between 1865-1893 and a total recorded production of approximately 114,195 tons yielding 47,942 oz of gold. This information has been summarised from open file EL tenement reports and unpublished geological reports by the Geological Survey of Victoria.

The Hurdle Flat group of mines are situated around 8km east of the township of Beechworth and lie around 7km north-west of the Homeward Bound (Hillsborough) Group. The historical Hurdle Flat Goldfield contains the Wallaby, Rachebite, Kerry Eagle and Homeward Bound (Rocky Point) mines. The main production centre in the Hurdle Flat group of mines is the Homeward Bound (Rocky Point) with historic mining developed on a bedded 74° west dipping quartz vein. The workings consist of a main shaft sunk to 207m depth and associated production levels. Production records show 9911t for 8143ozs (25.6g/t Au) was mined between 1864 and 1894. A further 12,658t for 2516ozs (6.18g/t Au) were mined at a later period between 1902-1906. This information has been summarised from open file EL tenement reports and unpublished geological reports by the Geological Survey of Victoria.

The targets sought within the Beechworth area are of moderate size with a number of drill ready targets already generated with potential for similar mineralisation to past production areas. The drill ready targets represent potential repeat structures within the Hillsborough Goldfield with detailed historic research providing considerable encouragement for further evaluation. Exploration within the tenement will require work plan preparation and approval.

Tenement Status Report as at December 31 2015

Renewal applications for EL4724 (Buckland) and EL4726 (Dart) have been submitted. The majority of the key projects are located inside these two tenements with ongoing exploration planned ahead of further resource estimation and subsequent application for either additional mining licenses (ML) or retention licenses (RL). A renewal application for the three Rushworth joint venture mining tenements ML5246, 5306 and 5538 has been submitted to DEDJTR, seeking a further 5 years renewal period. Dart Mining prepared an application for a Retention License (RL) over the highly prospective portions of EL4697 (Beechworth), this RL application has been submitted to DEDJTR. Pending approval of the RL, exploration activities within the area of EL4697 covered by the RL Application are permitted.

Tenement Number	Name	Tenement Type	Area (Grats) Unless specified	Interest	Location
EL4724	Buckland ²	Exploration	82	100%	NE Victoria
EL4726	Dart ^{1&2}	Exploration	680	100%	NE Victoria
EL5058	Cudgewa	Exploration	413	100%	NE Victoria
EL5194	Mt. Alfred	Exploration	51	100%	NE Victoria
EL5467	McCormacks	Exploration	92	100%	NE Victoria
EL5468	Upper Murray	Exploration	198	100%	NE Victoria
ML5559	Mt View ²	Mining	4.8 Ha	100%	NE Victoria
ML5246	Chinaman's	Mining	5 Ha	50% JV	Central Victoria
ML5306	Phoenix	Mining	5 Ha	50% JV	Central Victoria
ML5538	Rushworth	Mining	34.8 Ha	50% JV	Central Victoria
EL4697	Beechworth	Exploration	36	50% JV	NE Victoria
EL5315	Mitta Mitta	Exploration	195	50% JV	NE Victoria

All tenements remain in good standing at 31 December 2015.

NOTE 1: Unicorn Project area subject to a 2% NSR Royalty agreement with BCKP Limited (Orion Mine Finance) dated 29 April 2013.

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

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Dean Turnbull B.App.Sc.(Geol) Hons. M. AIG, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Turnbull is a full time employee of Dart Mining NL. Mr Turnbull has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Turnbull consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

JORC CODE, 2012 EDITION – TABLE 1

SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	• <i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.</i> • <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> • <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> • <i>In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</i>	• Hand held XRF (pXRF) analysis is performed on the samples from the top of the clay layer (B-Horizon) without pulverization. • XRF calibration is examined using duplicate samples submitted for commercial assay analysis and the equivalent XRF sample data compared where possible. Assay standards are also included in sampling programs to establish accuracy. Sample representivity is examined by comparison of adjacent samples – data is reviewed during interpretation where geochemical results are compared against the geological setting, previous results and standard reference material values. • Chip sampling (where reported) is carried out along a marked line, perpendicular to the strike of the mineralisation, as a series of closely spaced rock chips within a 50 – 100mm halo to the sample line. Samples are generally 2 – 3 kg in size, the samples are shipped to the laboratory, dried, crushed and whole sample pulverised prior to riffle splitting for assay.
Drilling techniques	• <i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).</i>	• Rushworth Drilling: Open Hole (RAB), Reverse Circulation (RC) and large diameter core (Selmag 1.5m diameter) techniques have been used by past explorers. The hammer sampling techniques used for percussion drilling are unknown. Selmag core drilling was not orientated.

