ASX ANNOUNCEMENT

4 JULY 2023

STRATEGIC DRILLING AT DFW EXPANDS GEOLOGICAL MODEL

HIGHLIGHTS

- **Two RC holes were drilled in quick succession to follow up on results received from five RC holes drilled earlier this year testing the Kambalda nickel ore deposit model at Dordie Far West (DFW)[1,2]**
- **The drill holes targeting up to 250m south of known mineralisation did not return significant nickel assays, however nickel targets remain to be tested both proximal to known mineralisation at the prospect, and to the south along interpreted fertile contact**
- **Assays remain pending for 48 drill holes recently completed Sunday Soak (Ni), Mandilla (Au) and Higginsville (Au) AC drill programs[3]**

Dynamic Metals Limited (**ASX: DYM**) ("**Dynamic**" or "the Company") is pleased to announce follow up assay results from its second drill program at the Dordie Far West ("**DFW**") nickel prospect, part of the larger Widgiemooltha Project ("**Widgiemooltha**" or the "**Project**") in the Goldfields Region of Western Australia.

The Company completed the first five-hole Reverse Circulation (RC) drill program at DFW in February where multiple thick high-grade zones of nickel mineralisation were intersected including:

- WDR002 16m @ 1.96% Ni from 27m downhole, incl. 5m @ 2.84% Ni
- WDR003 6m @ 1.60% Ni from 29m downhole, incl. 1m @ 2.07% Ni
- WRD003 6m @ 1.15% Ni from 39m downhole
- WRD003 15m @ 1.56% Ni from 48m downhole, incl. 3m @ 2.06% Ni & 1m @ 2.71% Ni
- WDR005 3m @ 1.45% Ni from 30m downhole

The Company determined to undertake a fast follow up program by collaring drillholes on existing cleared tracks, so that permitting wait time was minimal. Two RC holes were designed to target the western limb of the modelled synform structure and intersect the basal contact in fresh rock. The drillholes did not intersect the basal contact as modelled, and as a result there are no significant nickel assays (>1% Ni) to report from this program.

Importantly, the fresh rock nickel target remains to be drill tested and the Dynamic team is progressing plans for prospect and district scale follow up drilling, in addition to assessing the feasibility of geophysical surveys to continue to refine drill targets as part of the Company's measured approach to exploration.

