



28 April 2022

ASX Announcement

March 2022 – Quarterly Activities Report

Exploration Activity Gains Momentum

Key Highlights

- Ravensthorpe airborne EM survey **returns high priority conductivity anomalies.**
- Fraser Range – Trinity Project;
 - **Priority nickel-copper-cobalt targets identified** from detailed examination of past soil geochemistry, airborne and ground electromagnetic surveys.
 - 6 nickel-copper-cobalt target areas identified for follow-up detailed soil geochemical surveys and detailed fixed loop and moving loop ground electromagnetic surveys.
- Upcoming exploration news flow at **Ravensthorpe Nickel Project** and **Fraser Range (Trinity Project).**

Western Australian nickel sulphide explorer, **DMC Mining Limited (ASX: DMM)** (DMC or the **Company**) is pleased to provide its March 2022 Quarterly Activities Report.

EXPLORATION ACTIVITIES

Ravensthorpe

During the quarter the Company announced that geophysical consultancy group Resource Potentials Pty Ltd (**Resource Potentials**) had completed processing and interpretation of the recent high-resolution helicopter-borne time domain electromagnetic (EM) and magnetic (Xcite™) survey covering all the Ravensthorpe Nickel Project (**RNP** or the **Project**) (refer ASX release 10 March 2022). The results of the survey have delineated a number of high priority conductivity anomalies associated with magnetic features consistent with buried komatiite ultramafic units. These conductivity anomalies will now be

DMC Mining Limited

Phone: +61 (08) 63164674

Address: 27/44 St Georges Tce, Perth WA 6000.

Email: info@dmcmining.com

Web: www.dmcmining.com.au

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ground-truthed with geochemistry and ground geophysical surveys. Results from the geochemical and ground geochemical surveys will then be followed up by diamond and RC drilling to test the anomalies for potential nickel sulphide mineralisation.

A total of 552-line kms of airborne EM and magnetics data at 100m line spacing was acquired over the entire RNP by NRG Australia in late December, 2021.

The survey is impacted by conductive paleo-drainage channel systems and younger Eocene (ca 35Ma) marine onlap sediments that obscure the bedrock conductivity in various places on the tenement. However, in summary, there are two (2) priority-1 anomalies (red) and five (5) priority-2 anomalies (yellow – Figure 1) chosen by their conductivity and magnetic characteristics to be potentially bedrock sourced associated with komatiitic ultramafic units. A number of additional priority-3 anomalies have been identified (green) where the anomalism is poorly defined, or the anomalism may not relate to potential bedrock sources. Other conductivity features have been identified in the profile data where the source of anomalism is ambiguous or potentially relates to cultural features (Figure 1). These have not as yet been added to the target list for further examination.

