ASX ANNOUNCEMENT

31 JANUARY 2023

RIG MOBILISES FOR FIRST DRILL PROGRAM AT WIDGIEMOOLTHA PROJECT

HIGHLIGHTS

- **Drill rig mobilises to site for first drill program since successful completion of IPO and listing on the ASX on 16th January**
- **$7M raised in the IPO allows Dynamic to rapidly progress exploration activities across its portfolio of critical minerals projects in Western Australia**
- **First drill program to test Dordie Far West nickel target at the Widgiemooltha Lithium-Nickel-Gold Project; permits in place for drilling Mandilla, Higginsville and Sunday Soak prospects**
- **Preparations for regional Air Core drill program at Lake Percy Lithium-Nickel Project finalised**
- **Reconnaissance field trip to Deep Well Nickel-Copper-PGE Project complete**

Dynamic Metals Limited (**ASX:DYM**) ("**Dynamic**" or "**the Company**"), a new Australian focussed lithium, nickel and gold explorer, is pleased to announce that a Reverse Circulation (RC) drill rig and crew has mobilised to site in preparation for the first exploration drill program following successful completion of its Initial Public Offer (IPO) which raised the maximum subscription of $7M (before costs).

A five hole RC program is scheduled to commence this week on the Dordie Far West nickel target. The drill program is designed to test for Kambalda type nickel sulphide mineralisation using geological interpretations developed by Dynamic's specialist komatiite nickel exploration consultant.

Dordie Far West is located on the northwest margin of the Widgiemooltha dome on E15/1680 where anomalous nickel results were detected in RC drilling completed by Mincor Resources Limited (ASX:MCR) in the late 2000s (Figure 1). Dynamic's recent geological modelling of the historic data set interpreted that the results may indicate the keel of a synform in the ultramafic stratigraphy along the komatiite-basalt contact. The recognition of this structural position provides an excellent opportunity to drill test the area for further nickel mineralisation. Historic intercepts at Dordie Far West include[1]:

- 8m @ 1.3% Ni from 26m downhole (MRC151)
- 2m @ 1.7% Ni from 12m downhole (MRC152)
- 2m @ 1.9% Ni from 26m downhole (MRC157)

[1] Refer Dynamic Metals Prospectus dated 17 November 2022 as announced on market announcements platform 12 January 2023

- 2m @ 1.4% Ni from 28m downhole (MRC160)
- 4m @ 1.4% Ni from 36m downhole (MRC160)