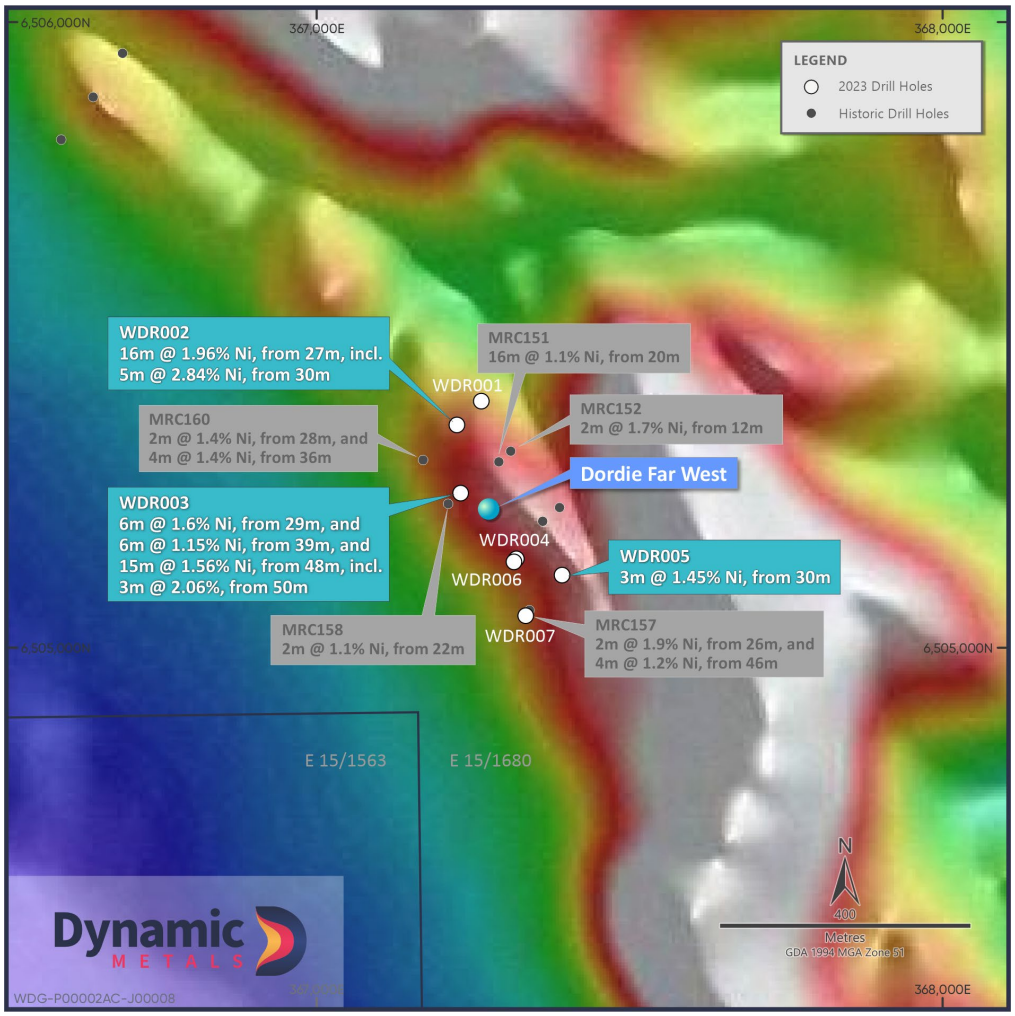

Figure 1: Plan view of Drill hole positions and significant results at Dordie Far West

DFW Background

DFW 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 2000's (Figure 1)[4]. After review of the historic data, a drill program was designed to test for Kambalda komatiite type massive sulphide mineralisation interpreted to occur where the base of the komatiite stratigraphy is in contact with the underlying basalt, known as the 'basal contact'.

Five Reverse Circulation (RC) holes were drilled for a total of 736m at the prospect in February 2023, with drilling undertaken on four sections over a strike length of approximately 300m. Importantly, the thick widths and high-grade tenor intersected in Dynamic's drilling compare favourably with the historic drilling, confirming and enhancing the potential for significant mineralisation along this trend. These results encouraged Dynamic to drill another two holes (WDR006 and WDR007) to pursue the fresh rock basal contact.

WDR006 intercepted granite from 25m downhole obscuring the ultramafic stratigraphy, however this provides valuable information regarding the shape and orientation of the granite dome that will be applied to further drill programs.

WDR007 targeted the down dip extension of DFW mineralisation approximately 250m south from the first reported nickel intercepts. The drillhole intercepted ultramafic and ended in granite without intercepting the targeted basal contact.

The Company has updated the targeting model at DFW to include these results and has identified three opportunities for follow up at both prospect and district scale. At the prospect scale planned future work programs include an infill drill program to drill closer and deeper to the initial 5-hole program. In addition, the Company is assessing the feasibility of completing a ground MLEM survey at DFW.

At a district scale, aeromagnetic and soil sampling data support the interpreted continuation of the ultramafic for 4km south from DFW to Dynamic's Railway prospect[3] (Figure 2). Planning has commenced for regional reconnaissance air core drilling to test this trend.

