

DYNAMIC METALS LIMITED

A.B.N. 37 659 154 480

**FINANCIAL REPORT
FOR THE HALF YEAR ENDED
31 DECEMBER 2022**

DIRECTORY

Board and Management

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

Registered Office & Principal Place of Business

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Auditors

Hall Chadwick WA Audit Pty Ltd
283 Rockeby Road
Subiaco, WA 6008

Legal Advisors

Hamilton Locke
L27, 152-158 St George's Terrace
Perth, WA 6000

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DIRECTORS' REPORT

DIRECTORS' REPORT

The Directors present their report on Dynamic Metals Limited (**Dynamic** or **Company**) for the half-year ended 31 December 2022. The Company was incorporated on 24 May 2022 hence there is no comparative financial information for this reporting period.

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
Patricia Farr (resigned 10 October 2022)

Review of operations

The principal activity of Dynamic during the period was mineral exploration in Australia. During the period there was no change in the nature of this activity.

The loss of the Company after providing for income tax for the half-year ended 31 December 2022 was \$178,601

Dynamic's strategy is to identify and acquire mineral exploration projects with the potential to transform the value of the Company. During the period, the Company applied for prospective tenements in Western Australia which it will continue to explore.

The net assets of the Company have decreased by \$178,601 over the period, due to the loss for the period of \$178,601.

The Company was funded by its parent entity, Jindalee Resources Limited (**Jindalee**), during the period. Subsequent to period end the Company completed an Initial Public Offering in January 2023, raising \$7,000,000 before issue costs from the issue of 35,000,000 shares. The Company ceased to be a subsidiary of Jindalee from this date and the funds raised will allow the Company to be financially independent and to continue its exploration endeavours.

Events occurring after financial reporting period

A portfolio of Australian exploration tenements (value \$1,974,728), 4,411,765 shares in GWR Group Limited (value \$273,529) and \$251,743 in cash was transferred to the Company from Jindalee in January 2023 in exchange for the issue of 12,500,000 shares in the Company. The transfer of assets included a subsidiary company of Jindalee (HiTec Minerals Pty Ltd) which, at the date of this report, is now a subsidiary of Dynamic.

Dynamic acquired an 80% interest in the Deep Well Project in January 2023 for the issue of 1,000,000 shares in the Company and a cash payment of \$70,000.

DIRECTORS' REPORT

As noted above the Company raised \$7,000,000 before share issue costs from the issue of 35,000,000 shares and listed on the Australian Stock Exchange on 16 January 2023. The Company ceased to be a subsidiary of Jindalee from this date.

During January 2023, the Company issued 4,200,000 unlisted options to Directors and management personnel with 1,212,500 unlisted options issued to the lead managers for the capital raising which were valued at \$0.099 per option at date of issue.

Aside from the foregoing, there has not arisen in the interval between the end of the financial period and the date of this report any other 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 Company in future financial periods.

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 16.

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



K Wellman
Managing Director
Perth
15 March 2023

DYNAMIC METALS LIMITED
CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

	Note	2022 \$
Interest income		<u>2,783</u>
Exploration expenditure		(38,525)
Corporate expenses		(139,641)
Depreciation expense		(3,169)
Other expenses		<u>(48)</u>
Loss before income tax		(178,601)
Income tax benefit		<u>-</u>
Loss after income tax		<u>(178,601)</u>
Loss attributable to owner of Dynamic Metals Limited		<u>(178,601)</u>
Other comprehensive income		
<i>Items that may be reclassified to profit or loss</i>		<u>-</u>
Other comprehensive income for the year		<u>-</u>
Total comprehensive loss for the year attributable to the ordinary equity holders of the Company		<u>(178,601)</u>
Basic loss per share (\$ per share)	7	(178,601)

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

DYNAMIC METALS LIMITED
CONDENSED STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2022

	Notes	31 December 2022 \$	30 June 2022 \$
CURRENT ASSETS			
Cash		9,379	-
Other receivable		-	4,717
Prepayments	3	283,845	723
Total Current Assets		293,224	5,440
NON-CURRENT ASSETS			
Plant and equipment	4	47,221	50,390
Total Non-Current Assets		47,221	50,390
TOTAL ASSETS		340,445	55,830
CURRENT LIABILITIES			
Trade and other payables		(100,100)	(3,000)
Payable to parent entity	5	(429,391)	(63,275)
Total Current Liabilities		(529,491)	(66,275)
TOTAL LIABILITIES		(529,491)	(66,275)
NET LIABILITIES		(189,046)	(10,445)
EQUITY			
Contributed equity		10	10
Accumulated losses		(189,056)	(10,455)
TOTAL EQUITY		(189,046)	(10,445)

