

DART MINING NL

ABN: 84 119 904 880

Financial Report
For The Half Year Ended
31 December 2015

DART MINING NL

FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2015

CONTENTS **Page**

Directors' Report	3
Auditor's Independence Declaration	5
Condensed Consolidated Statement Of Profit Or Loss And Other Comprehensive Income	6
Consolidated Statement of Financial Position	7
Consolidated Statement of Changes In Equity	8
Consolidated Statement Cash Flows	9
Notes to the Consolidated Financial Statements	10
Directors' Declaration	14
Independent Auditor's Report	15

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 2015 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 2015.

Directors

The following persons were directors of Dart Mining NL during the half-year up to the date of this report.

James Chirnside (Chairman / Managing Director)
Russell Simpson (Non-Executive Director)
Luke Robinson (Non-Executive Director)

Julie Edwards (CFO and Company Secretary)

Operating Results

The operating loss after tax of the consolidated entity for the half-year ended 31 December 2015 is $472,131 (2014: $993,659).

Review of Operations

A detailed review of operations is contained in the quarterly reports of September 2015 and December 2015 issued to the Australian Stock Exchange Limited.

Highlights of the company's activities during the half-year were:

Overview

The half year to December 2015 represented the first six months of a new board and management at Dart Mining NL. It has been an exciting time as operational focus turned to the company's gold assets in North East Victoria.

Numerous corporate legacy issues were progressed and concluded. Some legacy issues remain including an ongoing dispute with Innovation Australia (IA) over research and development tax concession claims dating back to FY 2012. This issue is taking a natural course within IA, which allows for an internal review with a new assessor and re-submission. It is progressing positively with external advice being provided by International Technology Group. It is difficult to accurately predict a timeframe for conclusion of this review but we will keep the market informed – as is our obligation - as developments occur.

Implementation of a new corporate filing and accounting systems - whilst seemingly trivial - has allowed for much greater transparency, access, reporting, and collaborative efforts to be accomplished. This has had a significant impact on productivity and overall knowledge of the company's tenements and prospective projects.

Administrative cost reduction has been a priority for the board and significant progress has been made in this area. Organisationally staff numbers and cost have been reduced to a minimum. Consultant

relationships and costs have also been reduced significantly. The board's priority is to get the ratio of admin costs to mining / exploration cost down. This has been achieved.

Our greatest challenge and our first corporate objective is to take the company into Gold production. During the half year we successfully concluded a joint venture on exploration and mining leases at Rushworth in Central Victoria as well as additional tenements at Beechworth in North East Victoria. Within these tenements the identified prospects are supported by historic records showing mines with significant past production. Previous exploration results have been compiled and interpreted for the JV tenements. Further work is underway in proving these projects up so as to optimise and prioritise allocation of capital expenditure.

Additional prospective tenements are under consideration and assessment. The company will continue to participate in selective opportunities as they present themselves based on high standards of prospectivity and realistic economic development potential.

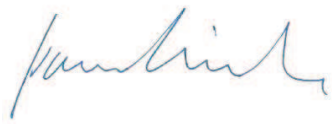
The company's most exciting development at present is the progress made on the Mountain View Gold mining project. Assay results from bulk samples are consistent with past drilling results and economic modelling is progressing toward a decision to mine, the outcome of which is expected over the next couple of months.

The Australia dollar Gold price has been very supportive of the board's strategy to refocus on gold production as a core business. Indeed, some gold miners have never had it so good from an operating margin perspective. We remain confident that in a world of heightened financial and political uncertainty that this will remain the case for the foreseeable future.

AUDITOR'S INDEPENDENCE DECLARATION

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



Russell Simpson
Non-Executive Director

Melbourne
9 March 2016

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AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

TO THE DIRECTORS OF DART MINING NL AND CONTROLLED ENTITIES

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2015 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.

