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Half Year Report

For the 6 month period
ending 31 December 2024

ASX:DYM

dynamicmetals.com.au

ABN 37 659 154 480

DIRECTORY

Board and Management

Justin Mannolini	Non-Executive Chairman
Lindsay Dudfield	Non-Executive Director
Karen Wellman	Managing Director & Chief Executive Officer
Nerida Schmidt	Company Secretary

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Securities Exchange Listing

The Company is listed on:

The Australian Securities Exchange Ltd ("ASX")
Home Exchange: Perth, Western Australia
ASX Code: DYM

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DIRECTORS' REPORT

DIRECTORS' REPORT

The Directors present their report on the consolidated entity consisting of Dynamic Metals Limited (**Dynamic or the Group**) and the entities it controlled for the half-year ended 31 December 2024.

Directors

The following persons were directors of Dynamic Metals Limited during or since the end of the half-year unless otherwise stated:

Justin Mannolini
Karen Wellman
Lindsay Dudfield

Principal activities

The principal activity of Dynamic Metals Limited during the half year was mineral exploration in Australia. During the half year there was no change in the nature of this activity.

Financial results

The consolidated loss of the Group after providing for income tax for the half year ended 31 December 2024 was \$511,812 (2023: \$236,428).

Dividends

No dividends have been declared since the end of the previous financial year and no dividends have been recommended by the Directors.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the half year.

Review of operations

Dynamic's strategy is to advance its portfolio of precious and critical minerals projects through a systematic approach to exploration. During the period, the Group undertook exploration activities on its existing tenement holding and applied for prospective tenements in Western Australia which it will continue to explore.

The Company has had a productive second half, completing comprehensive gold targeting across the portfolio of exploration licenses. From this, a large systematic soil sampling program for gold was completed at the Cognac West prospect at the Widgiemooltha Project. In addition, geological mapping and sampling refined several priority drill targets for CY25. More drill targets were also highlighted for follow up at the Chalice South prospect whilst early-stage reconnaissance work commenced at the Lindsays project, part of Dynamic's generative portfolio.

EXPLORATION PROJECTS



Figure 1. Map of Dynamic Metals projects in Western Australia

WIDGIEMOOLTHA PROJECT

The Widgiemooltha Project is located approximately 550km east of Perth and centred 100km south of Kalgoorlie (Figure 2Figure 1). The Project lies within a known corridor of world class komatiitic nickel sulphide deposits and orogenic gold deposits and historic exploration activities have been centred on these two commodities. More recently the area has emerged as a significant lithium belt with three lithium-caesium-tantalum (“LCT”) pegmatite related mines developed in the past few years.

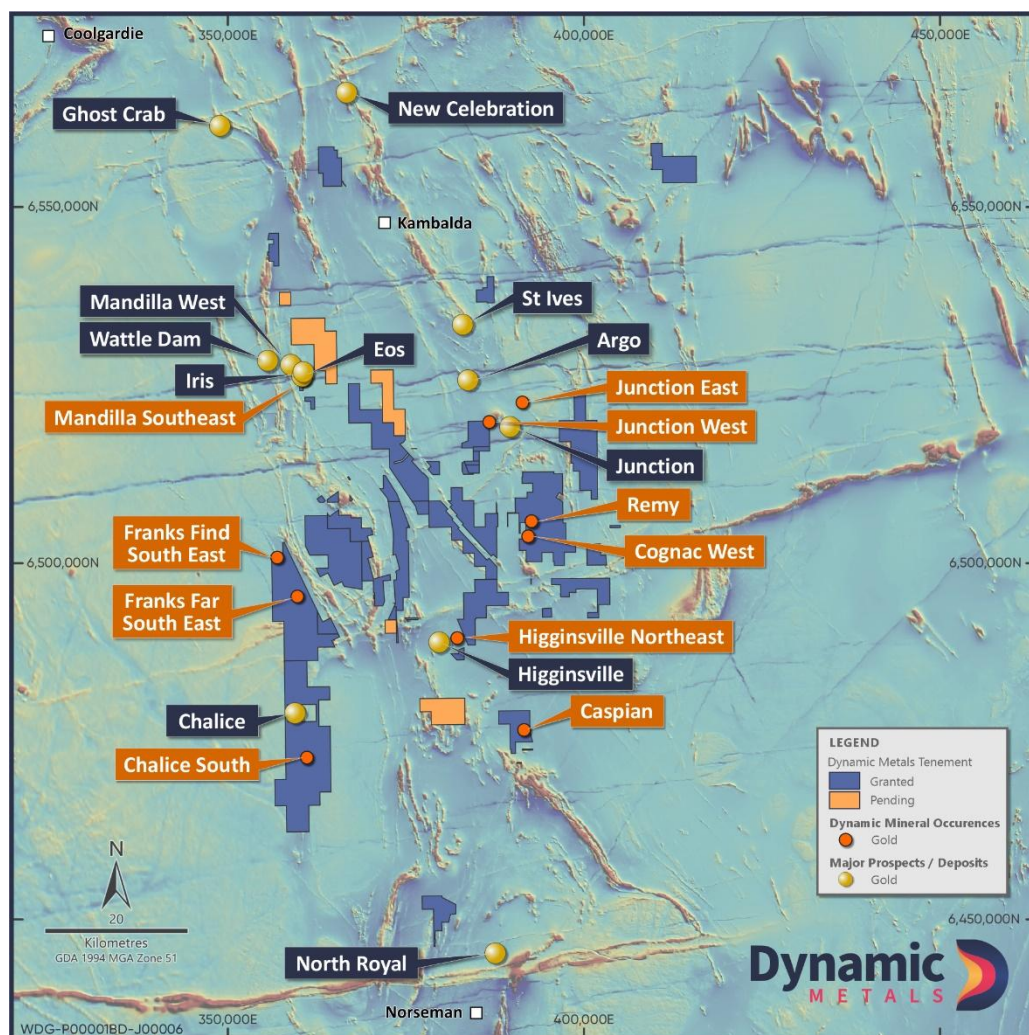


Figure 2. Widgiemooltha Project map highlighting gold prospects and major mines

Cognac West Gold Prospect

The Cognac West prospect area has been subject to near surface historic exploration dating back to the 1970s including soil sampling and shallow drilling, with historic data sets often incomplete and limited to gold assays only. A peak historic drill hole gold assay from the 1990s includes 1m @ 91.3g/t from 41m in JSA025¹. Consequently, Dynamic begun gathering new, high-confidence data as part of the Company's systematic approach to exploration.