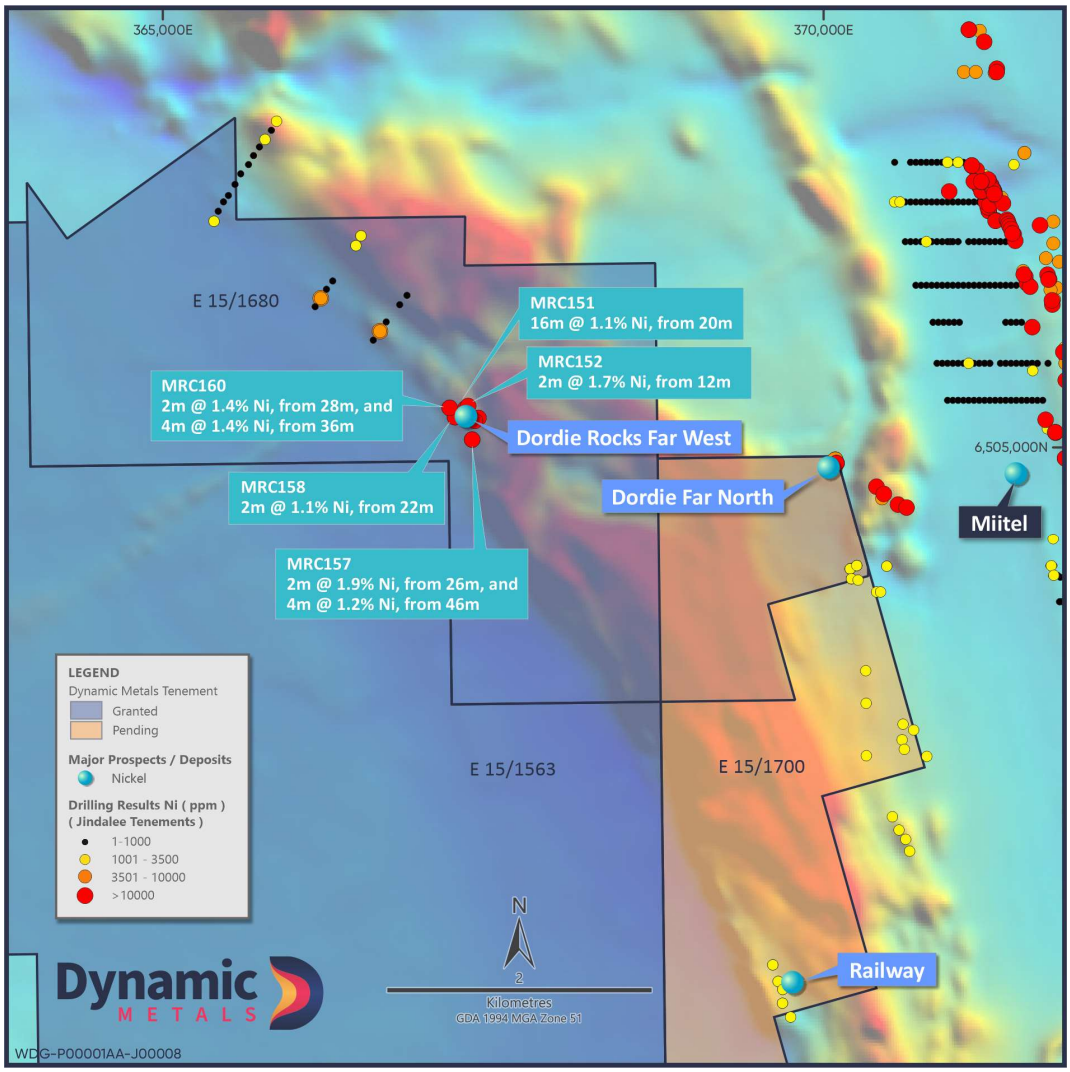

Figure 1: Plan view of Dordie Far West with historic drill intercepts over magnetic imagery

Planning for future drill programs is well advanced with all permitting in place for drilling at the Mandilla, Higginsville, and Sunday Soak targets at the Widgiemooltha project. The Company continues to progress its earlier stage lithium exploration programs with regional mapping and sampling for target generation across all projects.

LAKE PERCY

Dynamic has advanced preparations for Air Core (AC) drilling targeting nickel sulphide mineralisation at the Lake Percy Project. The first program aims to drill approximately 100 holes across five targets defined using the compiled historic dataset and reprocessed fixed wing aeromagnetic data. The drilling will also provide information to assist in targeting potential lithium-cesium-tantalum pegmatite mineralisation.

DEEP WELL

The Dynamic exploration team recently completed a reconnaissance field trip to the Deep Well Project, located 35km east southeast of Meekatharra in the Murchison region of Western Australia. This field trip provided further geological context for the anomalous rock chip samples outlined in the Dynamic Metals prospectus which will assist in planning and permitting the first AC drill program intended to be drilled in the second half of 2023.

Authorised for release by the Board of Directors.

For further information on the Company and our projects, please visit: **www.dynamicmetals.com.au**

CONTACT

Karen Wellman

Managing Director

enquiry@dynamicmetals.com.au

+61 8 9321 7550

ABOUT DYNAMIC METALS

Dynamic Metals is the successful spin-off from Jindalee Resources Limited (ASX:JRL) and raised its maximum subscription of $7M in its IPO in December 2022. Dynamic is progressing exploration across portfolio of projects in the critical minerals space in Western Australia. The flagship project, Widgiemooltha, covers an extensive area of approximately 880km^2 extending between Norseman and Kambalda. The region is well known for its numerous nickel and gold mines, but more recently has emerged in significance for its lithium mineralisation and prospectivity.

COMPETENT PERSONS STATEMENT

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves 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 document may contain certain forward-looking statements. Forward-looking statements include but are not limited to statements concerning Dynamic Metals Limited's (Dynamic's) current expectations, estimates and projections about the industry in which Dynamic operates, and beliefs and assumptions regarding Dynamic's future performance. When used in this document, the words such as "anticipate", "could", "plan", "estimate", "expects", "seeks", "intends", "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 are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of Dynamic and no assurance can be given that actual results will be consistent with these forward-looking statements.