MSI Ragg Weir

MSI RAGG WEIR
Chartered Accountants

L. S. WONG
Partner

Melbourne: 9 March 2016

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LIABILITY LIMITED BY A SCHEME APPROVED UNDER PROFESSIONAL STANDARDS LEGISLATION

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

	Note	Consolidated Dec 15 $	Consolidated Dec 14 $
Total revenue	3	9,013	63,379
Other income	3	-	-
Total Revenue and Other Income	3	9,013	63,379
Total expenses	3	(481,144)	(1,057,038)
Profit (loss) before income tax		(472,131)	(993,659)
Income tax (expense)/benefit		-	-
Profit (loss) for the period		**(472,131)**	**(993,659)**
Basic and diluted (loss) per share (cents per share)		(0.19)	(0.44)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

	Note	Consolidated December 2015	Consolidated June 2015
Current Assets			
Cash and cash equivalents		407,085	1,167,087
Trade and other receivables		84,812	50,427
Other assets		15,736	72,289
Total Current Assets		**507,633**	**1,289,803**
Non-Current Assets			
Other non-current assets		86,533	76,532
Property, plant and equipment		93,452	106,860
Investments		94,288	-
Deferred exploration and evaluation costs	4	7,707,896	7,393,445
Total Non-Current Assets		**7,982,169**	**7,576,837**
TOTAL ASSETS		**8,489,802**	**8,866,640**
Current Liabilities			
Trade and other payables		223,762	301,800
Provisions		44,941	46,312
Total Current Liabilities		**268,703**	**348,112**
Non-Current Liabilities			
Provisions		-	458
Total Non-Current Liabilities		**-**	**458**
TOTAL LIABILITIES		**268,703**	**348,570**
NET ASSETS		**8,221,099**	**8,518,070**
Equity			
Issued capital	5	18,554,509	18,379,349
Reserves		386,158	386,158
Accumulated losses		(10,719,568)	(10,247,437)
TOTAL EQUITY		**8,221,099**	**8,518,070**

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 2015

	Ordinary Share Capital	Share-Based Payment Reserves	Accumulated losses	Total
	$	$	$	$
Consolidated Group				
Balance at 1 July 2014	**17,310,599**	**371,698**	**(7,108,907)**	**10,573,390**
Comprehensive income				
Loss for the period	-	-	(993,659)	(993,659)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	(993,659)	(993,659)
Transactions with owners, in their capacity as owners, and other transfers				
Issued of fully paid shares	1,085,000	-	-	1,085,000
Cost of share based payment during period	-	15,610	-	15,610
Total transactions with owners and other transfers	1,085,000	15,610	-	1,100,610
Balance at 31 December 2014	18,395,599	387,308	(8,102,566)	10,680,341
Balance at 1 July 2015	18,379,349	386,158	(10,247,437)	8,518,070
Comprehensive income				
Loss for the period	-	-	(472,131)	(472,131)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(472,131)	(472,131)
Transactions with owners, in their capacity as owners, and other transfers				
Issue of fully paid shares	138,000	-	-	138,000
Shares paid after 31 December 2015	62,000	-	-	62,000
Capital raising costs during period	(24,840)	-	-	(24,840)
Total transactions with owners and other transfers	175,160	-	-	175,160
Balance at 31 December 2015	**18,554,509**	**386,158**	**(10,719,568)**	**8,221,099**

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 2015

	Consolidated	
	December 2015 $	December 2014 $
Cash Flows from operating activities		
Interest received	13,288	59,600
Research and development grant	-	-
Payments to suppliers and employees	(424,060)	(941,987)
Net cash inflow/ (outflow) from operating activities	**(410,772)**	**(882,387)**
Cash flows from investing activities		
Payment for exploration expenditure	(355,138)	(936,865)
Payment for Investments	(94,288)	-
Purchase of property, plant and equipment	(2,964)	(69,070)
Proceeds from security bonds	-	22,537
Payment of security bonds	(10,000)	-
Net cash inflow/ (outflow) from investing activities	**(462,390)**	**(983,398)**
Cash flows from financing activities		
Proceeds from issue of shares	138,000	1,085,000
Share issue costs	(24,840)	-
Net cash inflow/ (outflow) from financing activities	**113,160**	**1,085,000**
Net cash inflow/ (outflow) for the reporting period	**(760,002)**	**(780,785)**
Cash and cash equivalents at the beginning of the period	**1,167,087**	**3,583,741**
Cash and cash equivalents at the end of the period	**407,085**	**2,802,956**

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

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 2015 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 9 March 2016.

The nature of the operations and principal activities of the Group are described in Note 8.

2. Basis of 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 2015, unless otherwise stated.

b) Critical Accounting Estimates and Judgements

The critical estimates and judgements are consistent with those applied and disclosed in the June 2015 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 AusIndustry, which may result in a grantee refunding part or all of a Research and Development grant. AusIndustry is currently reviewing the company's previous Research and Development grant applications but no refund request has been made at the date of this report

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015 (continued)

As at 31 December 2015, the Group had a surplus of current assets over current liabilities of $238,930 (2014: $2,403,121) with cash reserves of $407,085 (2014: $2,802,956).