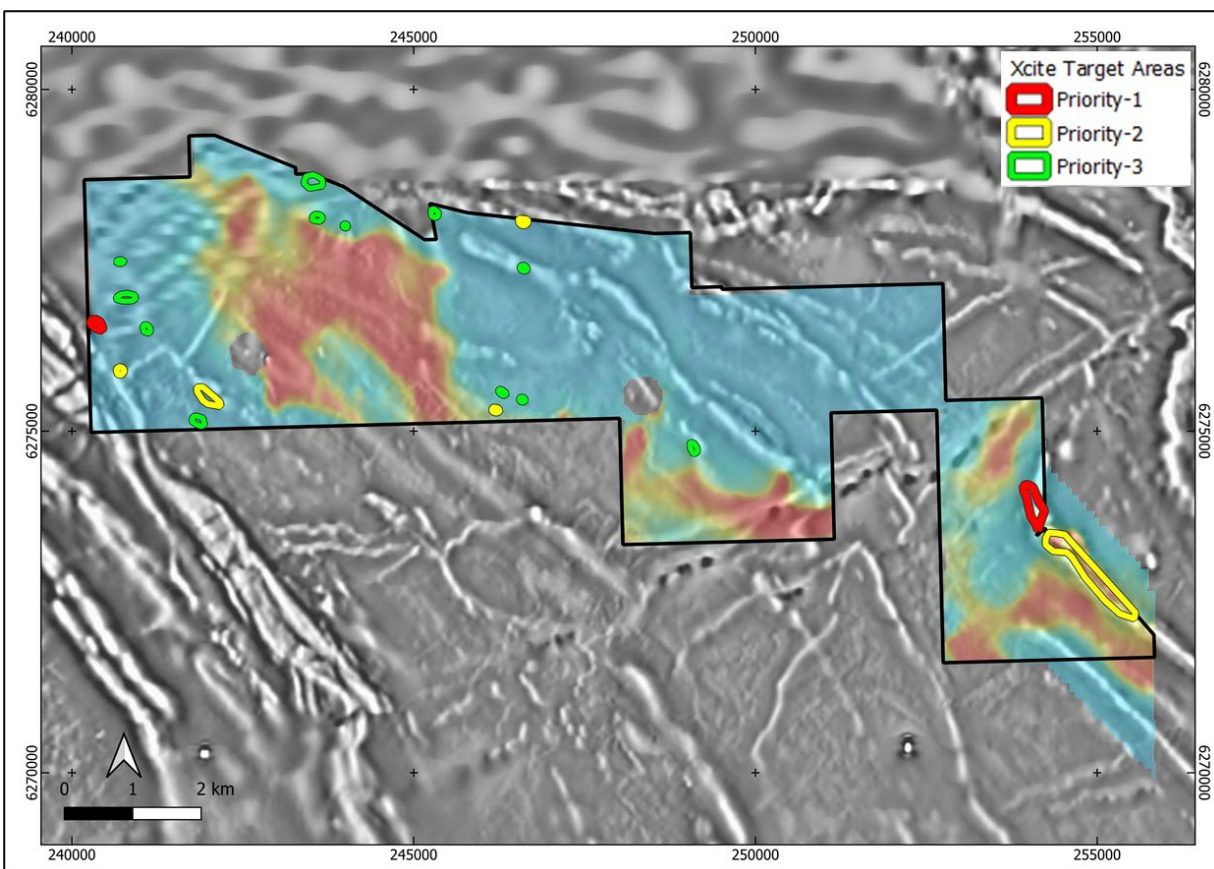


Figure 1 – Priority Conductivity Targets Identified on the Ravensthorpe Nickel Project. Ravensthorpe project tenement E74/669 outline (black) and target areas coloured by priority over a semi-transparent late-time TEM decay image (dB/dt Z Ch45) over a residual magnetic greyscale image (TMI RTP HP500m)