Criteria	JORC Code explanation	Commentary
<i>Drill sample recovery</i>	• <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> • <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> • <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	• No reference to recovery has been located in hardcopy drill logs. There are descriptive accounts in drill logs and internal company reports that highlight where no recovery occurred or where voids / underground workings were intersected.
<i>Logging</i>	• <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> • <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i> • <i>The total length and percentage of the relevant intersections logged.</i>	• New Holland Mining NL RC holes were chip tray logged over 1m intervals, original logging sheets were submitted in their annual reports, this information is currently not all entered into digital format. • NMV RC holes were logged over 1m intervals according to the colour of the sample interval
<i>Sub-sampling techniques and sample preparation</i>	• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	• No records for the methods used in sampling RC drill cutting have been documented for either company. Open Hole (RAB) sampling by New Holland Mining NL shows cuttings were taken from the hole collar to a cyclone where they were split into a 5 litre bucket. A 3 kilogram sample was taken from this split at 3 metre intervals for assay. No record of the method used for the split at the cyclone or the subsample split are provided. • No method has been located to describe the splitting process used for the 1.5m diameter Selmag drill core sampling process and any subsequent sub-sampling for gravity separation (results for which are shown in Photograph 3).
<i>Quality of assay data and laboratory tests</i>	• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> • <i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i>	• Soil gold levels (where determined) use ALS technique Au-AA22, which is a low detection limit (0.001ppm) technique commonly used in geochemical investigations. • Rushworth Drill sampling: There are no detailed accounts of the analytical methods used by both NMV and New Holland Mining NL. Original analytical assay sheets for the New Holland Mining NL drilling contain only a limited amount of

Criteria	JORC Code explanation	Commentary
		information. No records for the drilling by NMV have been sourced. The common Fire Assay technique used for gold analysis has been established to generally under estimate samples containing erratic, coarse gold. Numerous industry papers provide explanation of the difficulties in representative sampling and assaying for gold within a coarse gold environment. • No evidence of interval laboratory duplicates or standards were recorded. Limited laboratory repeat assay have been located and reviewed, showing highly variable repeat assay – typical of coarse gold environments. • No original assay sheets have been located for NMV RC drilling. • Internal company report by NMV have reported that Fire Assay (50g charge) does not accurately represent the sample
Verification of sampling and assaying	• <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i>	• Verification of significant intersections were made by alternative company personnel. • Data were logged onto paper and transferred to a spreadsheet and checked • Electronic only assay data is imported into a spreadsheet from the laboratory's electronic data or the pXRF unit. • Rushworth Drilling: Random checks of original assay files against drill database were carried out and show 100% correlation. A digital database of assay and lithology were available to the JV Tenements.
Location of data points	• <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i>	• Hand held GPS locations mark the start and end of each soil line, soil sample locations are then either located by GPS or measured offsets along soil lines by tape and compass (corrected for slope) – Absolute location accuracy is +/- 10 – 15m. • All maps, plans and data are on an MGA datum and GDA94

Criteria	JORC Code explanation	Commentary
		zone 55 projection. - Elevation is established from government 10 and 20m contour mapping. - Drill Collars/Down Hole Survey: New Holland Mining NL did not specify how drill collars were located; coordinates were recorded in local grid. NMV used a hand held GPS to locate drill collars in AGD66 datum. All drill collar coordinates were converted from AMG66 to MGA94 using the Micromine survey function and validated against surface mapping and minor adjustments made in the database. No down hole survey data is available, RC and RAB holes are up to 86m in length (there is likely to have been hole deviation that is not reflected in the 3D interpretation causing an unknown level of inaccuracies in data location).
<i>Data spacing and distribution</i>	<i>Data spacing for reporting of Exploration Results.</i> <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> <i>Whether sample compositing has been applied.</i>	- Soil data spacing varies across prospects and different mineralisation styles – spacing is based on expected continuity of mineralisation, no data compositing or manipulation is carried out. - Drill holes at Rushworth are variably spaced along strike from 15 – 40m and drilled predominantly at near right angles to local strike but at a variable dip to the dominant mineralisation orientation (see below). Data spacing from drilling is appropriate to construct the 3D geological model; a simplified representation is presented in cross section (Figure 4).
<i>Orientation of data in relation to geological structure</i>	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	- Soil sampling lines are, wherever possible, oriented as close to perpendicular as possible to the expected strike of mineralisation. - Rushworth drilling is generally orientated near perpendicular to the strike of mineralisation, however the dip direction of drilling is variable and some holes are drilled down dip to the main orientation of mineralisation (examples