For the first step in this process, Dynamic completed a soil sampling program over an area approximately 3km long and 2km wide and collected samples every 50m along 200m spaced east-west lines. The area subject to soil sampling is structurally complex with interpreted second order structures around a late felsic intrusion that is approximately 500m to the east of the major structure in the area, the Republican Thrust.

In September 2024, the Company announced the first results from soil sampling completed at the Cognac West prospect where two strong gold anomalies were identified². During the December quarter,

DIRECTORS' REPORT

Dynamic returned to the prospect to complete additional sampling with the aim of infilling gaps where samples were missing from the first soil program and extending soil sampling lines to the east where the anomaly remained open (Figure 3). Several high-grade results were returned from soil samples spaced at 50 to 100m intervals on line 6504900N, including³:

- 2.1ppm Au (2,100ppb Au) in SP4408
- 0.49ppm Au (490ppb Au) in SP4407
- 0.22ppm Au (220ppb Au) in SP4406

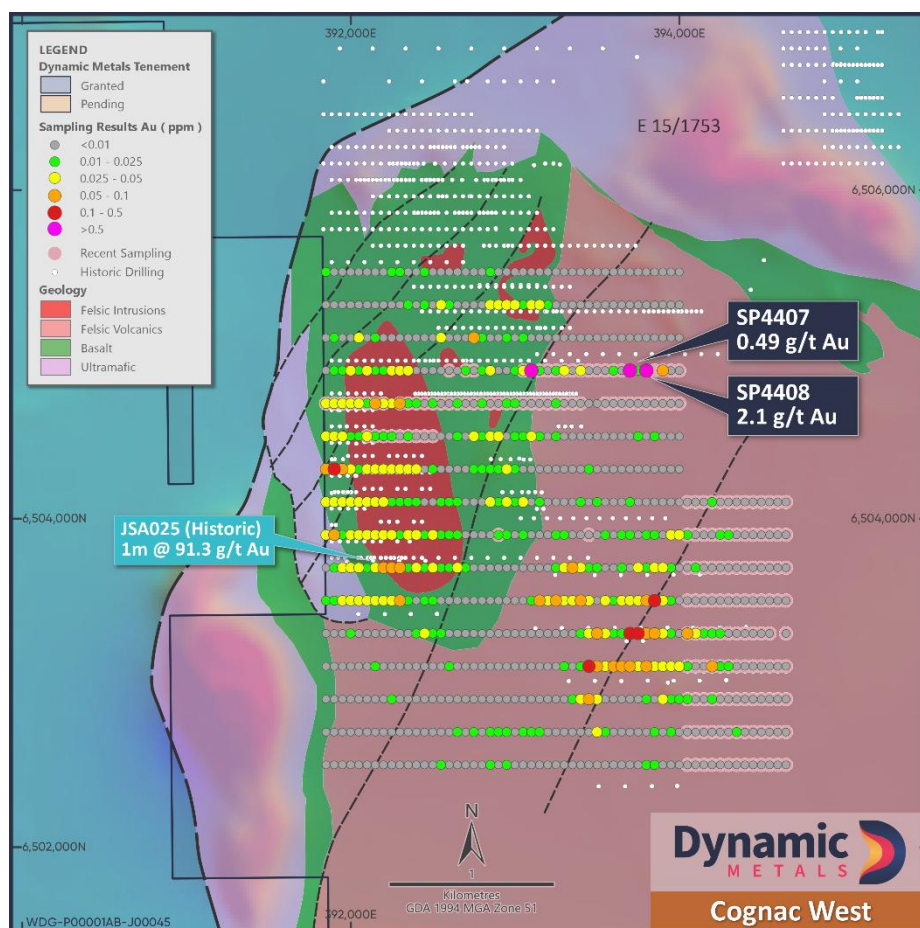


Figure 3. Cognac West prospect area with DYM gold soil sampling results coloured by Au ppm.
High grade soil sample results SP4407 and SP4408 highlighted

In late October 2024, assays were returned from rock chip sampling of float, sub crop and outcrop with encouraging results from multiple locations at Cognac West, including an exceptional 2,040g/t Au in DM1007⁴ (Figure 4).