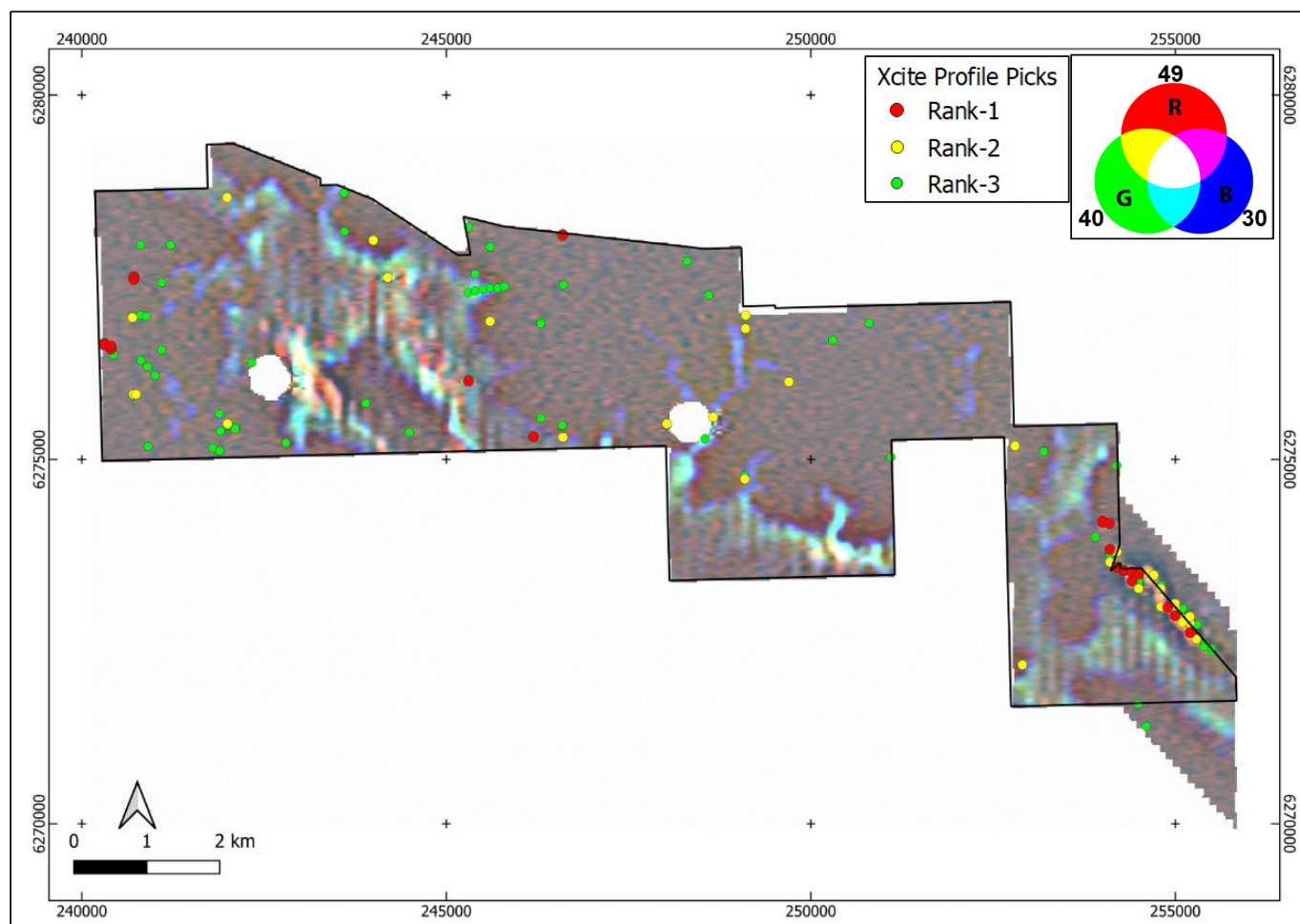


Figure 2 –Conductivity Line Anomaly Picks on the Ravensthorpe Nickel Project. Ravensthorpe Project tenement E74/669 outline (black) and TEM profile anomaly picks coloured by rank over a ternary decay image of B-Field channels 49 (red), 40 (green) and 30 (blue) with a 1VD magnetic filter applied.

Next Steps

Planning is underway to start field work on the ground to test the priority targets identified. A field visit to ground-truth the anomalies and assess exploration logistics will be conducted as soon as access can be secured with relevant landholders. Following this, a program of detailed geochemical sampling and ground time-domain EM geophysics will be designed to test the anomalies and advance the targets to drill testing.

About the Ravensthorpe Nickel Project

The Ravensthorpe Nickel Project (DMC 100%, EL 74/669) is located in a highly prospective geological setting for nickel sulphide deposits. The Project has approximately **15km strike length of the Bandalup**

ultramafics, the target host rocks that are prospective for Kambalda-style komatiitic nickel sulphide deposits.

The project is very well serviced by roads, power, and other necessary mining infrastructure.

Data processing, modelling, and targeting studies are underway, involving the integration of the new airborne EM data with available historical geophysical, geological and geochemical information.

