



## September 2022 – Quarterly Activities Report

### Key Highlights

#### EXPLORATION ACTIVITIES

- Completed – **Awaiting assay results:** 3,000 hole auger Geochem at Fraser Range Project.
- Completed – Awaiting compilation of data: 62 line km ground geophysics at Fraser Range Project
- Completed – **Awaiting assay results:** 1,200 geochemistry samples points at Ravensthorpe Nickel Project
- Gibb River Cu Project – Diamond Core hole **KCDD19001 assay results pending.**

#### NEW PROJECTS

- Fraser Range : Acquisition of EL 28/3260 within the highly prospective Fraser Range. *(Refer ASX Release 5 Oct 2022)*

Western Australian critical metals explorer, **DMC Mining Limited (ASX: DMM) (DMC or the Company)** is please to provide its September 2022 Quarterly Activities Report.

#### PROJECTS

##### Fraser Range (DMC 100%)

During the quarter, DMC completed ground geochemistry and ground geophysics surveys at the Fraser Range Project (FRP).

The surveys were over a number of high priority target areas consistent with potential for buried nickel-copper-cobalt mineralisation.

The soil geochemistry survey consisted of infill survey on a 200m x 200m grid. The surveys will first cover the 3 priority target areas C2, C3 and D10 (Figure 2). Other areas will also be surveyed in areas where past work only gave poor data quality unsuitable for targeting or in areas where previous sampling was in media, mainly calcrete, poorly suited to nickel sulphide exploration.