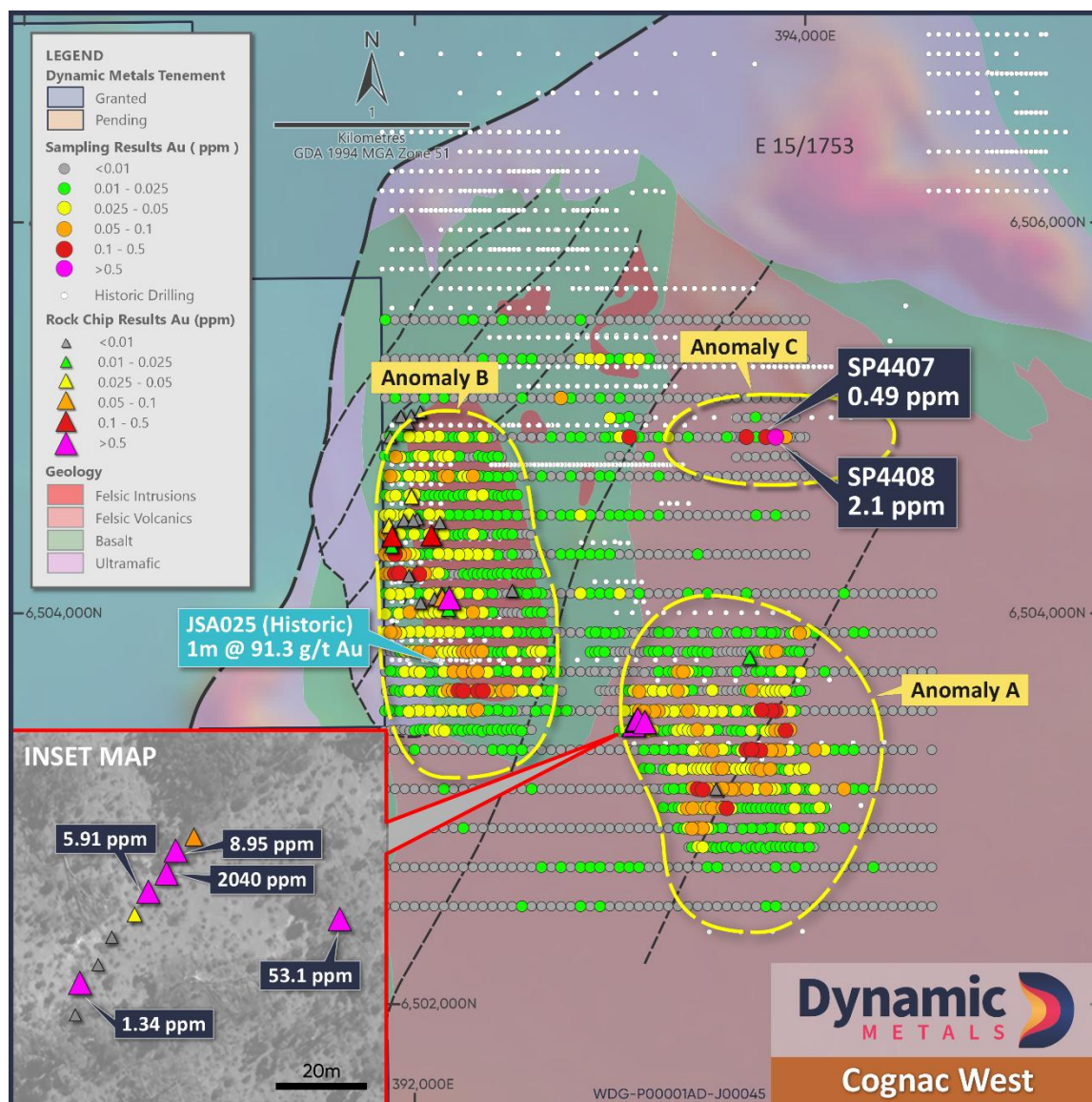


Figure 4. Cognac West prospect area with DYM gold soil sampling results coloured by Au ppm. Inset map highlights quartz vein trends with significant gold results.

At Anomaly A sample DM1007 (2,040 g/t Au) was taken from a shallow (<1m deep) pit at the NE end of the outcropping vein (Figure 2) and quartz dominated samples DM1006 (5.91g/t Au) and DM1008 (8.95g/t Au) are immediately southwest and northwest respectively, defining a very high-grade trend (Figure 5). Sample DM1010 (53.1g/t Au) was located approximately 40m east of the northeast gold trend defined by samples DM1006-1008 and could be indicative of a second parallel Au mineralised structure that is poorly exposed.



Figure 5. Sample DM1007 @ 2,040g/t Au. Hole from where DYM1007 was taken (left), quartz sample sent to lab (top right) and gold panned from dollied sample in the field

Visual estimates of mineral abundance should never be considered a proxy or substitute for laboratory analyses where concentrations or grades are the factor of principal economic interest. Visual estimates also potentially provide no information regarding impurities or deleterious physical properties relevant to valuations.

Mapping around the western +25ppb Au soil anomaly (Anomaly B) identified discrete outcropping gabbro intrusions, the margins of which show evidence of a network of highly weathered shear zones within mafic volcanics that may be related to a gold mineralising system. The mapping work confirmed that outcrop and residual soils dominate the surficial geology, allowing the Company to employ infill soil sampling to further define the geometry of the gold anomalism established to date. Rock chips samples were taken from outcropping geology with the best result to date coming from an iron rich brecciated quartz vein (sample DYM24091006 - 3.27g/t Au).

Exploration licence 15/1753 is referred to by Dynamic as “Goldrush” due to the extensive gold prospecting activities that have taken place on the tenement. Over 68 nuggets have been reported as located on the tenement to the Department of Energy, Mines, Industry Regulation and Safety (DEMIRS) in the preceding nine months, including the examples noted in Figure 6 below.



Figure 6. Examples of gold detected and reported by prospectors on E15/1753

Visual estimates of mineral abundance should never be considered a proxy or substitute for laboratory analyses where concentrations or grades are the factor of principal economic interest. Visual estimates also potentially provide no information regarding impurities or deleterious physical properties relevant to valuations.

The Company returned to Cognac West in November 2024 to collect 755 infill soil samples on 100m spaced lines, with 25m between samples⁵. These results refined several higher-grade zones of +0.1ppm (100ppb) which have been incorporated into plans for Reverse Circulation (RC) drill testing in early 2025.

Chalice South Gold Prospect

The Chalice South prospect is located south of the Chalice Gold Mine (currently held by Westgold Resources ASX: WGX). The local geology is characterised by north-north-west striking, west dipping intercalated mafic and volcanic rock units, bounded by the Pioneer Dome to the east. The area has been subject to various iterations of surface geochemistry, shallow exploration drilling and specific deeper drilling since the discovery of the Chalice gold deposit. Dynamic's exploration licence 15/1721 is coincident with 14km of greenstone geology and the same structural corridor that hosts the Chalice gold deposit.

The Chalice open pit was mined by Resolute Limited in the late 1990s with a total of 2.9Mt at 5.6g/t for 517,000 ounces produced⁶. A small underground mining operation by Avoca Resources Limited produced a further 993t at 3.91g/t⁷ with the mine placed on care and maintenance in 2015.