Criteria	JORC Code explanation	Commentary
		presented in Figure 4) – the impact on the development of the 3D geological model is limited, however this orientation may cause an overstatement of drill gold grade where drilling is within the fault (this has not been observed in the data). Drilling parallel to but outside the mineralised fault structure provides very limited geological information. Mineralisation is comprised of a number of quartz vein orientations and appears to show little sample bias.
Sample security	<i>The measures taken to ensure sample security.</i>	- All samples submitted for commercial assay analysis are placed in sealed polyweave bags and delivered to a commercial transport company for delivery to the laboratory. Any evidence of sample damage or tampering is immediately reported by the laboratory to the company and a decision made as to the integrity of the sample and the remaining samples within the damaged / tampered bag/s. - Rushworth Drilling. All drilling to date completed by previous explorers, Dart has been unable to find any documentation of sample security procedures used.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	- An internal review of procedures, operations, sampling techniques and analytical techniques was made by Dart Mining. - Rushworth Drilling: Open holes (RAB) were drilled using a 4½ inch diameter hammer. The cuttings were taken from the hole collar into a cyclone where they were split into a 5 litre bucket (method unknown). A 3 kilogram sample was taken from this split at 3 metre intervals for assay (subsample method unknown). - Rushworth Drilling: Reverse Circulation (RC). One metre samples were collected and sent to ALS in Bendigo (no method of sample collection has been documented). No documentation has been provided by NMV regarding

Criteria	JORC Code explanation	Commentary
		the sample collection method used for their RC drilling. An internal report outlined that one metre samples were sent to Aminya Laboratories for 50g fire assay. Sample assay greater than 0.5g/t Au had a 3kg spilt sent for a 3 kg bottle roll analysis (sub-sample method unknown).

SECTION 2 REPORTING OF EXPLORATION RESULTS

Criteria	JORC Code explanation	Commentary																																																																														
Mineral tenement and land tenure status	- Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. - The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	<table><tr><th>Tenement Number</th><th>Name</th><th>Tenement Type</th><th>Area (Grats)</th><th>Inter est</th><th>Location</th></tr><tr><td>EL4724</td><td>Buckland²</td><td>EL</td><td>82</td><td>100 %</td><td>NE Victoria</td></tr><tr><td>EL4726</td><td>Dart^{1&2}</td><td>EL</td><td>680</td><td>100 %</td><td>NE Victoria</td></tr><tr><td>EL5058</td><td>Cudgewa</td><td>EL</td><td>413</td><td>100 %</td><td>NE Victoria</td></tr><tr><td>EL5194</td><td>Mt. Alfred</td><td>EL</td><td>51</td><td>100 %</td><td>NE Victoria</td></tr><tr><td>EL5467</td><td>McCormacks</td><td>EL</td><td>92</td><td>100 %</td><td>NE Victoria</td></tr><tr><td>EL5468</td><td>Upper Murray</td><td>EL</td><td>198</td><td>100 %</td><td>NE Victoria</td></tr><tr><td>MLS559</td><td>Mt View²</td><td>ML</td><td>4.8 Ha</td><td>100 %</td><td>NE Victoria</td></tr><tr><td>MLS246</td><td>Chinaman's</td><td>ML</td><td>5 Ha</td><td>50% JV</td><td>Central Victoria</td></tr><tr><td>MLS306</td><td>Phoenix</td><td>ML</td><td>5 Ha</td><td>50% JV</td><td>Central Victoria</td></tr><tr><td>MLS538</td><td>Rushworth</td><td>ML</td><td>34.8 Ha</td><td>50% JV</td><td>Central Victoria</td></tr><tr><td>EL4697</td><td>Beechworth</td><td>EL</td><td>36</td><td>50% JV</td><td>NE Victoria</td></tr><tr><td>EL5315</td><td>Mitta Mitta</td><td>EL</td><td>195</td><td>50% JV</td><td>NE Victoria</td></tr></table>	Tenement Number	Name	Tenement Type	Area (Grats)	Inter est	Location	EL4724	Buckland ²	EL	82	100 %	NE Victoria	EL4726	Dart ^{1&2}	EL	680	100 %	NE Victoria	EL5058	Cudgewa	EL	413	100 %	NE Victoria	EL5194	Mt. Alfred	EL	51	100 %	NE Victoria	EL5467	McCormacks	EL	92	100 %	NE Victoria	EL5468	Upper Murray	EL	198	100 %	NE Victoria	MLS559	Mt View ²	ML	4.8 Ha	100 %	NE Victoria	MLS246	Chinaman's	ML	5 Ha	50% JV	Central Victoria	MLS306	Phoenix	ML	5 Ha	50% JV	Central Victoria	MLS538	Rushworth	ML	34.8 Ha	50% JV	Central Victoria	EL4697	Beechworth	EL	36	50% JV	NE Victoria	EL5315	Mitta Mitta	EL	195	50% JV	NE Victoria
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		Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	All tenements remain in good standing at 31 December 2015. NOTE 1: Unicorn Project area subject to a 2% NSR Royalty agreement with BCKP Limited (Orion Mine Finance) dated 29 April 2013. NOTE 2: Areas subject to a 1.5% Founders NSR Royalty Agreement Further notes on tenure of the tenements are covered in the Tenement Status section in the body of the report.																																																																												
- No reported soil surveys have been conducted at the Fairley's Project by previous explorers. Very limited broad scale soil lines were carried out at the Mountain View Project area by Tanganyika Holdings and Border Gold – sample density was not adequate to assist in the detailed understanding of shoot scale sulphide lens distribution. - NMV JV Tenements. Significant mapping, soil sampling and drilling has been carried out by various exploration groups over the Rushworth JV mining tenements. The most significant being New Holland Mining NL inclusive of significant drilling. No drill grades are referenced in this report but the geological model for the area has been developed																																																																																