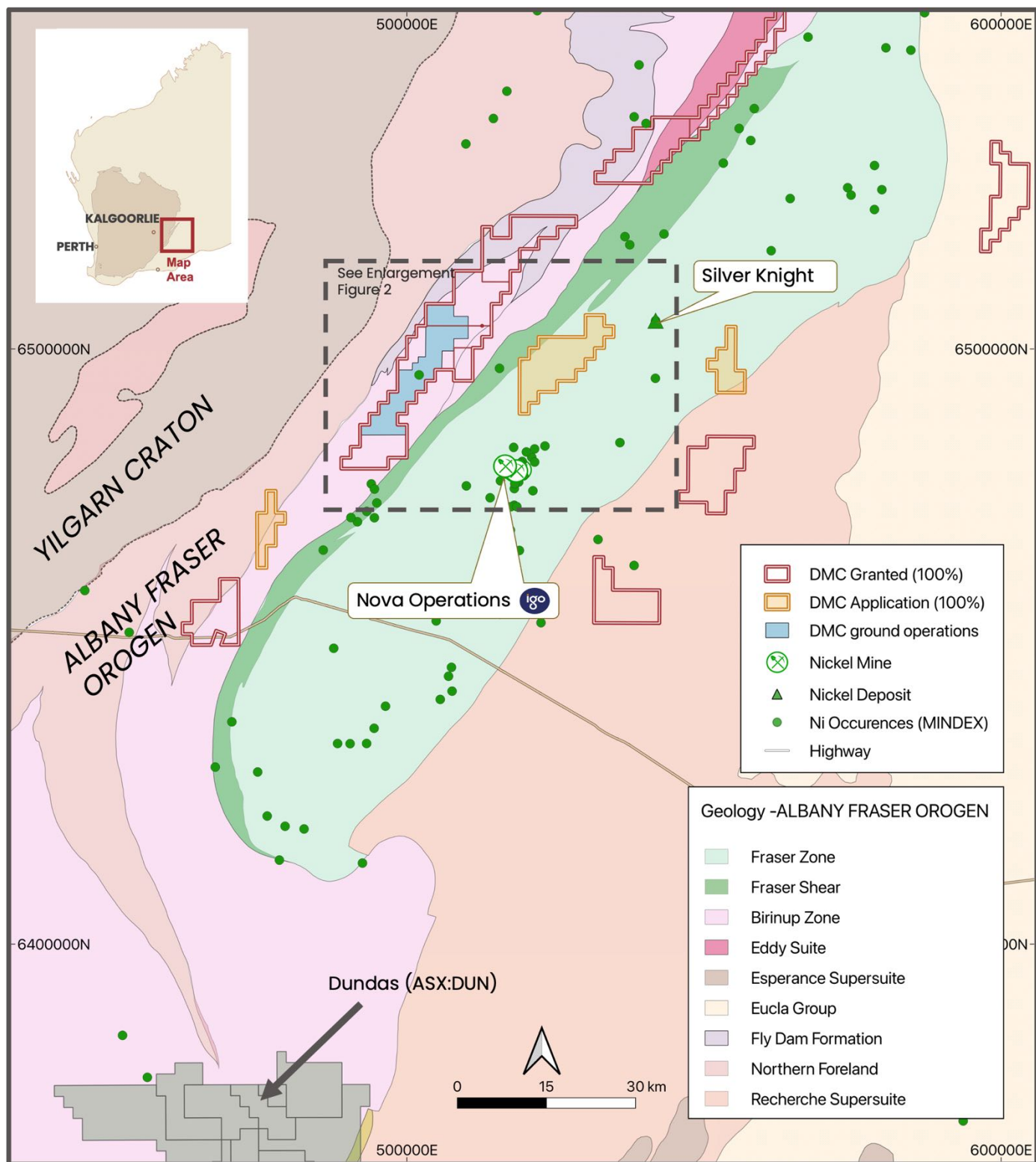
#### DMC Mining Limited

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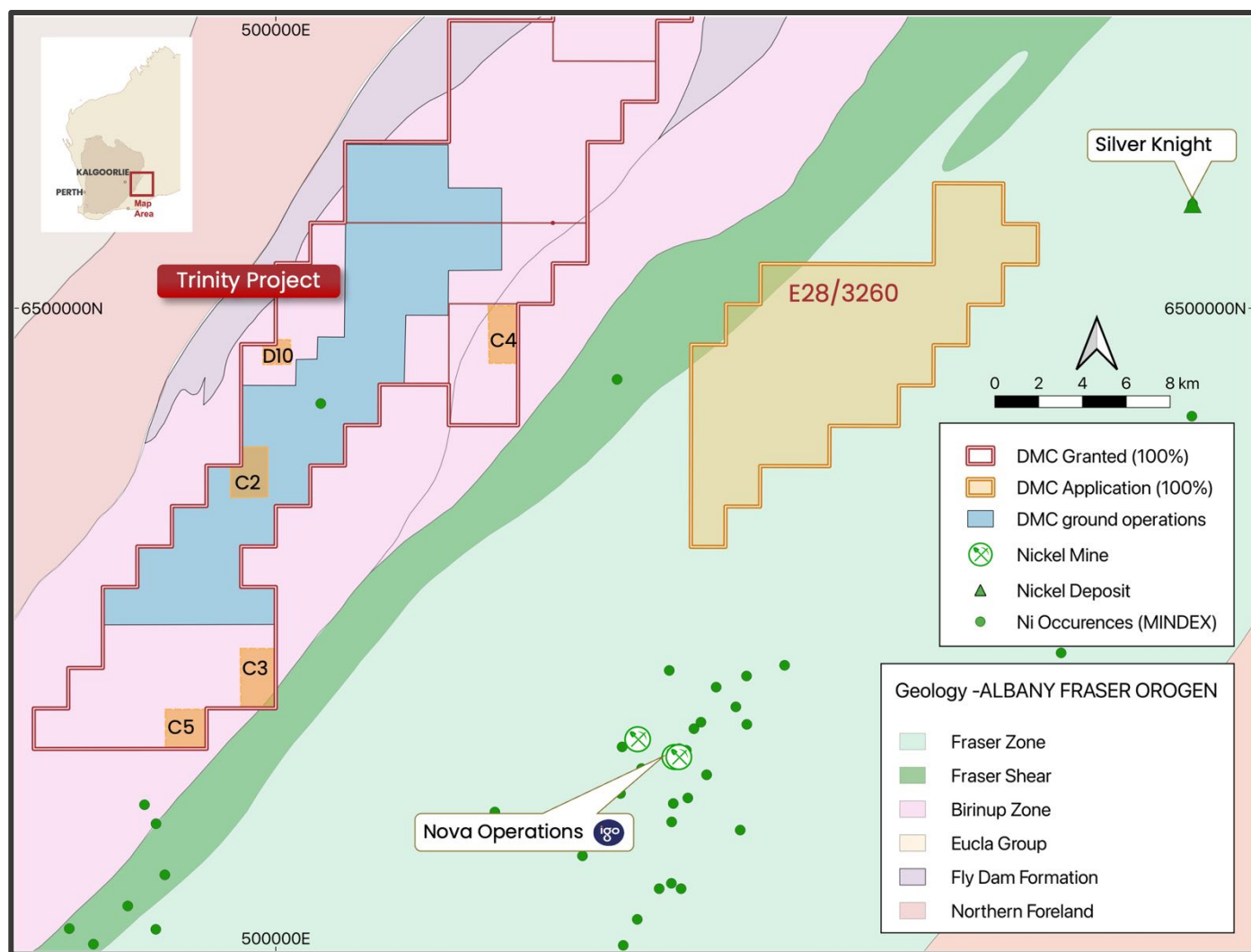
**Figure 1 – Fraser Range Project Location Map**

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The limited sparse effective previous soil geochemistry in these regions does indicate trace element anomalism in areas consistent with potential for buried mafic-ultramafic intrusive complexes and associated potential for nickel sulphide. In all some ~3,000 sample points are planned. Gyro Drilling were contracted to carry out the soil sampling program, and samples will be sent for geochemical analysis to Bureau Veritas in Perth.

Simultaneous to the soil sampling program, ground geophysics was conducted over the priority targets identified. Refer Table 1 for summary.

Results from the geochemical and ground geochemical surveys conducted will then be followed up by diamond drilling to test the anomalies for potential nickel sulphide mineralisation.