During the half year, 3D geological modelling was complete at Chalice South using historic drill datasets. This modelling has highlighted multiple prospective drill targets for follow up. The Dynamic exploration team has subsequently completed ground-truthing of these targets to evaluate priority order for drill testing in CY2025.

DIRECTORS' REPORT

LAKE PERCY PROJECT

The Lake Percy Project is located approximately 120km west of Norseman, along the Hyden-Norseman Road. The Company's tenements cover the northern extension of the Lake Johnston greenstone belt, which hosts the Emily Ann and Maggie Hays nickel mines and the more recent Medcalf spodumene discovery by Charger Metals (ASX:CHR)⁸. The Project is also near the Mt Day LCT pegmatite field 20km to the southeast, as well as the Earl Grey Lithium Project located approximately 60km to the west (currently under development by Covalent Lithium Pty Ltd, a joint venture between subsidiaries of Sociedad Quimica y Minera de Chile S.A and Wesfarmers Limited⁹).

No activities were completed at the Lake Percy Project during the half year.

DEEP WELL PROJECT

The Deep Well Project is located approximately 30km east to southeast of Meekatharra and is a joint venture between M61 Holdings Pty Ltd (20% interest) and Dynamic (80% interest). The Project area covers the southern extension of the Gnaweeda Greenstone Belt which lies along the north-eastern most boundary of the Archaean Murchison Domain with the Southern Cross Domain part of the Youanmi Terrane within the Yilgarn Craton of Western Australia.

Dynamic's initial focus has been on untested nickel, copper and PGE gossans outcropping over a 6km strike along the interpreted greenstone1 (Figure 7). In first half of CY2024 Dynamic embarked on the first heritage survey at Deep Well project with the Yugunga-Nya People, recognised as the Traditional Owners of the land upon which the Project is situated, with the goal to minimise potential impacts on cultural heritage.

During the survey, a culturally sensitive discovery was made. With due respect to the Yugunga-Nya people, Dynamic chose to pause, then terminate the planned survey. The Company is considering alternative exploration targets at the project.

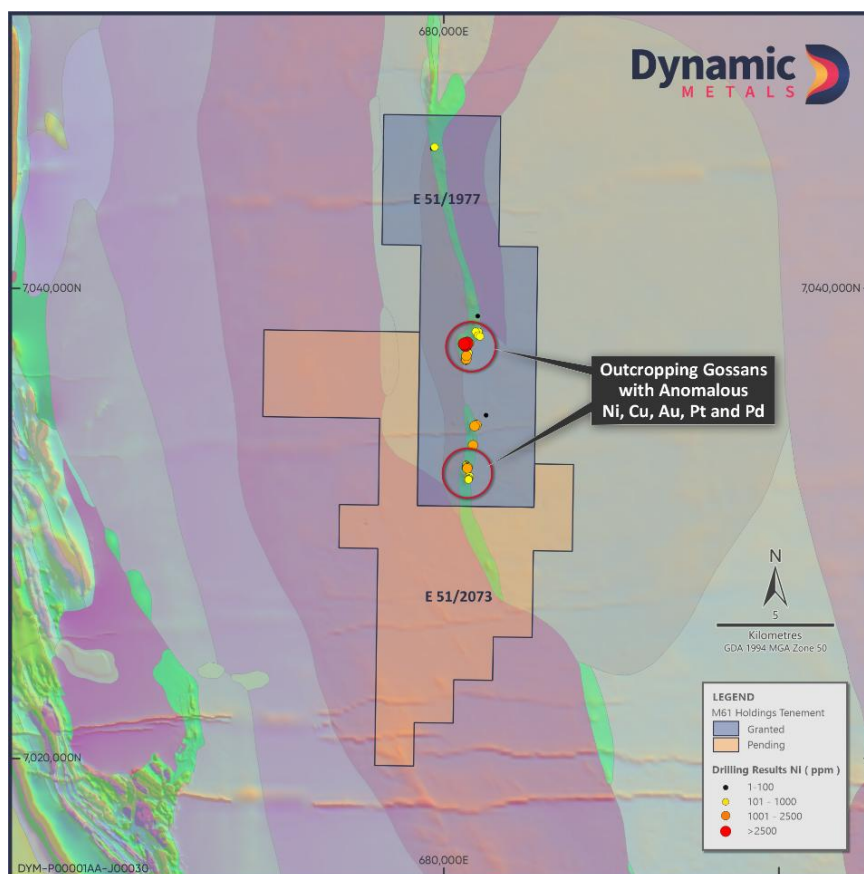


Figure 7. Plan view of Deep Well Project tenements

GENERATIVE WA

As part of its long-term growth strategy, Dynamic makes opportunistic tenement applications adjacent to or along strike of existing mining operations or advanced projects. Tenements that do not fall into one of the three main projects (Widgiemooltha, Lake Percy or Deep Well) are referred to collectively as Generative.

Lindsays Project

The Lindsays Project is located approximately 60km northeast of Kalgoorlie and covers a portion of the Norseman-Wiluna greenstone. The Project tenements are bounded by the Emu Fault to the east and the Perseverance Fault to the west. Previous tenement holders of the project area include Delta Gold, Jubilee Mines and Northern Star Resources Limited (ASX: NST). Mineral resource projects in the area include the Mayday and Gindalbie gold deposits within 5 km, and the Carr Boyd nickel mine located 10 km to the northwest.

Over the last 12 months Dynamic progressed the grant of three tenements covering 300km² of the Lindsays Project. In parallel to this process, Dynamic completed a detailed data compilation of surface and downhole geochemistry, structural interpretation and geological interpretation that formed the basis for first pass gold and lithium target generation¹¹.

DIRECTORS' REPORT

As a result of the desktop targeting completed by Dynamic, 36 gold targets were generated through analysis of historic soil and drill data, combined with structural, and radiometric analysis to determine effectiveness of historic exploration. Of these, 18 targets have been identified as a priority for field assessment to confirm surficial geology through mapping and sampling to determine priority for drill testing.