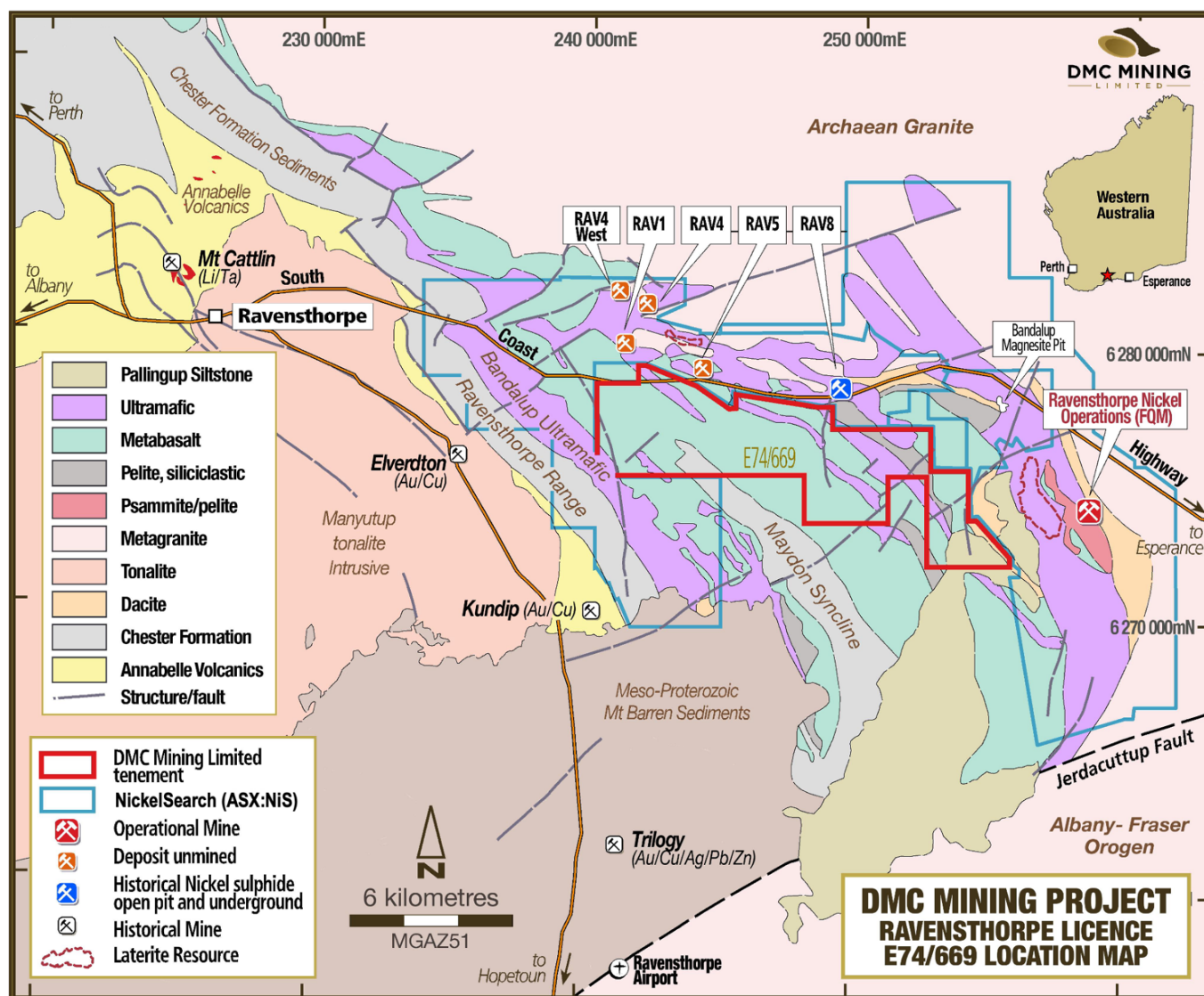


Figure 3 – Ravensthorpe Nickel Project – Geology & Location Map

Fraser Range – Trinity Project

During the quarter the Company updated the market on exploration planning for the Fraser Range Project (**FRP** or the **Project**) (refer ASX release 21 March 2022). The results of detailed examination of regional soil geochemical, airborne and ground electromagnetic surveys conducted by previous explorers have delineated a number of high priority target areas consistent with potential for buried nickel-copper-cobalt mineralisation.

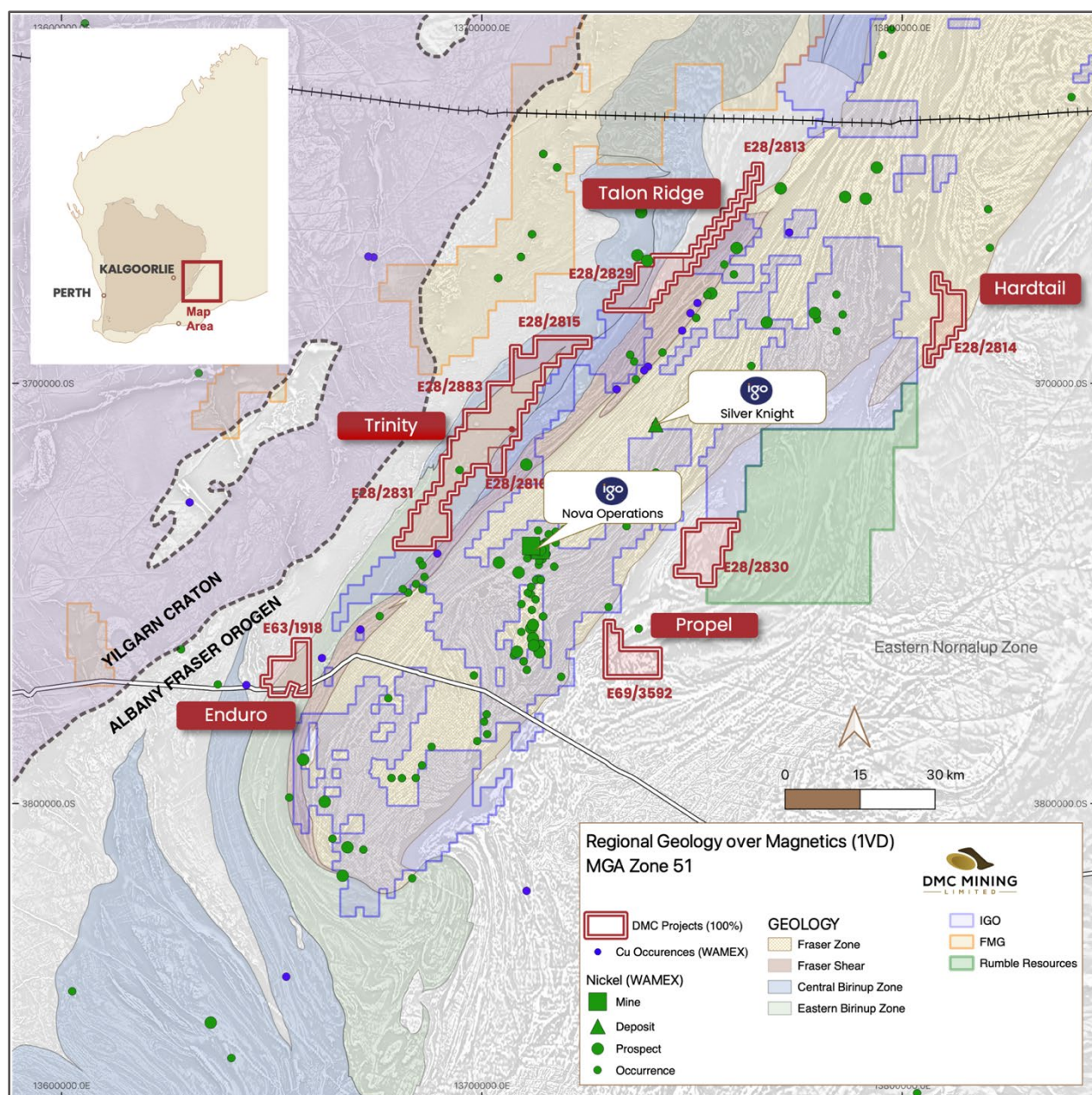


Figure 4 – Trinity Project– Location Map

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DMC has compiled an extensive digital database of previous exploration data covering the FRP.