**Figure 2 – Fraser Range Project – Priority Target Areas**

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Project Area	Line KM	Survey Type
C2	18	Moving Loop EM
C3	7.5	Moving Loop EM
C4	8.5	Fixed Loop LEM
	5.4	Moving Loop EM
C5	16.5	Fixed Loop LEM
D10	6	Moving Loop EM

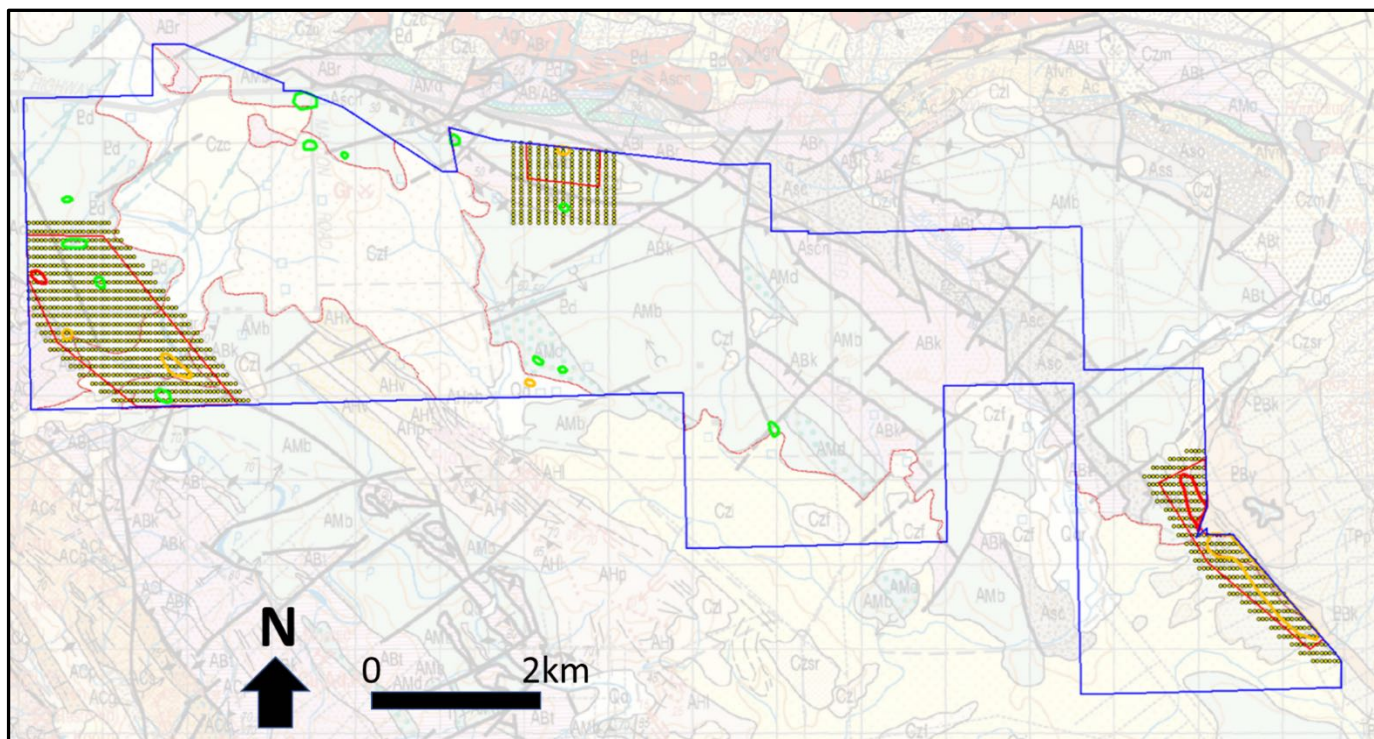
**Table 1** – Summary of Ground Geophysics – Fraser Range Projects

### Ravensthorpe Nickel Project (DMC 100%)

On the Ravensthorpe Nickel Project (RNP), soil geochemistry consisted of 100m x 50m sampling grids over three priority target areas (Figure 3) identified from ground reconnaissance follow-up on the results of the 2021 high-resolution helicopter-borne time domain electromagnetic (EM) and magnetic (Xcite™) survey covering all the RNP. The three priority areas have been chosen where reconnaissance follow-up identified areas of shallow bedrock with abundant ultramafic (peridotite, dunite and spinifex textured komatiite) lithologies consistent with the target nickel sulphide komatiite channel facies host geology. In all some 1,251 sample points were taken.

The company is in the process of planning follow-up geophysical surveys over the priority conductivity targets identified at Ravensthorpe, and it is anticipated that the same geophysical contractor will carry out the work following-on from the program at the FRP.





