

PRE-QUOTATION DISCLOSURE

Dynamic Drill and Blast Holdings Limited (ACN 640 888 213) (**Company**) provides the following confirmations to satisfy the conditions for admission of the Company's securities to quotation on ASX.

Capitalised terms used in this announcement not otherwise defined have the meaning given in the Company's prospectus dated 26 June 2020 (**Prospectus**).

1. Confirmation of completion of Offers

The Company confirms the issue of:

- (a) 25,000,000 Shares at an issue price of \$0.20 each, pursuant to the Public Offer;
- (b) 750,000 unquoted options to JP Equity Partners (or its nominees) at an issue price of \$0.0001 per option, an exercise price of \$0.25 and an expiry date of 30 July 2023 under the Lead Manager Offer; and
- (c) 4,941,622 ordinary fully paid shares to Bahen Bros Pty Ltd and Ganan Capital Pty Ltd under the Letter Deed (**Loan Shares**).

2. Updated statement of commitments

Following the completion of the Offers, it is anticipated that the following funds will be available to the Company:

Source of funds	\$
Existing cash as at 31 May 2020	773,000
Proceeds from Offers	5,000,000
Total funds available	5,773,000

The following table shows the intended use of funds for 24 months following admission of the Company to the Official List:

Use of Funds	\$	%
Costs of the Offers	482,000	8.4
Purchase of additional plant and equipment	2,833,000	49.1
Repayment of debt	500,000	8.7
Working capital/ corporate overheads	1,958,000	33.9

Use of Funds	\$	%
Total Funds allocated	5,773,000	100.0

Shareholders should note that the above estimate expenditures will be subject to modification on an ongoing basis depending on the results obtained from the Company's activities. Due to market conditions, the development of new opportunities and/or any number of other factors, actual expenditure levels may differ significantly from the above estimates.

3. Restricted securities

The Company confirms the following securities will be subject to restriction pursuant to the ASX Listing Rules for the period outlined below:

Class	Number	Restriction Period
Shares	23,173,191	24 months from the date of official quotation
Options with an exercise price of \$0.30 and an expiry date of 25 June 2023	5,667,600	24 months from the date of official quotation
Options with an exercise price of \$0.25 and an expiry date of 30 July 2023	750,000	24 months from the date of official quotation
Performance Rights	3,277,900	24 months from the date of official quotation
Shares	2,778,053	12 months from the date of issue, being until 25 June 2021
Options with an exercise price of \$0.30 and an expiry date of 25 June 2023	1,054,500	12 months from the date of issue, being until 25 June 2021

4. Capital structure

The Company's capital structure at the date of admission is:

Security	Number
Fully Paid Ordinary Shares	55,151,622
Options ¹	7,472,100
Performance Rights	3,277,900

Note 1: comprising:

- (a) 6,722,100 unquoted options with an exercise price of \$0.30 and an expiry date of 25 June 2023; and
- (b) 1,054,500 unquoted options with an exercise price of \$0.25 and an expiry date of 30 July 2023.

5. ASX waivers

ASX granted the Company a waiver from Listing Rule 1.1 Condition 12 to the extent necessary for the Company to have on issue up to 3,277,900 performance rights (**Performance Rights**) with an exercise price of less than \$0.20 on the condition that the material terms and conditions of the Performance Rights are clearly disclosed in the Company's Prospectus.

6. Galaxy Contract and QHM Contract disclosure

The Company confirms that it has not been served a force majeure notice under the following contracts and that the contracts remain in full force and effect:

- (a) The drill and blast contract between Galaxy Lithium Australia Limited and Dynamic Drill and Blast Pty Ltd dated 24 January 2020 (**Galaxy Contract**); and
- (b) The minor work agreement between Q H & M Birt Pty Ltd and Dynamic Drill and Blast Pty Ltd dated 21 April 2020 (**QHM Contract**).

7. Update on Prospectus disclosure

The Company continues to tender for new projects and has an active tender list at various stages of discussions.

By order of the Board



James Bahen
Company Secretary