The company has obtained all previous company geochemical data on the FRP held in the Western Australian Mineral Exploration (WAMEX) database of the Western Australian Department of Mines, Industry Regulation and Safety (DMIRS). Soil geochemical coverage is generally on a regional 800m x 400m survey grid across the tenements with limited more detailed 400m x 400m grid infill in some areas. Examination of the data has identified some surveys where the regional grid was sub-optimal in sampling media chosen and may not be suitable for nickel sulphide exploration.

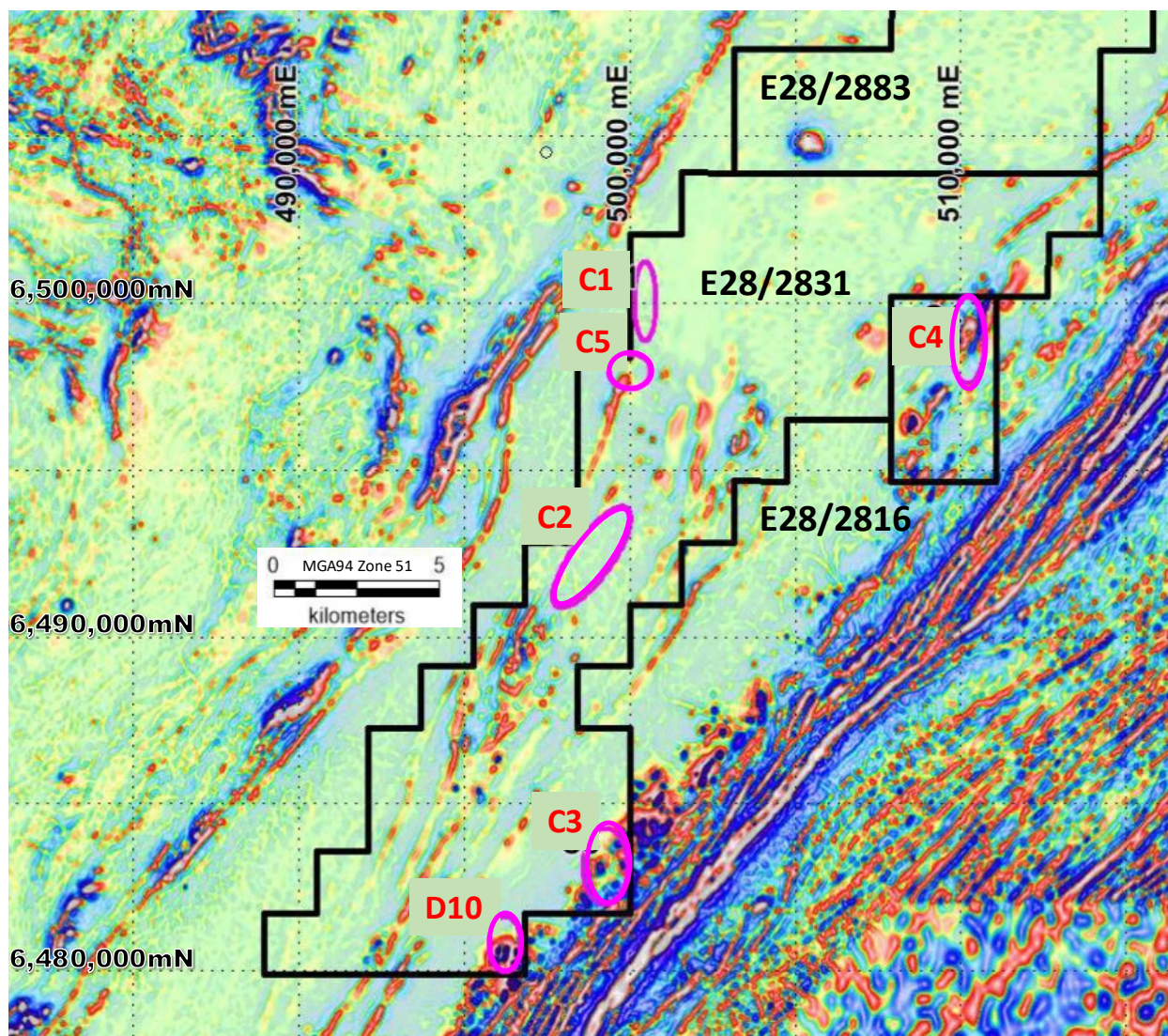


Figure 5 – Priority Targets Identified on the Trinity Project. Trinity Project tenements outline (black) and purple target areas (C1-5, D10) over aeromagnetic colour scale image.