		using drilling data and previous mapping information. Not all drill collar information has been validated and no chip tray material has been located or cross referenced to substantiate drill chip logging. Where validated, geological records appear to be representative and accurate. • Past production figures for mines presented in the NMV JV tenement summary are collated from open file EL reports and unpublished GSV data.
<i>Geology</i>	• <i>Deposit type, geological setting and style of mineralisation.</i>	• Fairley's is an orogenic fault-hosted gold system consisting of mineralisation associated with silicification and clay alteration with fine disseminated sulphide. The disseminated gold mineralisation is associated with fine arsenopyrite within sheared sediments. • Mountain View mineralisation is fault hosted and consists of a silica sulphide alteration with associated fine gold. Mineralisation occurs within dilatation sites along the Browns Creek fault within the Wabisco Shale. • Rushworth mineralisation has been described in detail in the body of the report, being of a style consistent with typical Central Victorian goldfields. The strike of sediments and folding is east-west rather than the typical north – south of Bendigo and elsewhere. There is no evidence to date that this has a material impact on the mineralisation tenure or grade. Erratic, coarse free gold associated with quartz veining of variable orientation appears to show a close spatial association with low angle north dipping thrust faults traversing south limb sediments. No saddle reefs have been observed to date. • Beechworth hosts typical orogenic bedded strike slip shear quartz veining with internal gold shoot structures. Isolated occurrences of gold mineralised pipe like stockwork bodies associated with refraction of through going shears within large sandstone beds have also been observed in the Goldfield. Gold mineralisation is predominantly free with minor associated sulphides.
<i>Drill hole Information</i>	• <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> - o <i>easting and northing of the drill hole collar</i> - o <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> - o <i>dip and azimuth of the hole</i> - o <i>down hole length and interception depth</i> - o <i>hole length.</i>	• The Rushworth geological model utilises drilling data collected and reported by past explorers. Reference to visible gold is made for drill hole PXB15, the reference is taken from open file exploration reports and has been validated. Geological information (lithology, quartz content and assay data) have been taken from open file reports and compiled into a 3D geological model for review and assessment of