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

DYNAMIC METALS LIMITED
CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

	Contributed equity	Accumulated losses	Total equity
	\$	\$	\$
Balance at 1 July 2022	10	(10,455)	(10,445)
Total comprehensive loss for the period:			
Loss for the period	-	(178,601)	(178,601)
Total comprehensive loss for the period	-	(178,601)	(178,601)
Transactions with owners in their capacity as owners	-	-	-
Balance at 31 December 2022	10	(189,056)	(189,046)
Balance at 24 May 2022 (date of incorporation)	-	-	-
Total comprehensive loss for the period:			
Loss for the period	-	(10,455)	(10,455)
Total comprehensive loss for the period	-	(10,455)	(10,455)
Transactions with owners in their capacity as owners			
Issue of shares	10	-	10
Balance at 30 June 2022	10	(10,455)	(10,445)

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

**DYNAMIC METALS LIMITED
CONDENSED STATEMENT OF CASHFLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**

	Note	2022
		<u>\$</u>
Cash flows from operating activities		
Tenement refunds		1,596
Payments to suppliers		-
Interest received		<u>2,783</u>
Net cash outflow from operating activities		<u>4,379</u>
Cash flows from investing activities		
Net cash outflow from investing activities		<u>-</u>
Cash flows from financing activities		
Advance from parent entity		<u>5,000</u>
Net cash inflow from financing activities		<u>5,000</u>
Net movement in cash and cash equivalents		9,379
Cash and cash equivalents at the beginning of the financial period		<u>-</u>
Cash and cash equivalents at the end of the financial period		<u><u>9,379</u></u>

Expenditure in the period was paid by the Company's parent company, Jindalee Resources Limited.
(Refer to Note 5)

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

DYNAMIC METALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
HALF-YEAR ENDED 31 DECEMBER 2022

1. Summary of accounting policies

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

In order to assist in the understanding of the financial statements, the following summary explains the material accounting policies that have been adopted in the preparation of the accounts.

This interim general purpose financial report for the half-year reporting period ended 31 December 2022 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This half-yearly financial report does not include all the notes of the type normally included in the annual financial statements and therefore cannot be expected to provide a full understanding of the financial performance, financial position and financing and investing activities of the Company as full financial statements.

The half-year financial report has been prepared on an historical cost basis, except where stated. For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

(b) Adoption of new and revised Accounting Standards

For the half-year ended 31 December 2022, 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 2022. 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.

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.

DYNAMIC METALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
HALF-YEAR ENDED 31 DECEMBER 2022

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 2022.

No comparative information is provided for the half year ended 31 December 2021 as the Company was not incorporated until 24 May 2022.

(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 \$178,601. As at 31 December 2022, the Company had working capital deficit of \$236,267 (30 June 2022: \$60,835) with cash of \$9,379 (30 June 2022: nil) available. Subsequent to period end, the Company raised \$7,000,000 before share issue costs from the issue of 35,000,000 shares and listed on the Australian Stock Exchange on 16 January 2023.

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.

(f) Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand, and term deposits repayable on demand with a financial institution. No cash was held by the Company at period end.

(g) Other Receivables

Receivables are recognised initially at fair value, less any allowance for expected credit losses

(h) Plant and Equipment

Plant and equipment is stated at cost less accumulated depreciation and any impairment in value.

Depreciation is calculated using the prime cost method and is brought to account over the estimated economic lives of all plant and equipment. The rate used is 12.5% and is based on the useful life of the asset, being a motor vehicle.

The residual values and useful lives of assets are reviewed, and adjusted if appropriate, at the end of each reporting period.

The carrying amount of an asset is written down immediately to its recoverable amount if the carrying amount is greater than its estimated recoverable amount.

Depreciation methods, useful lives and residual values are reassessed at each reporting date.

DYNAMIC METALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
HALF-YEAR ENDED 31 DECEMBER 2022

(i) Impairment of Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's values in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset.

As assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had the impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at the revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(j) Exploration and Evaluation Expenditure

The Company's policy with regards to exploration and evaluation expenditure, including the costs of acquiring licences and permits, is to capitalise this expenditure as exploration and evaluation assets on an area of interest basis. Under this method exploration and evaluation expenditure is carried forward on the following basis:

- i) Each area of interest is considered separately when deciding whether, and to what extent, to carry forward or write off exploration and evaluation costs.
- ii) Exploration and evaluation expenditure related to an area of interest is carried forward provided that rights to tenure of the area of interest are current and that one of the following conditions is met:
 - such evaluation costs are expected to be recouped through successful development and exploitation of the area of interest or alternatively, by its sale; or
 - exploration and/or evaluation activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in relation to the area are continuing.

DYNAMIC METALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
HALF-YEAR ENDED 31 DECEMBER 2022

Exploration and evaluation costs accumulated in respect of each particular area of interest include only net direct expenditure.

(k) Trade and Other Payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Company prior to the end of the financial period that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and usually paid within 30 days of recognition.