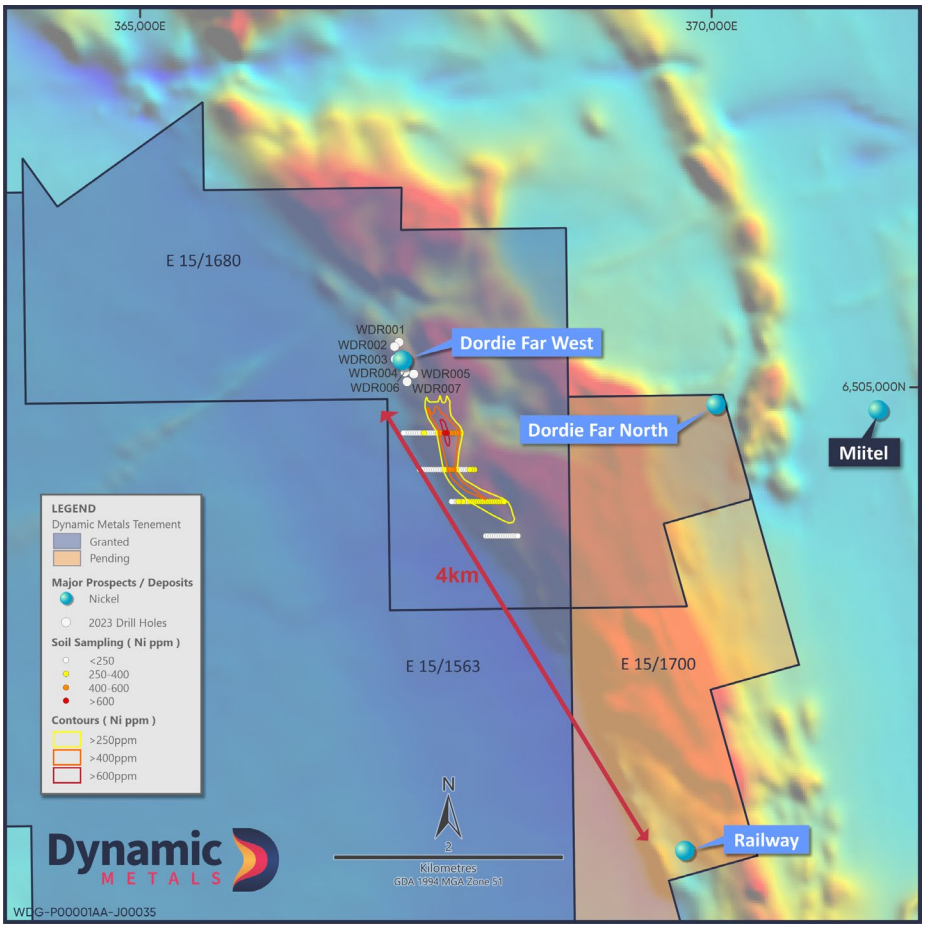

Figure 2: District scale plan view of Dordie Far West with magnetic underlay highlighting interpreted trend south to Railway Prospect

The Company is evaluating all these options in conjunction with permitting and access requirements.

Next Steps

Other recent activity at the Widgiemooltha Project included several air core drilling programs completed in June. The Company is awaiting assay results from 48 holes drilled across the Sunday Soak, Mandilla and Higginsville prospects. These results are anticipated to be returned by end of July.

In the meantime, the Dynamic Exploration team's focus has shifted to the lithium potential at Widgiemooltha with a large soil sampling campaign commencing shortly.

Released with the authority of Dynamic Metals' Board of Directors.

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

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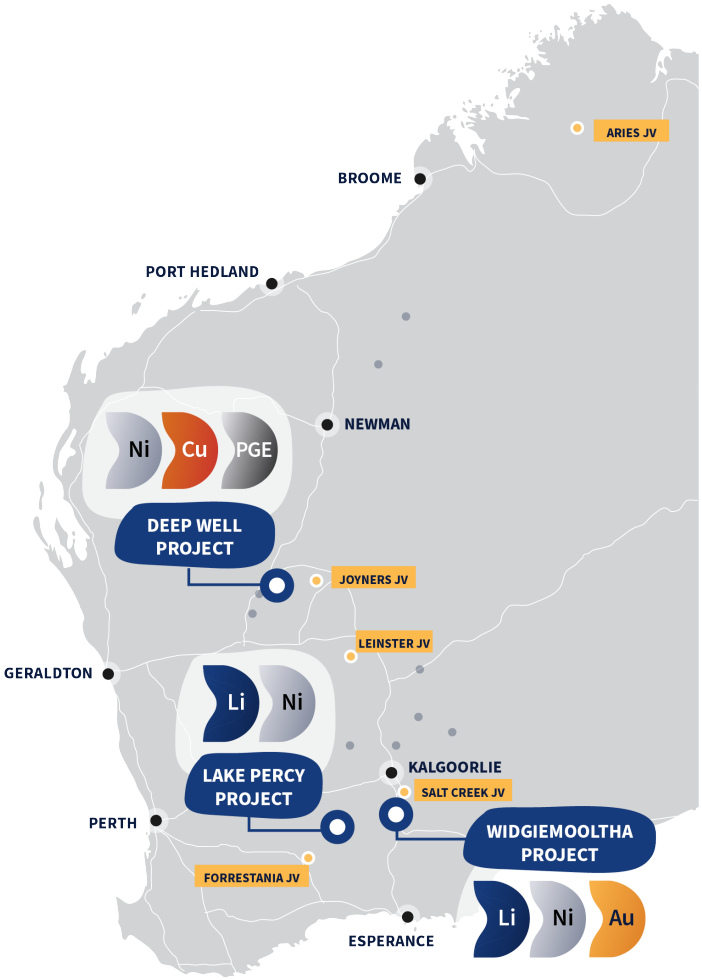
ABOUT DYNAMIC METALS

Dynamic Metals (ASX: DYM) is a dedicated exploration company focused on advancing a highly prospective portfolio of future facing critical minerals projects in Australia. The Company completed a successful IPO in January 2023 raising $7 million to fully fund an aggressive exploration program across the portfolio.

Dynamic's flagship project, Widgiemooltha, covers an extensive area of c.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.