1 ANNEXURE A

Drill hole summary table with significant intersections for historic surface RC completed at Dordie Far West in 2007 and 2008[2]

Hole ID	Easting	Northing	RL	Dip/Azi	EoH	Metres From	Metres To	Width (m)	Ni (%)
MRC151	367291	6505297	320	-76/44	95	26	34	8	1.3
MRC152	367310	6505314	320	-60/44	52	22	24	2	1.7
MRC157	367340	6505060	320	-59/29	112	26	28	2	1.9
						46	50	4	1.2
MRC158	367210	6505230	318	-60/29	137	22	24	2	1.1
MRC160	367170	6505300	317	-58/42	130	28	30	2	1.4
						36	40	4	1.4
MRC151	367291	6505297	320	-76/44	95	26	34	8	1.3
MRC152	367310	6505314	320	-60/44	52	22	24	2	1.7

Notes:

- All coordinates are GDA94 MGA Zone 51
- Intervals are reported on 1% Ni cut-off
- Intervals reported meet a minimum downhole width of 2m

[2] Refer Dynamic Metals Prospectus dated 17 November 2022 as announced on market announcements platform 12 January 2023

2 ANNEXURE B

JORC Code, 2012 Edition – Table 1
Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling Techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• RC drilling was used to collect samples at 2m intervals. • Approximately 2-4kg was collected from each interval using a riffle splitter (for dry samples) and a rotary splitter (for wet samples). • All samples were placed into individually labelled, consecutively numbered sample bags. • The RC samples obtained are considered representative of the material drilled.
Drilling Techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Drilling was completed using conventional RC drilling techniques.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• These results were originally reported under JORC 2004, and exact details for drill sample recovery are unknown. Dynamic plans to implement its own validation of drill data using appropriate methods which may include twinning drill holes.

Criteria	JORC Code explanation	Commentary
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Qualitative lithological descriptions (colour, weathering, grain size, lithology, mineralogy, veining textures and other significant features) were recorded by the field geologist.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• RC samples were sampled by spearing and composited over 2m intervals. • These results were originally reported under JORC 2004, and exact details for QAQC are unknown. Dynamic plans to implement their own validation of drill data using appropriate methods which may include twinning drill holes.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg stndards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• All samples were initially analysed for nickel using ME-ICP61 (aqua regia digest followed by analysis using inductively coupled plasma atomic emission spectrometry). Any samples showing >0.7% nickel were re-assayed using AA62 (3 acid digestion and analysis using atomic absorption spectrometry). • These results were originally reported under JORC 2004, and exact details for QAQC are unknown. Dynamic plans to implement its own validation of drill data using appropriate methods which may include twinning drill holes.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data*	• Assay results were verified by more than one Dynamic geologist. The results were reported in WAMEX report A75831 and A79779.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	• Sample locations were surveyed using a handheld GPS positions were also checked against a Digital Elevation Model (DEM). • Locations are reported in metres GDA94 MGA Zone 51.

Criteria	JORC Code explanation	Commentary
	• *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Singleshot surveys were used for some drillholes.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• RC samples were combined into 2m composites. • No Mineral Resources have been estimated.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assess and reported if material.*	• Intervals reported are not considered true widths. • There is not enough information to make assumptions regarding drillhole orientation.
Sample security	• *The measures taken to ensure sample security.*	• Samples were subject to industry standard sample security methods.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Ground truthing of drill collar locations has been undertaken by Dynamic. No other audits have been completed at this stage.

Section 2 Reporting of Exploration Results
(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Dordie Far West prospect and historic drilling are located on pending exploration licence E 15/1680 which is owned by Dynamic. • No joint ventures or royalty interests are applicable.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Mincor Resources (ASX:MCR) conducted the drilling which is the subject of this disclosure in 2007 and 2008.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Reported nickel mineralisation is of the Kambalda komatiite nickel sulphide deposit ore type.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* • *easting and northing of the drill hole collar* • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* • *dip and azimuth of the hole* • *down hole length and interception depth* • *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• Please see table and figures in main body of text.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*	• Significant intercepts are presented as a simple average above a 1% Ni cut-off with no internal waste and a minimum thickness of 2m.

Criteria	JORC Code explanation	Commentary
	• *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Downhole lengths reported are true widths are not known.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• See main body of announcement.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All drilling results above a cut-off of 1% Ni are regarded as significant and have been reported.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• No additional observations at this time.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Soils sampling surveys to guide drill program design. • Further RC drilling to test targets generated. • Twinning of historic drill holes if required.