(l) Loss Per Share

(i) Basic Loss Per Share

Basic loss per share is determined by dividing the operating loss attributable to the equity holder of the Group after income tax by the weighted average number of ordinary shares outstanding during the financial period.

(ii) Diluted Loss Per Share

Diluted loss per share adjusts the figures used in determination of basic earnings per share by taking into account amounts unpaid on ordinary shares and any reduction in earnings per share that will arise from the exercise of options outstanding during the period.

(m) Contributed Equity

Issued and paid up capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

(n) Income Tax and Other Taxes

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred income tax is provided on all temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- When the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- When the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

DYNAMIC METALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
HALF-YEAR ENDED 31 DECEMBER 2022

- When the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- When the deductible temporary difference is associated with investments in subsidiaries, associates or interest in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each statement of financial position date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Goods & Services Tax

Revenues, expenses and assets are recognised net of the amount of GST except:

- Where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flow arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(o) Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Accounting for capitalised exploration and evaluation expenditure

The Company's accounting policy is stated at Note 2(i). There is some subjectivity involved in the carrying forward as capitalised or writing off to the statement of profit or loss and other comprehensive income exploration and evaluation expenditure, however management give due consideration to areas of interest on a regular basis and are confident that decisions to either write off or carry forward such expenditure fairly reflect the prevailing situation.

DYNAMIC METALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
HALF-YEAR ENDED 31 DECEMBER 2022

(p) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

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.

3. Prepayments

	31 December 2022	30 June 2022
	\$	\$
Prepayments	283,845	723

Prepayments relate primarily to prepaid share issue costs for legal, accounting and tax advice and document preparation for the capital raising in January 2023 (refer to Note 5).

4. Plant and equipment

	31 December 2022	30 June 2022
	\$	\$
Plant and equipment - at cost	50,563	50,563
Accumulated depreciation	(3,342)	(173)
Total plant and equipment	47,221	50,390
Reconciliation of the carrying amount of plant and equipment:		
Carrying amount at beginning of period	50,390	-
Additions	-	50,563
Depreciation expense for period	(3,169)	(173)
Carrying amount at end of period	47,221	50,390

DYNAMIC METALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
HALF-YEAR ENDED 31 DECEMBER 2022

5. Payable due to parent entity

	31 December 2022	30 June 2022
	\$	\$
Payable due to parent entity	429,391	63,275

The immediate and ultimate parent entity is Jindalee Resources Limited (incorporated in Australia), which at 31 December 2022 owned 100% of the issued share capital of the Company.

The payable to the Company's parent entity relates primarily to reimbursement of expenditure on the Company's exploration activities and corporate expenditure related to a capital raising and ASX listing completed in January 2023.

6. Commitments and contingencies

There are no capital expenditure commitments or contingencies of the Company at balance date.

7. Loss per share

	2022
	\$
Loss used in calculation of basic and diluted loss per share	(178,601)
Basic loss per share (\$ per share)	(178,601)
Diluted loss per share (\$ per share)	(178,601)
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share.	1

DYNAMIC METALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
HALF-YEAR ENDED 31 DECEMBER 2022

8. Events occurring after financial reporting period

A portfolio of Australian exploration tenements (value \$1,974,728), 4,411,765 shares in GWR Group Limited (value \$273,529) and \$251,743 in cash was transferred to the Company from Jindalee in January 2023 in exchange for the issue of 12,500,000 shares in the Company. The transfer of assets included a subsidiary company of Jindalee (HiTec Minerals Pty Ltd) which, at the date of this report, is now a subsidiary of Dynamic.

Dynamic acquired an 80% interest in the Deep Well Project in January 2023 for the issue of 1,000,000 shares in the Company and a cash payment of \$70,000.

The Company raised \$7,000,000 before share issue costs from the issue of 35,000,000 shares and listed on the Australian Stock Exchange on 16 January 2023. The Company ceased to be a subsidiary of Jindalee from this date.

During January 2023, the Company issued 4,200,000 unlisted options to Directors and management personnel with 1,212,500 unlisted options issued to the joint lead managers for the capital raising which were valued at \$0.099 per option at date of issue.

There has not arisen in the interval between the end of the financial period and the date of this report any other 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 Company in future financial periods.

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 3 to 14, 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 2022 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
15 March 2023

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 for the half year ended 31 December 2022, 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 WA AUDIT PTY LTD


MARK DELAURENTIS CA
Director

Dated 15th day of March 2023
Perth, Western Australia

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") which comprises the condensed statement of financial position as at 31 December 2022, the condensed statement of profit or loss and other comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, a summary of significant 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 does not comply with the *Corporations Act 2001* including:

- a. Giving a true and fair view of the Company's financial position as at 31 December 2022 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 Company's financial position as at 31 December 2022 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 15th day of March 2023
Perth, Western Australia