In addition, 22 lithium targets were generated in the first pass desktop targeting exercise. Further analysis of the anomalies indicated that the northern most targets were supported by Cs, Ta and Nb, indicating potentially higher degree of fractionation on exploration licence 31/1316. This supporting information has directed ranking of targets, and as a result 5 targets in the northern portion of the Project have been identified as a priority for field assessment.

This approach has focused the Company's attention on several targets that it intends to follow up in a comprehensive field campaign in CY2025.

JV PROJECTS

Dynamic Metals' self-funding exploration model divests non-core assets, retaining exposure to upside of exploration activities by partners. The Company has the following Joint Venture and Farm-In Agreements (Table 1).

Table 1. Summary of Farm-In and Joint Venture interests

Project	Commodity	Company	DYM Interest
Deep Well	Nickel-Copper-PGE	M61 Holdings Pty Ltd	80%
Widgiemooltha	Lithium	Mineral Resources Limited (ASX:MIN)	60% lithium, 100% all other minerals
Prospect Ridge	Magnesite	GWR Group Limited (ASX:GWR)	30%
Joyners	Iron Ore	Gold Valley West Wiluna Pty Ltd	20%
Leinster	Nickel	Future Battery Minerals Limited (ASX:FBM)	20%
Torque	Gold	Torque Metals Limited (ASX:TOR)	20%
Bundie Bore	Gold	Voltaic Strategic Resources Limited (ASX:VSR)	20%
Salt Creek	Gold	MTM Critical Minerals Limited (ASX:MTM)	20%

Widgiemooltha Lithium JV

In March 2024¹² Dynamic entered into a binding terms sheet for a farm-in and joint venture ("**Agreement**") with ACN 654 242 690 Pty Ltd ("**HoldCo**"), a wholly-owned subsidiary of Mineral Resources Limited (ASX:MIN), under which the Company was to, following the satisfaction of certain conditions precedent, sell 40% of all lithium mineral rights held by Dynamic on the Widgiemooltha tenement package (Figure 8) ("**Tenements**") for \$5M cash consideration (the "**MinRes Transaction**").

DIRECTORS' REPORT

Following completion on 15 July 2024, HoldCo and Dynamic formed a 40% / 60% unincorporated joint venture. HoldCo can increase its stake to 65% by sole funding an additional \$15M of exploration expenditure on the Tenements over the 4 years following completion. HoldCo has the further ability to elect to increase its stake to 80% by sole funding expenditure through to a Decision to Mine. Upon HoldCo earning 80% interest Dynamic must elect to either remain in the Joint Venture and contribute to Joint Venture expenses or convert its interest into a royalty.

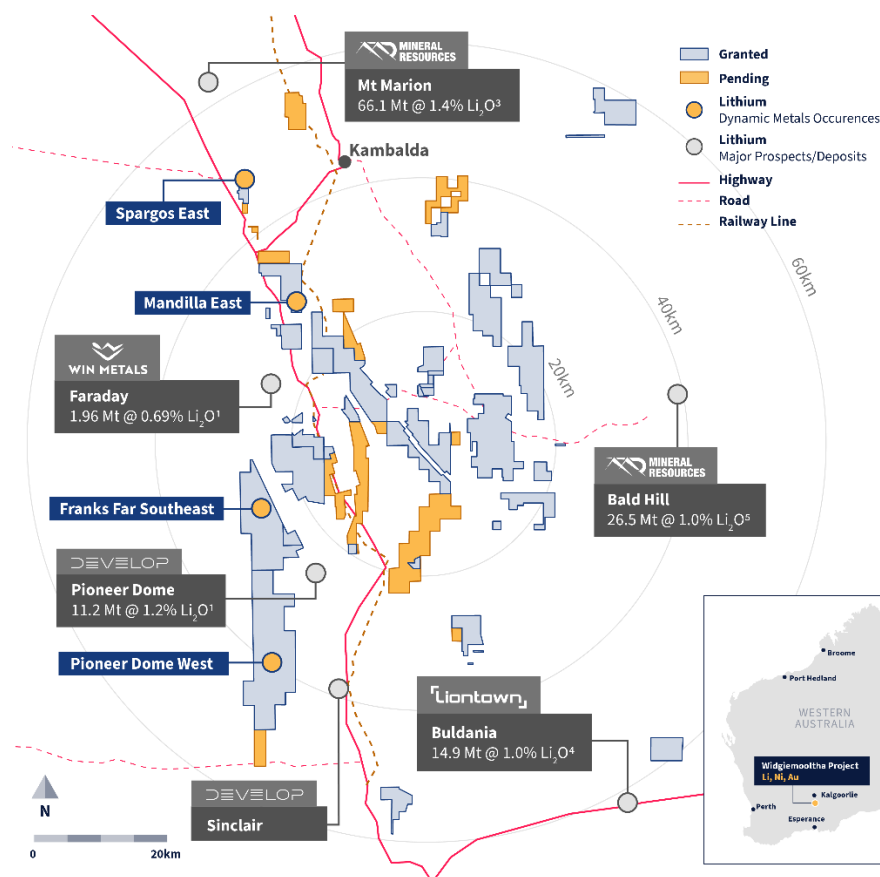


Figure 8. Widgiemooltha Project tenements

The MinRes Transaction only covers the lithium rights for the Project, with Dynamic retaining the rights for all other minerals.

During the half year, MinRes was successful in its application to secure a grant for drilling at the Pioneer Dome West prospect at its Widgiemooltha Project under Round 30 of the Western Australian Government Co-Funded Exploration Incentive Scheme (**EIS**). Successful applicants are granted up to \$180,000 to cover direct drilling costs and mobilisation through a competitive application process.

In its application, MinRes proposed a program of ten RC and diamond holes for a total of up to 2,300m drilling. The program is designed to increase understanding of the stratigraphic and structural controls on the emplacement of LCT pegmatites in the Pioneer Dome area, as well as the prospectivity of the Boorabbin and Pioneer Dome batholiths as potential granitic sources to LCT pegmatites.