Next Steps

Planning is underway to start field work on the ground to test the priority targets identified. A program of geochemical sampling and ground time-domain EM geophysics will be designed to test the anomalies and advance the targets to drill testing. The company is in the process of engaging contractors to carry out the work programs as detailed below as soon as feasible.

Soil geochemistry will consist of an infill survey on a 200m x 200m grid. The surveys will first cover the 3 priority target areas C2, C3 and D10 (Figure 3). Other areas will also be surveyed. Priority Area 2 for soil geochemistry will provide coverage along strike of target C2 to the southwest in an area of multiple Airborne EM conductivity anomalies but where previous soil geochemical work has been affected by artifacts from inconsistent analyses giving rise to poor data quality unsuitable for targeting. Priority Area 3 for soil geochemistry will provide coverage in an area where previous sampling was in surface media, mainly calcrete, poorly suited to nickel sulphide exploration. The limited sparse effective soil geochemistry in this region does indicate trace element anomalism in areas consistent with potential for buried mafic-ultramafic intrusive complexes and associated potential for nickel sulphide mineralisation. In all some 3,880 sample points are planned and samples will be sent for geochemical analysis.

Ground geophysics will consist of (in order of survey priority):

1. Target C2 – MLEM across the target. 200m loops, 100m station spacing over 10 lines at 1.8km long for 18 line km of survey.
2. Target C3 – Fixed loop electromagnetics (FLEM) due to space restrictions on the tenement boundary preventing use of MLEM. 3 800m x 800m transmitter loops, 100m spaced receiver stations on 100-200m spaced lines approximately 1-1.5 km long for 24 line km in total.
3. Target D10 – FLEM due to space restrictions on the tenement boundary preventing use of MLEM. 2 750m x 500m transmitter loops, 100m spaced receiver stations on 100-200m spaced lines 1-1.5km long for 18 line km total.
4. Target C4 – MLEM across the target. 200m loops, 100m station spacing over 4 lines at 1.5km long for 6 line km of survey.
5. Target C5 – MLEM across the target. 200m loops, 100m station spacing over 2 lines at 1.5km long for 3 line km of survey.