**Figure 3** – Completed 100m x 50m Soil Geochemistry Sampling Coverage on the Ravensthorpe Nickel Project.

### Gibb River Cu Project (DMC 100%) (In Application)

The Gibb River Cu Project (**Project**) comprises 5 EL applications totalling ~573 km<sup>2</sup> in the Kimberley Region of WA. (refer ASX Release: June 2022 Quarterly Activities Report lodged 29 July 2022)

#### Key Points;

- The prospective tenement has previous drilling (27 drill holes) and **widespread Cu mineralisation – not fully tested and explored.**
- DMC can leverage existing technical skills and expertise to advance exploration (should it proceed to granting)
- \$8,300 paid in non-refundable application fees (to DMIRS) upfront to secure the tenement package. DMC holds 100%.
- 2019 co-funded GSWA drill hole (KCDD19001) was never assayed, **despite chalcopyrite veining** (based on photo interpretation)
- **Right location** - Tenements sit within a zone of thinning lithosphere along the same corridor as McArthur River, Redbank, Century and Prominent Hill mines.
- Overlooked during 1980's to early 2000's as a copper project as exploration mainly focussed on diamonds.
- Exploration model is for **Zambian style sedimentary exhalative (SedEx) or Mississippi valley type (MVT)** deposit around the Menuairs Dome.
- Pre-granting updates & newsflow;
  - **Inspection and logging of KCDD19001** (completed on 9 August at GSWA)
  - **Assaying of KCDD19001.** The intact diamond core is currently stored at GSWA. From discussions between DMC & GSWA, the core can be made available to DMC for assaying.
  - Field reconnaissance trip completed by geologist

#### Geological Setting

Menuaris Dome is a doubly plunging anticlinal structure ('dome'). Lithologies observed in the field of the Pentecost Lower and Middle Members confirm the presence of shale rich horizons containing copper oxides.

Menuairs Dome has the potential to contain Zambian style sedimentary exhalative (SedEx) base metals within the siltstone/shale horizons of the Pentecost Sandstone Formation, predominately found at the transition of Middle Pentecost Sandstone to Lower Pentecost Sandstone. Potential for vein hosted sulphide deposits is also present within the Carson Volcanics units, underlying the Warton sandstone in

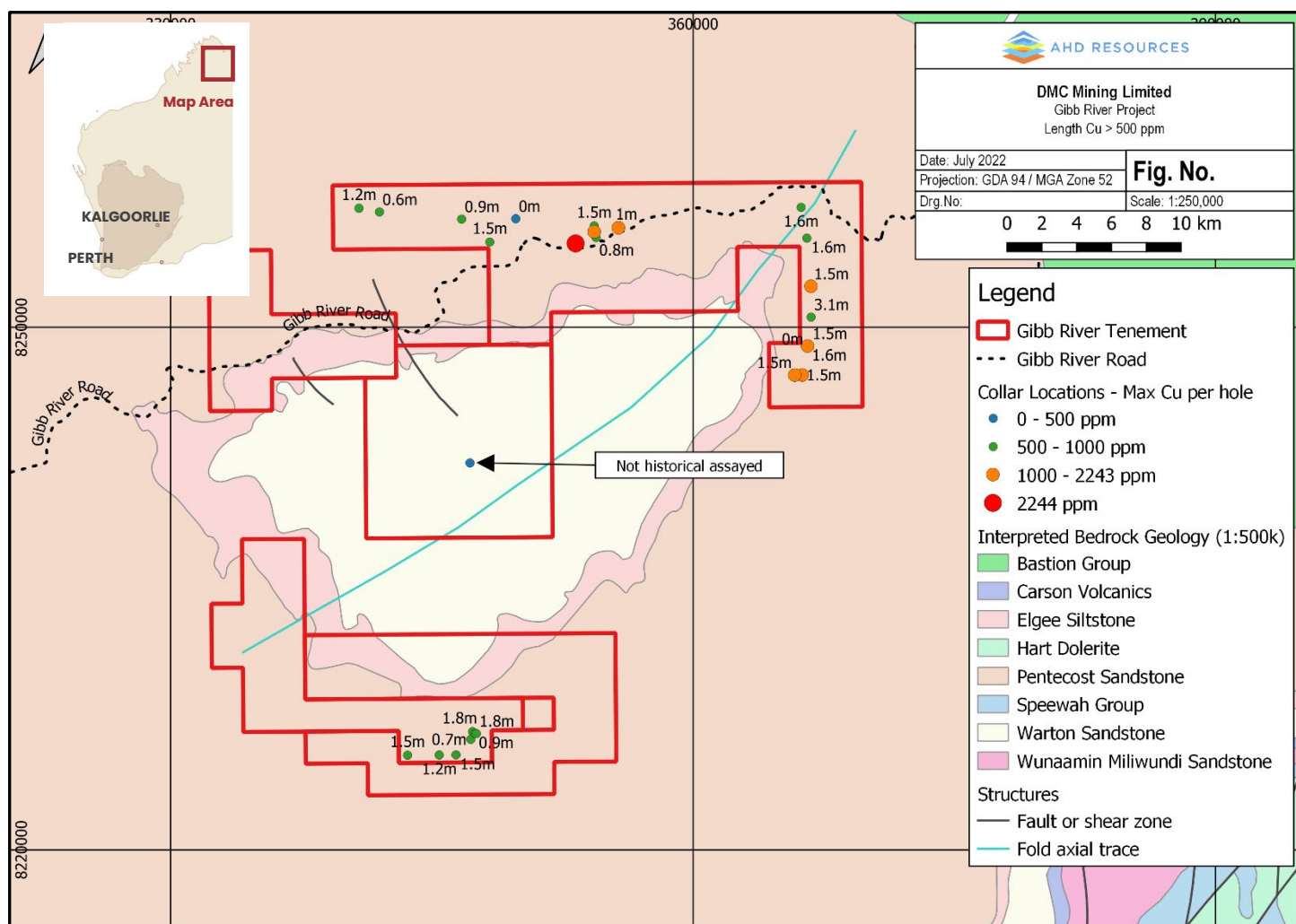
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the center of the Menuairs Dome. Historical Copper mineralization has been identified within shales and siltstones at the Middle Pentecost Sandstone to Lower Pentecost Sandstone boundary.