	<i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i>	mineralisation potential. Not all drill data can be validated but spot checks against original laboratory reports for assay data have been carried out and show complete correlation with the database used. Geological continuity of the information provides considerable comfort that the data is of high quality. A complete list of the drill holes utilised in the development of the 3D Geological Model has not been provided on the basis it is not material to the understanding of the exploration results presented. The geological model is presented at an overview scale and does not present specific down hole intervals of best drill intercepts.
<i>Data aggregation methods</i>	<i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</i> <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	Rushworth Drilling: Only down hole gold assay data is presented in Figure 4, no averaging or aggregation summary is provided.
<i>Relationship between mineralisation widths and intercept lengths</i>	<i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i>	Rushworth Drilling: Down hole drill assay data are presented for one drill section – no best interval or highlights are summarised for the project due to the recognition the drill hole assay data is unlikely to be representative of insitu mineralisation. It is recognised that the assay methods used (also unknown) are all likely to have been from small drill samples, unable to adequately reflect gold grades in a coarse gold environment. In addition, drilling has been conducted at various angles to the dominant mineralisation orientation. Some holes are drilled sub-parallel to the mineralisation dip and strike, having potential to overstate insitu drill sample gold grades. This has not been observed in the assay data. However, drilling parallel to the main structure has occurred on a number of occasions, generally outside the fault stockwork zone. 3D geological modelling generally captures the orientation of the drill hole in relation to the main orientation of mineralisation. Where presented in cross sections, the hole relationship is clearly illustrated.
<i>Diagrams</i>	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be</i>	Rushworth Drilling: Only a simplified geological cross section diagram is presented to illustrate the nature of the local structure and geology at a high level

	<i>limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	– scale and orientation of drilling to mineralisation trends are provided.
<i>Balanced reporting</i>	• <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	• All significant / relevant precious or pathfinder elements for surface geochemistry are reported with either assay value in full or presented to display the full range of assay data returned. • Rushworth Drilling: Gold assay data from one drill section is provided on the drill trace, the section is presented to illustrate local structure and geology – reference is made to logged visible gold (method of detection is not available but the reference is provided in the original logging sheets).
<i>Other substantive exploration data</i>	• <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	• Any other relevant information is discussed in the main body of the report.
<i>Further work</i>	• <i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	• Planned work is discussed in the body of the report and is dependent on future company direction.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Name of entity

DART MINING NL

ABN

84 119 904 880

Quarter ended ("current quarter")

31 DECEMBER 2015

Consolidated statement of cash flows

		Current quarter \$A'000	Year to date (12 months) \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors		
1.2	Payments for (a) exploration & evaluation*	(244)	(550)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(164)	(347)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	3	9
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other – Research and Development (adjustment)	-	-
	- Costs associated with Offer	-	-
Net Operating Cash Flows		(405)	(888)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects		
	(b) equity investments*		
	(c) other fixed assets	-	-
1.9	Proceeds from sale of: (a) prospects		
	(b) equity investments		
	(c) other fixed assets		
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
Net investing cash flows		-	-
1.13	Total operating and investing cash flows (carried forward)	(405)	(888)

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(405)	(888)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	138	138
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (Capital raising costs)	(9)	(9)
	Net financing cash flows	129	129
	Net increase (decrease) in cash held	(276)	(759)
1.20	Cash at beginning of quarter/year to date	683	1,166
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	407	407

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter \$A'ooo
1.23	Aggregate amount of payments to the parties included in item 1.2	60
1.24	Aggregate amount of loans to the parties included in item 1.10	
1.25	Explanation necessary for an understanding of the transactions	
	Includes directors fees, superannuation and consulting fees.	

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities		
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	100
4.2 Development	-
4.3 Production	
4.4 Administration	125
Total	225

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	155	174
5.2 Deposits at call	252	509
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	407	683

+ See chapter 19 for defined terms.

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements and petroleum tenements acquired or increased			
	ML5246 - Central Victoria	Joint Venture	0%	50%
	ML5306- Central Victoria	Joint Venture	0%	50%
	ML5538- Central Victoria	Joint Venture	0%	50%
	EL4697- NE Victoria	Joint Venture	0%	50%
	EL5315- NE Victoria	Joint Venture	0%	50%

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1				
Preference securities (description)				
7.2				
Changes during quarter				
(a) Increases through issues				
(b) Decreases through returns of capital, buy-backs, redemptions				
7.3				
*Ordinary securities	259,924,632	259,924,632		
7.4				
Changes during quarter				
(a) Increases through issues	(a) 16,666,650	16,666,650	1.2	1.2
(b) Decreases through returns of capital, buy-backs				

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

7.5	+Convertible debt securities <i>(description)</i>				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options <i>(description and conversion factor)</i>	100,000 100,000 3,000,000 4,273,048 1,000,000 2,000,000 400,000 1,600,000		\$0.18 \$0.22 \$0.15 \$0.11 \$0.11 \$0.11 \$0.03 \$0.06	20 March 2017 20 March 2017 31 December 2016 6 May 2016 30 August 2016 31 December 2016 31 December 2017 31 December 2017
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



(Company Secretary)

Date: 29 January 2016

Print name: Julie Edwards

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 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.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.