DIRECTORS' REPORT

Financial

The net assets of the Group have decreased by \$453,336 over the period to the balance of \$11,150,721.

The Directors believe the Group is in a sound financial position to continue its exploration endeavours.

References

1. Dynamic Metals ASX Disclosure 12/01/2023: "Prospectus"
2. Dynamic Metals ASX Announcement 19/09/2024: "Widgiemooltha Gold Exploration Update"
3. Dynamic Metals ASX announcement 9/10/2024: "High Grade Soil Anomaly Identified at Cognac West"
4. Dynamic Metals ASX Announcement 28/10/2024: "Significant high-grade rock chip results from Cognac West"
5. Dynamic Metals ASX Announcement 11/12/2024: "RC Drill Targets Defined at Cognac West Gold Prospect"
6. Information sourced from Westgold Resources Limited Final Surrender Report for E63/1071 dated 4 April 2018; publicly available through WAMEX
7. Information sourced from Westgold Resources Limited Annual Report for C111/2004 dated 29 November 2018; publicly available through WAMEX
8. Charger Metals ASX announcement 22/02/2023: "Charger confirms High Grade Lithium at Medcalf"
9. Covalent Lithium Mount Holland Mine information accessed at <https://www.covalentlithium.com/>
10. Dynamic Metals ASX Announcement 11/09/2024: "Lindsays Project Exploration Update"
11. Dynamic Metals ASX Announcement 15/07/2024: "Landmark \$20M Lithium-Focused JV with Mineral Resources Complete"

Competent Persons Statement:

The information in this report that relates to Exploration Results is based on information compiled by Mrs Karen Wellman. Mrs Wellman is an employee of the Company and a Member of the Australasian Institute of Mining and Metallurgy. Mrs Wellman has sufficient experience relevant to the styles of mineralisation and types of deposits under consideration, and to the activity being undertaken, to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves.' Mrs Wellman consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

Forward-Looking Statements:

This report may include forward-looking statements. Forward-looking statements include but are not limited to statements concerning Dynamic Metals Limited's planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should", and similar expressions are forward-looking statements. Although Dynamic believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

Use of funds:

Between the date of the Company's admission to the official list of the ASX on 16 January 2023 and the end of the reporting period on 31 December 2024, the Company used its cash and assets in a form readily convertible to cash that it had at the time of admission in a way consistent with its business objectives.

DIRECTORS' REPORT

Events occurring after financial reporting period

There has not arisen in the interval between the end of the financial half year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect significantly the operations, the results of those operations, or the state of affairs of the Group in future financial years.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required by section 307C of the *Corporations Act 2001* is included on page 27.

This report is signed in accordance with a resolution of the Directors.



K Wellman
Managing Director
Perth
5 March 2025

DYNAMIC METALS LIMITED
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Note	2024 \$	2023 \$
Interest income		94,038	69,634
Gain/ (Loss) on fair value movement on financial assets		(67,857)	137,035
Share-based payment expense	8	(91,722)	(127,980)
Employee benefits expense		(120,760)	(98,896)
Corporate and regulatory expenses		(157,850)	(111,000)
Exploration expenditure		(93,734)	(18,903)
Depreciation and amortisation expense		(26,403)	(27,082)
Finance costs		(5,314)	(2,796)
Gain on tenement sale		-	58,586
Other administration expenses		(152,995)	(115,026)
Loss before income tax		(622,597)	(236,428)
Income tax benefit		110,785	-
Loss after income tax		(511,812)	(236,428)
Loss attributable to owner of Dynamic Metals Limited		(511,812)	(236,428)
Other comprehensive income			
<i>Items that may be reclassified to profit or loss</i>		-	-
Other comprehensive income for the year		-	-
Total comprehensive loss for the year attributable to the ordinary equity holders of the Company		(511,812)	(236,428)
Basic loss per share (\$ per share)		(1.04)	(0.48)

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

DYNAMIC METALS LIMITED
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2024

	Notes	31 December 2024 \$	30 June 2024 \$
CURRENT ASSETS			
Cash and cash equivalents		4,668,610	2,171,429
Trade and other receivables	3	1,092,724	3,978,141
Prepayments		31,247	8,878
Total Current Assets		5,792,581	6,158,448
NON-CURRENT ASSETS			
Trade and other receivables	3	-	1,000,000
Capitalised exploration and evaluation expenditure	4	5,862,339	5,212,225
Right of use assets		77,281	25,785
Property, plant and equipment		50,698	56,596
Financial assets at fair value through profit and loss	5	374,235	442,092
Total Non-Current Assets		6,364,553	6,736,698
TOTAL ASSETS		12,157,134	12,895,146
CURRENT LIABILITIES			
Trade and other payables		203,632	458,884
Provisions – employee entitlements		92,938	74,975
Lease liabilities		34,563	31,414
Income tax payable		65,311	65,311
Total Current Liabilities		396,444	630,584
NON-CURRENT LIABILITIES			
Lease liabilities		48,164	-
Provisions – employee entitlements		15,520	3,435
Deferred tax liability		546,285	657,070
Total Non-Current Liabilities		609,969	660,505
TOTAL LIABILITIES		1,006,413	1,291,089
NET ASSETS		11,150,721	11,604,057
EQUITY			
Contributed equity		8,951,804	8,962,304
Reserves	9	669,137	600,161
Retained earnings		1,529,780	2,041,592
TOTAL EQUITY		11,150,721	11,604,057

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

DYNAMIC METALS LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Contributed equity	Share- based payment reserve	Retained earnings/ (Accumulated losses)	Total equity
	\$	\$	\$	\$
Balance at 1 July 2023	8,962,304	461,053	(849,331)	8,574,026
Total comprehensive loss for the period:				
Loss for the period	-	-	(236,428)	(236,428)
Total comprehensive loss for the period	-	-	(236,428)	(236,428)
Transactions with owners in their capacity as owners				
Share-based payments	-	127,980	-	127,980
Balance at 31 December 2023	8,962,304	589,033	(1,085,759)	8,465,578
Balance at 1 July 2024	8,962,304	600,161	2,041,592	11,604,057
Total comprehensive loss for the period:				
Loss for the period	-	-	(511,812)	(511,812)
Total comprehensive loss for the period	-	-	(511,812)	(511,812)
Transactions with owners in their capacity as owners				
Share issue costs	(10,500)	-	-	(10,500)
Share-based payments	-	68,976	-	68,976
Balance at 31 December 2024	8,951,804	669,137	1,529,780	11,150,721