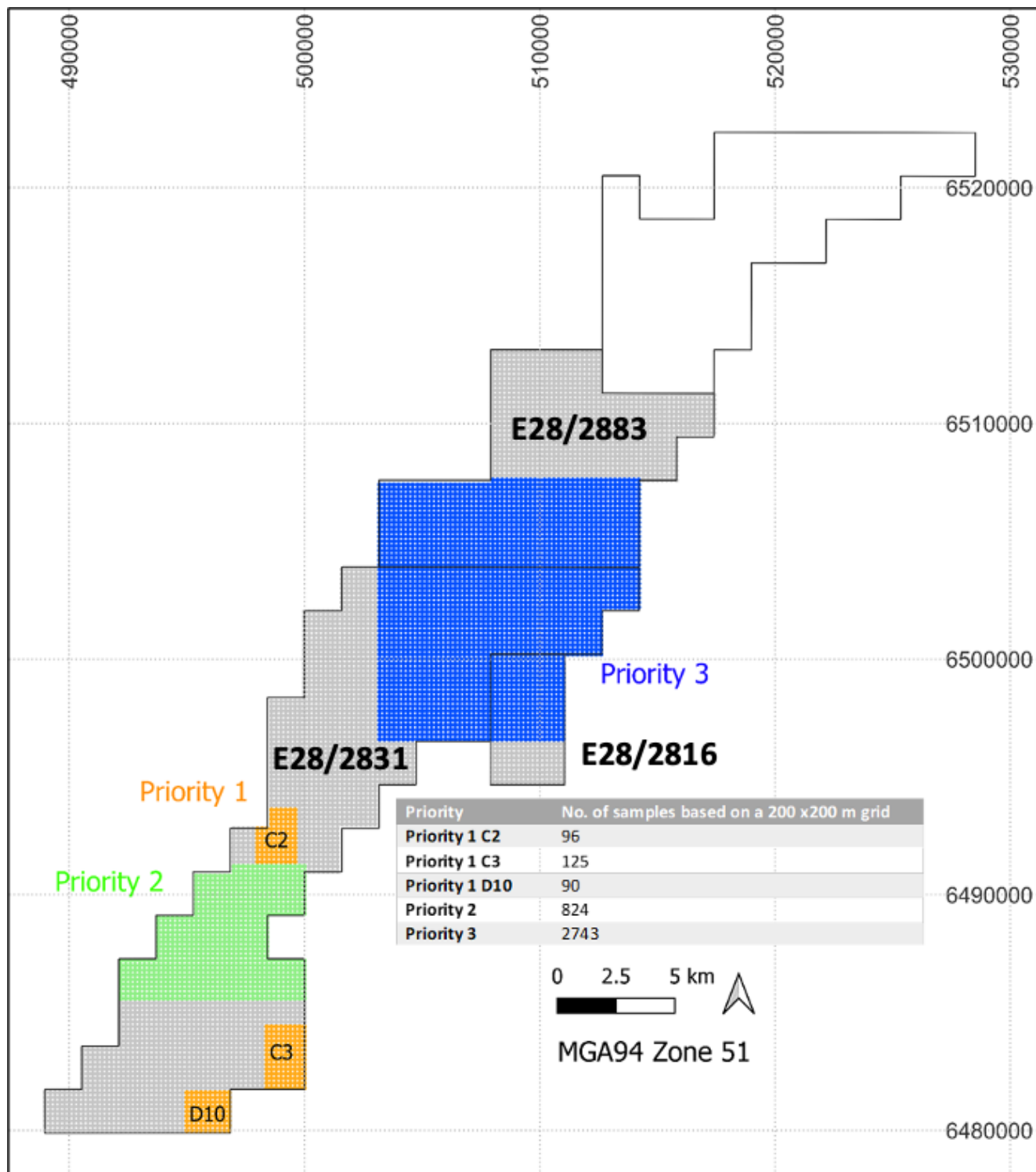


Figure 6 –Planned Soil Geochemistry Sampling Coverage on the Fraser Range Project.

CORPORATE

Entitlement Issue of Loyalty options

After the period end, the Company announced a non-renounceable entitlement issue of options to eligible shareholders on the basis one (1) option (“Loyalty Option”) for every two (2) ordinary shares held by eligible shareholders at 5pm (WST) on the Record Date of 6 May 2022 (“Record Date”) at an issue price of A\$0.005 (0.5 cents) per Loyalty Option (“Entitlement Offer”).

Each Loyalty Option will be exercisable for one fully paid ordinary share, at the exercise price of \$0.20 (20 cents) per option on or before 30 April 2026.

The primary purpose of the Entitlement Offer is to recognise the support and loyalty the Company has received from its shareholders to date.

Please refer to ASX Release 22 April 2022 for full details of the Entitlement Offer and the anticipated timetable.

Cash Holdings

Cash on hand as the end of the quarter was \$4,073,319.

Related Party Payments:

Pursuant to item 6 in the Company's Appendix 5B – Quarterly Cashflow Report for the Quarter ended 31 March 2022, the Company made payments totalling \$85,734 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 \$153,022 on exploration activities which were largely comprised of payments for data acquisition related to the Airborne Electromagnetic survey at Ravensthorpe Nickel Project, and Target Generation at Fraser Range Projects.

Information required by Listing Rule 5.3.2:

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

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Information required by Listing Rule 5.3.3:

Project Name	Region	Tenement Number	Status	DMC Interest as at 31 Dec 2021	DMC Interest as at 31 March 2022
Trinity	Fraser Range (WA)	EL 28/2831	Granted	100% ₂	100% ²
Trinity	Fraser Range (WA)	E28/2883	Granted	100% ₂	100% ²
Trinity	Fraser Range (WA)	E28/2816	Granted	100% ₁	100% ¹
Trinity	Fraser Range (WA)	E28/2815	Granted	100% ₁	100% ¹
Enduro	Fraser Range (WA)	E63/1918	Granted	100% ₂	100% ²
Talon Ridge	Fraser Range (WA)	E28/2829	Granted	100% ₂	100% ²
Talon Ridge	Fraser Range (WA)	E28/2813	Granted	100% ₁	100% ¹
Hardtail	Fraser Range (WA)	E28/2814	Granted	100% ₁	100% ¹
Propel	Fraser Range (WA)	E28/2830	Granted	100% ₂	100% ²
Propel	Fraser Range (WA)	E69/3592	Granted	100% ₂	100% ²
Ravensthorpe Nickel Project	Ravensthorpe (WA)	E74/669	Granted	100%	100%

¹ Held via DMC's 100% owned subsidiary, Romany Minerals Pty Ltd

² 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.

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

Expenditure Item	Use of Funds	Actual	Variance
	\$'000	\$'000	\$'000
	2 years – as per prospectus	22.12.21 – 31.03.22	Use of Funds Vs Actual
Expenses of the Offer	(261)	(264)	(3)
Lead Manager Fee	(300)	(312)	(12)
Acquisition Costs of Tenements	(106)	(83)	24
Exploration Expenditure	(2,775)	(234)	2,541
Administration Costs	(1,655)	(262)	1,393
Working Capital	(343)	-	343
TOTAL	(5,440)	(1,155)	4,285

The Company notes there is no material difference between Variance and the Company's expected Variance at this time following listing on the ASX.

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Announcements

Investors are directed to the following announcements (available at www.dmcmining.com.au) made by DMC during the March 2022 Quarter 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
22 April 2022	Entitlement Issue of Loyalty Options
22 April 2022	Loyalty Options Prospectus
22 April 2022	Proposed issue of securities – DMM

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.