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;
- the potential farm-out of participating interests in the Group's tenements; 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.

	Note	Consolidated December 2015 $	Consolidated December 2014 $
Revenue			
Rent received		-	1,678
Interest received		9,013	61,274
Research grant received		-	-
Other		-	427
TOTAL REVENUE		**9,013**	**63,379**
Expenses			
Exploration expenditure written off		5,491	13,680
Administration expenses		54,922	241,586
Consultancy fees		71,703	4,653
Depreciation		9,517	412
Employee costs		178,007	312,122
Employee share based remuneration		-	15,610
Insurance		16,393	15,207
Office expenses		11,584	39,933
Professional fees		119,043	-
Provisions		6,170	13,900
Takeover expenses		-	119,368
Travel		7,045	-
Other expenses from ordinary activities		1,269	-
Research and development costs		-	280,567
TOTAL EXPENSES		**481,144**	**1,057,038**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015 (continued)

4. EXPLORATION AND EVALUATION ASSETS

	Consolidated Group	
	December 2015	**June 2015**
	$	**$**
Balance at the beginning of the period	7,393,445	7,030,130
Costs for the period	319,942	1,752,769
Exploration costs written off	(5,491)	(1,389,454)
Balance at the end of the period	**7,707,896**	**7,393,445**

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. CONTRIBUTED EQUITY

	Consolidated Group	
	December 2015	**June 2015**
	$	**$**
Issued Capital	18,554,509	18,379,349
	No.	**$**
Movements in ordinary shares on issue		
At 1 July 2014	207,091,315	17,310,599
Share issue transaction costs net of capital raising costs	36,166,667	1,068,750
At 30 June 2015	243,257,982	18,379,349
Share issue transaction costs net of capital raising costs	16,666,650	175,160
At 31 December 2015	**259,924,632**	**18,554,509**

On the 24 November 2015, 16,666,650 shares were issued to sophisticated investors at 1.2cents.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015 (continued)

6. COMMITMENTS AND CONTINGENCIES

In addition to the commitments disclosed in the June 2015 Financial Report, the Group notes the changes to the following expenditure commitments during the six months ended 31 December 2015.

	December 15	June 15
Operating lease	13,481	7,669
Licence agreement	69,711	88,173
Minimum exploration commitments	992,148	1,398,680

The exploration commitment decreased owing to time reduction of permits maintained by the Group.

As noted in the June 2015 Financial Report, Dart Mining NL received notification from Innovation Australia (formerly AusIndustry) stating that the previous R&D Claims were not core R&D activities in accordance with the Industry Research and Development Act 1986. Preliminary advice from the independent expert is that there is a reasonable degree of confidence that the claim will be allowed, however, if this is not the case the total amount which is potentially refundable to Innovation Australia is $2,033,733. The issue is still to be resolved.

No contingent assets existed at the reporting date

7. RELATED PARTY TRANSACTIONS

Professional Fees paid to Retro Group Pty Ltd of $30,000, of which James Chirnside is a member.

8. 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.

9. 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.

10. EVENTS AFTER THE END OF THE INTERIM PERIOD

The Directors are not aware of any significant events since the end of the interim period.

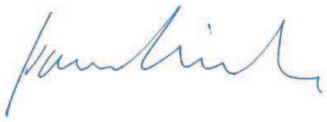
DIRECTORS' DECLARATION

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 6 to 13 are in accordance with the Corporation 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 2015 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 Chirnside	Luke Robinson	Russell Simpson
Chairman / Managing Director	Non-Executive Director	Non-Executive Director

Melbourne
9 March 2016

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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, which comprises the consolidated statement of financial position as at 31 December 2015, the condensed 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.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company 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 company's financial position as at 31 December 2015 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 Dart Mining NL, 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.

Conclusion

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 Dart Mining NL is not in accordance with the Corporations Act 2001 including:

i. giving a true and fair view of the company's financial position as at 31 December 2015 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.

MSI Ragg Weir

MSI RAGG WEIR
Chartered Accountants

L.S. WONG
Partner

Melbourne: 9 March 2016

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LIABILITY LIMITED BY A SCHEME APPROVED UNDER PROFESSIONAL STANDARDS LEGISLATION