DYNAMIC METALS CAPITAL STRUCTURE

Share Price: $0.295/share

Cash 31 Mar 2023: $5.62M

Shares on Issue: 49M

Market Cap: $14.4M

Portfolio of future-facing critical minerals projects in Australia

Exposure to global decarbonisation and battery metals thematic

Substantial exploration targets generated across Li, Ni, Cu, PGE and Au

Team has extensive experience and successful track record

On-ground activities complete and drilling commenced

Attractive valuation and leverage to exploration success

Li Ni Cu PGE Au

REFERENCES

Additional details including JORC 2012 reporting tables, where applicable, can be found in the following releases lodged with ASX and referred to in this announcement:

1. Dynamic Metals ASX Announcement 02/05/2023: “Strong nickel grades confirmed at DFW”
2. Dynamic Metals ASX Announcement 18/05/2023: “Follow up drilling commences at DFW”
3. Dynamic Metals ASX Announcement 16/06/2023: “Three more prospects drill tested at Widgiemooltha”
4. Dynamic Metals ASX Disclosure 12/01/2023: “Prospectus”

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 STATEMENT

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

Drilling Table and Significant Intersections – Dordie Far West Prospect

Hole ID	Collar Coodinates (MGA)			EOH Depth	Dip	Azi	From	To	Interval	Ni (%)	Co (%)	Comments
	Northing	Easting	RL									
WDR001	6505394	367263	318	138	-60	45	16	27	11	0.74	0.13	Including 1m @ 0.5% Co
WDR002	6505356	367224	319	162	-60	45	27	43	16	1.96	0.06	Including **5m @ 2.84%** Ni from 30m
WDR003	6505247	367230	320	136	-60	45	29	35	6	1.60	0.03	Including 1m @ 2.07% Ni from 29m
							39	45	6	1.15	0.03	No sample returned 45-48m
							48	63	15	1.56	0.02	Including **3m @ 2.06%** Ni from 50m Samples 48-55m logged as 'wet'
WDR004	6505142	367319	323	150	-60	45				NSR		Note: Individual 1m intervals downhole 1m @ 1.04%, 1m @ 1.19%, 1m @ 1.16%
WDR005	6505116	367392	324	150	-60	45	30	33	3	1.45	0.05	
WDR006	6505142	367319	323	150	-60	210				NSR		Stoped out by granite from 25m
WDR007	6505058	367335	323	150	-60	210				NSR		

Note: Significant intersections are defined by minimum 3m downhole length greater than 1% Ni or 0.1% Co and maximum of 3m internal dilution.
NSR ("No Significant Result") means the assays did not meet the criteria above.

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 1m intervals. • Approximately 2-4kg was collected from each interval in a calico bag using a rig mounted rotary splitter • Calico bag samples from each meter were made up into 3m composite samples using a riffle splitter and 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.*	• RC sample recovery was assessed by the sample produced from the rig mounted rotary splitter and recorded in logging sheets.
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,*	• Qualitative lithological descriptions (colour, weathering, grain size, lithology, mineralogy, veining textures and other significant features) were recorded by the field geologist.

Criteria	JORC Code explanation	Commentary
	channel, etc) photography. • *The total length and percentage of the relevant intersections logged.*	
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.*	• 1m RC samples were made into 3m composites by riffle splitting 1m calico samples delivered from the rig mounted cyclone. • The sample size is considered appropriate for the grainsize of the material being sampled • Duplicate samples were taken approximately 1 in 50 samples
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 Ni and Co using ME-ICP61 (four acid digest followed by analysis using inductively coupled plasma atomic emission spectroscopy). Any samples showing >1% Ni were re-assayed using ME-OG62 (4 acid diges and analysis using atomic emission spectroscopy). • Field blanks were inserted in the sample sequence approximately 1 in 100 samples • Field standards were inserted in the sample sequence approximately 1 in 33 samples • The laboratory completed industry standard QAQC
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.
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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• 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. • A Reflex multishot tool was used for end of drill hole deviation surveys

Criteria	JORC Code explanation	Commentary
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 3m composites for first pass assaying. • In areas determined to be anomalous in the 3m compositions, single metre samples were submitted for second pass assaying • 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.*	• No 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 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.*	• Nil
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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Significant intercepts are presented as a simple average above a 1% Ni and/or 0.1% Co cut-off with no internal waste and a minimum thickness of 3m.

Criteria	JORC Code explanation	Commentary
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 and or 0.1% Co 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.*	• Further RC drilling to test targets generated • The Company is assessing the feasibility of conducting an MLEM survey at the prospect for further target definition.