Lithologically the formations present at the Menuairs Dome align with a shallow shelf depositional environment, with some deeper anaerobic depositional environments towards the base of Lower Pentecost Sandstone as made evident by Glauconite presence.

### Previous Exploration

Regional exploration was carried out in the late 1960s and early 1970s by Durack Mines ('Durack') and Australian Anglo American ('Anglo') targeting the Middle Pentecost Unit using a syngenetic "Zambian" copper shale model. **Both parties reported widespread occurrences of stratiform copper-oxide mineralization** in the middle Pentecost Sandstone, in the Teronis member of the Elgee Siltstone, and in the Carson Volcanics.



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**Figure 5** – Gibb River Cu Project location map, historic drill locations, Cu grade & Cu length Cu>500ppm.

Anglo drill tested the gray-green silty and shaly lower part of the middle Pentecost Sandstone with **18 shallow core holes and 9 shallow percussion holes in 1971**. The best intercepts reported were 6 feet of 0.12% Cu and 1.5 feet of 0.22% Cu. The copper mineralization in the Teronis member of the Elgee Siltstone was not evaluated by Anglo. Anglo did not prospect or evaluate potential copper mineralization in the lower Pentecost, Warton, or Carson Volcanics units on this structure. Anglo drilling logged Chalcopyrite (Cp), Bornite (Bn), Chalcocite (Cc) and Malachite (Mal)

Exploration between the 1980's and early 2000's was focused on diamonds, with no mention of other commodities

EMX NSW 1 ('EMX' – a subsidiary of EMX Royalty Corp) completed a single diamond hole to 249.4m depth in the center of the Menuair Dome (KCDD19001) in 2019. This hole tested the crest of the dome for sedimentary hosted copper mineralisation within the Warton Sandstone, drilling 51.9m into the underlying Carson Volcanics. Drillhole KCDD19001 was not assayed at a laboratory, only spot pXRF analysis was conducted. GSWA co-funded this drilling. Upon initial photo revision of the KCDD19001 core, the following observations are noted;

- Potassium-feldspar fracture alteration noted from 200m.
- Copper sulphide fracture fill and veining from circa 224m to EOH.

**The core is available to review and DMC may proceed to have the core assayed upon inspection and relogging.** Figure 6 illustrates the photo interpretation of Cu sulphides in an example tray.