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

DYNAMIC METALS LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Note	2024	2023
		\$	\$
Cash flows from operating activities			
Payments to suppliers and employees		(775,409)	(254,333)
Interest received		62,017	47,497
Interest paid		(5,314)	(2,796)
Net cash (outflow)/ inflow from operating activities		(718,706)	(209,632)
Cash flows from investing activities			
Payments for exploration and evaluation		(355,523)	(1,098,785)
Payments for property, plant and equipment		-	(31,731)
Proceeds from sale of tenements		3,600,000	20,000
Net cash (outflow) from investing activities		3,244,477	(1,110,516)
Cash flows from financing activities			
Repayment of lease liabilities		(18,090)	(18,090)
Payment of capital raising costs		(10,500)	-
Net cash (outflow)/ inflow from financing activities		(28,590)	(18,090)
Net movement in cash and cash equivalents		2,497,181	(1,338,238)
Cash and cash equivalents at the beginning of the financial period		2,171,429	4,413,493
Cash and cash equivalents at the end of the financial period		4,668,610	3,075,255

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

DYNAMIC METALS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
HALF-YEAR ENDED 31 DECEMBER 2024

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES

(a) Basis of preparation of the half-year financial report

These interim consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

This condensed interim financial report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report.

The interim report has been prepared on a historical cost basis, except for the revaluation of certain financial instruments to fair value. Cost is based on the fair value of the consideration given in exchange for assets. The company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

It is recommended that this financial report be read in conjunction with the annual financial report of Dynamic Metals Limited as at 30 June 2024 and any public announcements made by the Group during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

The half-year financial statements have been prepared in accordance with the accounting policies adopted in the Group's last annual financial statements for the year ended 30 June 2024.

(b) Adoption of new and revised Accounting Standards

For the half-year ended 31 December 2024, the Company has reviewed all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2024. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(c) New Accounting Standards, interpretations and amendments adopted by the Company

A number of new standards, amendments to standards and interpretations issued by the AASB which are not yet mandatorily applicable to the Company have not been applied in preparing these financial statements and none are expected to be relevant to the Company. The Company does not plan to adopt these standards early.

(d) Basis of Preparation/Accounting

The financial statements have been prepared on an accruals basis and are based on historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

In applying IFRS, management is required to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily available from other sources. Actual results may differ from these estimates.

DYNAMIC METALS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
HALF-YEAR ENDED 31 DECEMBER 2024

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. These accounting policies have been consistently applied throughout the period.

The significant accounting policies set out below have been applied in the preparation and presentation of the financial statements for the period ended 31 December 2024.

(e) Going Concern

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Company incurred a loss for the period of \$511,812 (2023: \$236,428). As at 31 December 2024, the Company had working capital surplus of \$5,396,138 (30 June 2024: \$5,527,864) with cash of \$4,668,610 (30 June 2024: \$2,171,429) available.

The directors have prepared a cash flow forecast, which indicates that the Group will have sufficient cash flows to meet all commitments and working capital requirements for the 12-month period from the date of signing this financial report.

Based on the cash flow forecasts, the directors are satisfied that the going concern basis of preparation is appropriate.

2. SEGMENT INFORMATION

Management has determined that the Company has one reportable segment, being mineral exploration in Australia. The Board periodically monitors actual versus budgeted exploration expenditure incurred. This internal reporting framework is most relevant to assist the Board with making decisions regarding the Group and its ongoing exploration programmes and activities, while also taking into consideration the results of exploration work that has been performed to date. The reportable segment is represented by the primary statements forming this financial report.

DYNAMIC METALS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
HALF-YEAR ENDED 31 DECEMBER 2024

3. TRADE AND OTHER RECEIVABLES

	31 December 2024 \$	30 June 2024 \$
Current		
Trade receivables	1,000,000	3,960,000
Other	92,724	18,141
Non-Current		
Trade receivables	-	1,000,000
Balance at the end of the year	<u>1,092,724</u>	<u>4,978,141</u>

4. CAPITALISED EXPLORATION AND EVALUATION EXPENDITURE

	31 December 2024 \$	30 June 2024 \$
Balance at beginning of year	5,212,225	3,916,370
Exploration expenditure incurred	747,937	2,055,961
Exploration expenditure sold during the year	-	(666,422)
Exploration expenditure written off	(97,823)	(93,684)
Balance at the end of the year	<u>5,862,339</u>	<u>5,212,225</u>

The balance carried forward represents projects in the exploration and evaluation phase.

Ultimate recoupment of exploration expenditure carried forward is dependent on successful development and commercial exploitation, or alternatively, sale of respective areas.

5. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

	31 December 2024 \$	30 June 2024 \$
Opening balance	442,092	282,353
Additions ¹	-	48,098
Fair value movement	(67,857)	111,641
Closing balance	<u>374,235</u>	<u>442,092</u>

¹ - In 2024, shares in the capital of Western Mines Group Ltd (ASX:WMG) acquired on sale of the Mulga Rock tenement.

DYNAMIC METALS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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6. COMMITMENTS AND CONTINGENCIES

There are no material changes to the contingencies and capital expenditure commitments outlined in the 30 June 2024 Annual Report.

7. RELATED PARTY TRANSACTIONS

There were no new related party transactions incurred during the half year.

8. EVENTS OCCURRING AFTER FINANCIAL REPORTING PERIOD

There has not arisen in the interval between the end of the financial half year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect significantly the operations, the results of those operations, or the state of affairs of the Group in future financial years.