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:

David Sumich

Executive Chairman

- +61 (08) 63164674
- 27/44 St Georges Tce, Perth WA 6000.
- info@dmcmining.com.au

Stewart Walters

Investor Relations

- 0414 644 166
- stewart@themarketbull.com.au

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About DMC MINING LIMITED (ASX:DMM)

DMC Mining is a **dedicated nickel sulphide explorer in Western Australia**. The large tenement holding (~940km²) 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**.

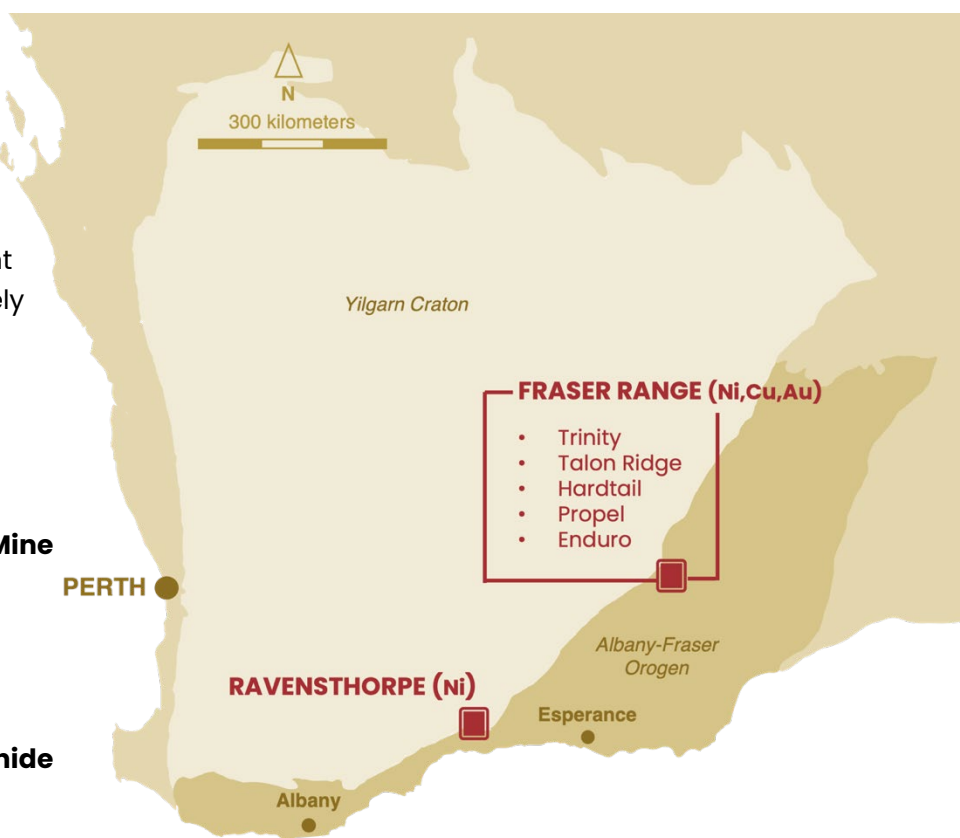
Debuted on the ASX in late 2021, the company is focused on delivering on its exploration programmes and providing tangible results for investors. Our modern approach to nickel exploration will result in a more streamlined and cost-efficient exploration process that will ultimately deliver higher returns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

Trinity Project (Fraser Range)

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

Ravensthorpe Nickel Project

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



March 2022 – Quarterly Activities Report

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 ¹

¹ Not including the 1:2 Loyalty Option issue announced 22 April 2022

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

DMC Mining Limited

ABN

25 648 372 516

Quarter ended ("current quarter")

31 March 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities			
1.1 Receipts from customers			
1.2 Payments for			
(a) exploration & evaluation	(153)	(357)	
(b) development			
(c) production			
(d) staff costs			
(e) administration and corporate costs	(161)	(291)	
1.3 Dividends received (see note 3)			
1.4 Interest received			
1.5 Interest and other costs of finance paid			
1.6 Income taxes paid			
1.7 Government grants and tax incentives			
1.8 Other (provide details if material)			
1.9 Net cash from / (used in) operating activities	(314)	(648)	
2. Cash flows from investing activities			
2.1 Payments to acquire or for:			
(a) entities			
(b) tenements	-	(83)	
(c) property, plant and equipment			
(d) exploration & evaluation			
(e) investments			
(f) other non-current assets			

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	-	(83)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	5,000
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(2)	(557)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	(2)	4,443

4.	Net increase / (decrease) in cash and cash equivalents for the period	(316)	3,712
4.1	Cash and cash equivalents at beginning of period	4,389	361
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(314)	(648)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(83)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(2)	4,443

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	4,073	4,073

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	4,073	4,389
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,073	4,389

6. Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to related parties and their associates included in item 1	86
6.2 Aggregate amount of payments to related parties and their associates included in item 2	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>	

- 6.1 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.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(314)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(314)
8.4	Cash and cash equivalents at quarter end (item 4.6)	4,073
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	4,073
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	12.97
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A		
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

28 April 2022

Date:

By the Board

Authorised by:
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.