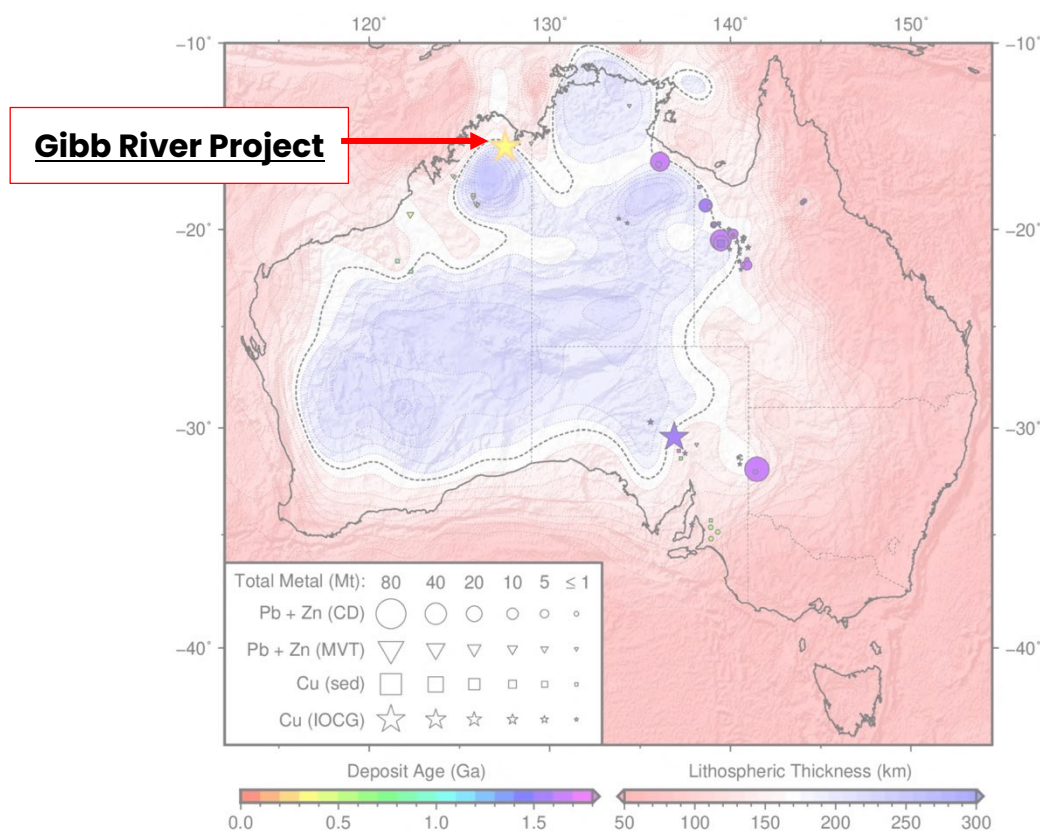


**Figure 6** – KCDD19001 GSWA core photo of Tray #51 with interpreted Cu sulphide mineralisation



### Right Location

Recent studies by Hoggard et. al. (2020) identified a strong link to significant changes in Lithospheric-Asthenospheric thickness (LAB) and sediment-hosted based metal systems. The work concluded that 85% of the world's sediment-hosted base metals occur within 200km of these key LAB zones. This breakthrough provides an unprecedented global framework for identifying fertile regions for targeting sediment hosted base metal mineral exploration. The Gibb River project is located directly on one of these LAB zones which is shared with significant mines such as McArthur River, Redbank, Century and Prominent Hill mines (see Figure 7).



**Figure 7** – Location of the Gibb River project and the distribution of sediment-hosted and iron-oxide-copper-gold base metal deposits as a function of Australian lithospheric thickness (modified after Hoggard et al. 2020).

### Exploration Targets

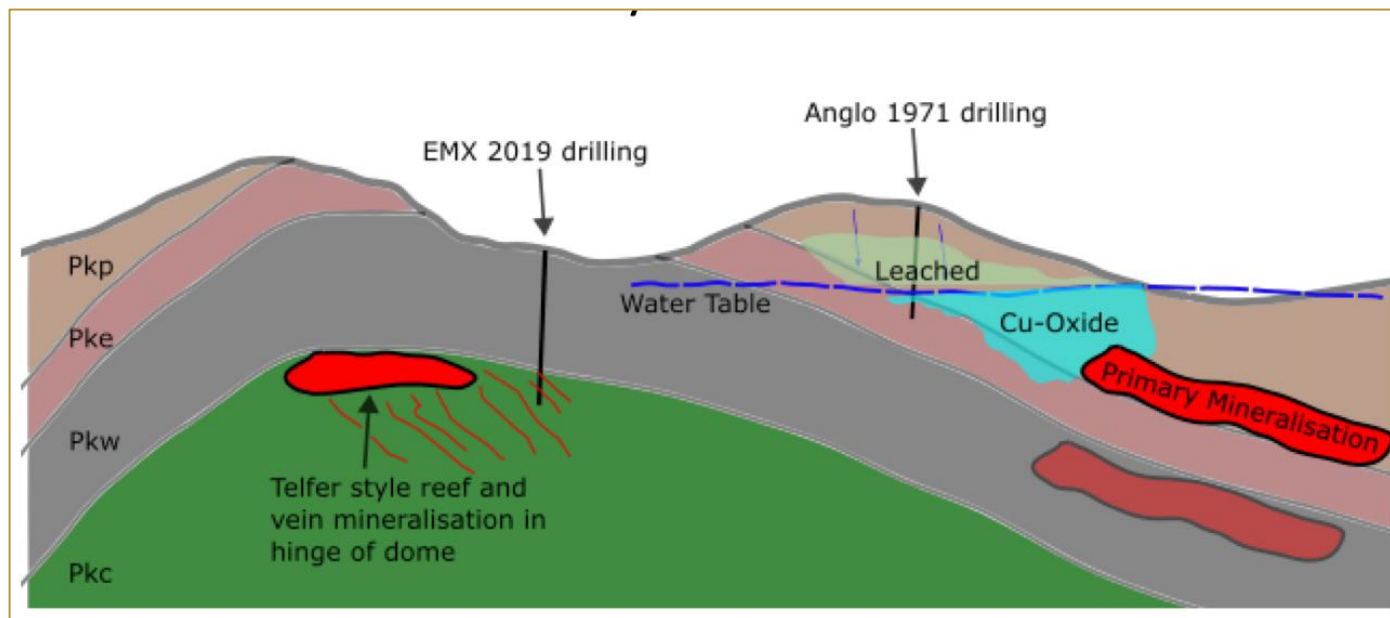
Exploration model and potential for the Gibb River Project is based on the following observations from historical exploration:

- a) Cu minerals identified at surface including oxide, supergene, and hypogene mineral assemblages.
- b) Anomalous results in drilling associated with Cu oxides with apparent stratigraphic correlation of bedding and anomalies.
- c) Notation of ‘White powder’ on drilling cross sections suggesting a leached cap potential.
- d) Visible sulphide veining on core imagery in Carson Volcanics.