9. RESERVES

	31 December 2024 \$	30 June 2024 \$
Share-based payment reserve		
Balance at the beginning of the year	600,161	461,053
Share-based payments (refer to note 9)	68,976	139,108
Balance at the end of the year	<u>669,137</u>	<u>600,161</u>

Nature and purpose of the reserves:

The share-based payments reserve is used to recognise the grant date fair value of options issued but not exercised.

10. SHARE BASED PAYMENT TRANSACTIONS

Share based payments transactions are recognised at fair value in accordance with AASB 2. The expense in the half year was \$68,976 (2023: \$127,980).

Employee Securities Incentive Plan

Dynamic Metals Limited ESIP was established to encourage all eligible directors, executive officers and employees who have been continuously employed by the Group to have a greater involvement in the achievement of the Group's objectives and to provide an incentive to strive to that end by participating in the future growth and prosperity of the Group through share ownership.

DYNAMIC METALS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
HALF-YEAR ENDED 31 DECEMBER 2024

9. SHARE BASED PAYMENT TRANSACTIONS (continued)

The ESIP allows the Group to issue free options or performance rights to eligible persons. The options can be granted free of charge and are exercisable at a fixed price in accordance with the rules of the ESIP.

Summary of Options

Set out below are summaries of options granted during the current financial half year.

Grant Date	Exercise Price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at end of the year	Options Vested at the end of the year	Options unvested at the end of the year
		<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>
17 Nov 2022	\$0.30	3,000,000	-	-	-	3,000,000	3,000,000	-
9 Dec 2022	\$0.30	1,200,000	-	-	-	1,200,000	1,200,000	-
16 Jan2023	\$0.30	1,212,500	-	-	-	1,212,500	1,212,500	-
Total		5,412,500	-	-	-	5,412,500	5,412,500	-

Weighted average exercise price: \$0.30

The weighted average remaining contractual life of share options outstanding at the end of the financial half year was 1.1 years (2023: 2.1 years).

Summary of Performance Rights

Set out below are summaries of performance rights granted during the current financial half year.

Grant Date	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at end of the year	Rights Vested at the end of the year	Rights unvested at the end of the year
	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>
1 July 2024	-	449,338	-	-	449,338	-	449,338
26 November 2024	-	548,013	-	-	548,013	-	548,013
Total	-	997,351	-	-	997,351	-	997,351

The weighted average remaining contractual life of performance rights outstanding at the end of the financial half year was 2.7 years (2023: Nil years).

The fair value of the performance rights were determined using a either a Monte Carlo model or the underlying share price on the day of grant of the performance right:

	Performance Rights granted 1 July 2024		Performance Rights granted 26 November 2024		
	Class A	Class B	Class A	Class B	Class C
Number	350,000	99,338	250,000	99,338	The number that converts to fully paid ordinary shares to the value of A\$30,000 using a volume weighted average price for 5 consecutive trading days on which trades of the Shares are recorded on ASX

DYNAMIC METALS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
HALF-YEAR ENDED 31 DECEMBER 2024

					ending 30 June 2025. Indicatively 198,675
Grant date	1 July 2024	1 July 2024	26 November 2024	26 November 2024	26 November 2024
Expiry date	30 June 2027	30 June 2027	30 June 2027	30 June 2027	30 June 2028
Share price at grant date	\$0.15	\$0.15	\$0.19	\$0.19	\$0.19
Fair Value at grant date	\$0.0585	\$0.151	\$0.0585	\$0.19	\$0.19
Vesting Condition	Each Class A Performance Right will vest on 30 June 2025 upon the Company achieving a volume weighted average price for 20 consecutive trading days on which trades of the Shares are recorded on ASX exceeding AUD\$0.30 at any time between 1 July 2024 and 30 June 2025	Immediately	Each Class A Performance Right will vest on 30 June 2025 upon the Company achieving a volume weighted average price for 20 consecutive trading days on which trades of the Shares are recorded on ASX exceeding AUD\$0.30 at any time between 1 July 2024 and 30 June 2025	Immediately	<ul style="list-style-type: none"> 30% are to vest upon IPO Use of Funds and work programs completed on time and within budget (subject to Board discretion); 10% are to vest upon Completion of MinRes transaction with exploration commenced (this vesting condition has been satisfied as at the date of this Notice); 30% are to vest upon no LTIs, reportable incidents or reportable environmental damage within the year 1 July 2024 to 30 June 2025; and <p>30% are to vest upon no instances of non-compliance with ACH Act within the year 1 July 2024 to 30 June 2025.</p>
Number issued to	Staff: 350,000	Staff: 99,338	Ms Wellman (Managing director): 250,000	Ms Wellman (Managing director): 99,338	Ms Wellman (Managing director): indicatively 198,675

DYNAMIC METALS LIMITED DIRECTORS' DECLARATION

In the opinion of the Directors of Dynamic Metals Limited:

- a) the consolidated financial statements, and notes set out on pages 14 to 23, are in accordance with the *Corporations Act 2001*, including:
 - i) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and
 - ii) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- b) there are reasonable grounds to believe that the Consolidated Entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:



K Wellman

Managing Director
5 March 2025

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF DYNAMIC METALS LIMITED

Conclusion

We have reviewed the accompanying half-year financial report of Dynamic Metals Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 31 December 2024, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of material accounting policies and other selected explanatory notes, 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 Dynamic Metals Limited and Controlled Entities does not comply with the *Corporations Act 2001* including:

- a. Giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134: *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the Directors for the 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 and the *Corporations Act 2001* and for such 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 for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2024 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*.

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.



HALL CHADWICK WA AUDIT PTY LTD



MARK DELAURENTIS CA
Director

Dated this 5th day of March 2025
Perth, Western Australia

To the Board of Directors,

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

As lead audit Director for the review of the financial statements of Dynamic Metals Limited and the entities it controlled for the half year ended 31 December 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- any applicable code of professional conduct in relation to the review.

Yours Faithfully,

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated this 5th day of March 2025
Perth, Western Australia

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