An oxide with potential enrichment blanket is proposed to be associated with a Strata-bound (SedEx) zone which was partially intercepted by Anglo in their 1971 drilling. The evidence of “white powder” noted in the drill logs while drilling into siltstone and shale beds suggests a blanketing leached cap (see Figure 8).

Additionally, the potential for stockwork or lode style copper mineralisation exists within the Carson Volcanics, which the 2019 EMX diamond hole may have flanked the deposit edge (inspection and relogging of the core to confirm). EMX did not assay the diamond core (KDD19001) despite minor chalcopyrite veining, which considering the extent of veining from the photo interpretation, suggests a much larger system could potentially be in the immediate vicinity (see Figure 6)

**This interpretation means down dip of all historic drilling is open**, and the center of the Menuairs Dome is also open especially if a surface expression is evident within the Menuair Dome. EMX did not assay the diamond core (KDD19001) despite chalcopyrite veining.



**Figure 8** – Gibb River Cu Project exploration model

### CORPORATE

#### Cash Holdings

Cash on hand as the end of the quarter was **\$3,446,476**.

#### Related Party Payments:

Pursuant to item 6 in the Company's Appendix 5B – Quarterly Cashflow Report for the Quarter ended 30 June 2022, the Company made payments totalling \$127,331 to related parties and associates.

These payments relate to existing remuneration arrangements being Executive Chairman, Non-Executive Directors, Company Secretarial and Financial Accounting Services. All related party payments are consistent with remuneration arrangements detailed in the Prospectus dated 29 October 2021.

#### Information required by Listing Rule 5.3.1:

During the quarter the Company spent \$105,202 on exploration activities which were largely comprised of payments for annual tenement rates, due diligence expenditure related to new tenement applications, and ongoing geological services and technical support at Fraser Range and Ravensthorpe Projects.

#### Information required by Listing Rule 5.3.2:

There were no mining production and development activities during the Quarter.

#### Information required by Listing Rule 5.3.3:

Project Name	Region	Tenement Number	Status	DMC Interest as at 30 June 2022	DMC Interest as at 30 Sept 2022
Trinity	Fraser Range (WA)	EL 28/2831	Granted	100% <sup>2</sup>	100% <sup>2</sup>
Trinity	Fraser Range (WA)	E28/2883	Granted	100% <sup>2</sup>	100% <sup>2</sup>
Trinity	Fraser Range (WA)	E28/2816	Granted	100% <sup>1</sup>	100% <sup>2</sup>
Trinity	Fraser Range (WA)	E28/2815	Granted	100% <sup>1</sup>	100% <sup>2</sup>
Enduro	Fraser Range (WA)	E63/1918	Granted	100% <sup>2</sup>	100% <sup>2</sup>
Talon Ridge	Fraser Range (WA)	E28/2829	Granted	100% <sup>2</sup>	100% <sup>2</sup>



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Talon Ridge	Fraser Range (WA)	E28/2813	Granted	100% <sup>1</sup>	100% <sup>2</sup>
Hardtail	Fraser Range (WA)	E28/2814	Granted	100% <sup>1</sup>	100% <sup>2</sup>
Propel	Fraser Range (WA)	E28/2830	Granted	100% <sup>2</sup>	100% <sup>2</sup>
Propel	Fraser Range (WA)	E69/3592	Granted	100% <sup>2</sup>	100% <sup>2</sup>
Ravensthorpe Nickel Project	Ravensthorpe (WA)	E74/669	Granted	100%	100%
Enduro North	Fraser Range (WA)	E63/2255	Application	100% <sup>2</sup>	100% <sup>2</sup>
Propel North	Fraser Range (WA)	E28/3242	Application	0%	100% <sup>2</sup>
Trinity East	Fraser Range (WA)	E28/3260	Application	0%	100% <sup>2</sup>
Gibb River Cu Project	Kimberley Region (WA)	E80/5781	Application	100%	100% <sup>1</sup>
Gibb River Cu Project	Kimberley Region (WA)	E80/5782	Application	100%	100% <sup>1</sup>
Gibb River Cu Project	Kimberley Region (WA)	E80/5783	Application	100%	100% <sup>1</sup>
Gibb River Cu Project	Kimberley Region (WA)	E80/5785	Application	100%	100% <sup>1</sup>
Gibb River Cu Project	Kimberley Region (WA)	E80/5786	Application	100%	100% <sup>1</sup>

<sup>1</sup> Held via DMC's 100% owned subsidiary, Romany Minerals Pty Ltd

<sup>2</sup> Held via DMC's 100% owned subsidiary, Isker Mining Pty Ltd

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### Information required by Listing Rule 5.3.4:

DMC provides the following disclosures required by ASX Listing Rule 5.3.4 regarding a comparison of its actual expenditure to date since listing on 22 December 2021 against the 'use of funds' statement in its Prospectus dated 29 October 2021.

<b>Funds Available</b>	<b>\$'000</b>		
Pre IPO funds	440		
Funds raised from the Offer	5,000		
<b>Total Funds</b>	<b>5,440</b>		

<b>Expenditure Item</b>	<b>Use of Funds \$'000 2 years – as per prospectus</b>	<b>Actual \$'000 22.12.21 – 30.09.22</b>	<b>Variance \$'000 Use of Funds Vs Actual</b>
Expenses of the Offer	(261)	(189)	73
Lead Manager Fee	(300)	(319)	(19)
Acquisition Costs of Tenements	(106)	(83)	24
Exploration Expenditure	(2,775)	(489)	2,286
Administration Costs	(1,655)	(645)	1,010
Working Capital	(343)	(58)	285 <sup>1</sup>
<b>TOTAL</b>	<b>(5,440)</b>	<b>(1,782)</b>	<b>3,658</b>

The Company notes the following differences between Variance and the Company's expected Variance at this time following listing on the ASX.

<sup>1</sup> Variance incurred during the September 2022 quarter relates to due diligence expenditure related to new tenement applications.

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### Announcements

Investors are directed to the following material announcements (available at [www.dmcmining.com.au](http://www.dmcmining.com.au)) made by DMC during 2022 for full details of the information referenced in this Quarterly Report.

Date	ASX Release
12 January 2022	Exploration commenced – Ravensthorpe Nickel Project
10 March 2022	Multiple Ni Targets from EM Survey at Ravensthorpe
21 March 2022	Exploration Programme to Test Priority Targets at Fraser Range
26 July 2022	Exploration to Commence
31 July 2022	DMC June Quarter Activities Report
5 October 2022	DMC Increases Critical Metals Project Tenure in Fraser Range

### Competent Person's Statement

The information in this announcement that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Tony Donaghy who is a Registered Professional Geoscientist (P.Geo) with the association of Professional Geoscientists of Ontario (PGO), a Recognised Professional Organisation (RPO). Mr Donaghy is an employee of CSA Global, an ERM Company, and is contracted as Exploration Management Consultant to DMC Mining Limited. Mr Donaghy has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Donaghy consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

### Competent Person's Statement - Gibb River Cu Project

The information in this announcement that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Andrew Dawes who is a Member of the Australasian Institute of Mining and Metallurgy and is a Principal Geologist employed by AHD Resources, independent consultants to DMC. Mr Dawes has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Dawes consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

### Forward Looking Statements

Certain information in this document refers to the intentions of DMC, however these are not intended to be forecasts, forward looking statements or statements about the future matters for the purposes of the Corporations Act or any other applicable law. Statements regarding plans with respect to DMC's projects are forward looking statements and can generally be identified by the use of words such as 'project', 'foresee', 'plan', 'expect', 'aim', 'intend', 'anticipate', 'believe', 'estimate', 'may', 'should', 'will' or similar expressions. There can be no assurance that the DMC's plans for its projects will proceed as expected and there can be no assurance of future events which are subject to risk, uncertainties and other actions that may cause DMC's actual results, performance or achievements to differ from those referred to in this document. While the information contained in this document has been prepared in good faith, there can be given no assurance or guarantee that the occurrence of these events referred to in the document will occur as contemplated.

Approved for release by the Board of Directors

For further information, please contact:

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## About DMC MINING LIMITED (ASX:DMM)

DMC Mining is a **dedicated critical metals explorer in Western Australia**. The large tenement holding (~1,050km<sup>2</sup>) throughout the Fraser Range and at Ravensthorpe, is located at the **margins of the Yilgarn Craton** where numerous world class deposits have been discovered.

As a nickel explorer, DMC provide investors with excellent exposure to the **growing demand for EV battery metals**.

Debuted on the ASX in late 2021, the company is focused on delivering on its exploration programmes and providing tangible results for investors. Our modern approach to critical metals exploration will result in a more streamlined and cost-efficient exploration process that will ultimately deliver higher returns for investors.

### Trinity Project (Fraser Range)

- 6 high priority targets
- ~18km west of Nova Nickel M (ASX:IGO)

### Ravensthorpe Nickel Project

- Highly prospective nickel sulph setting
- 15km of bandalup ultramafics
- EM survey completed



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### **Directors & Management**

**David Sumich**

Executive Chairman

**William (Bill) Witham**

Non Executive Director

**Bruce Franzen**

Non Executive Director

**CSA Global**

Consulting Exploration Manager

**A.C.N**

648 372 516

**Shares on Issue**

46.35 mill

**Options** (\$0.30 exp Dec 2024 )

1.0 mill

**Options** (\$0.20 exp April 2026 )

25.575 mill

**Cash** (as at 30 Sept)

~A\$3.5mill