



28 January 2022

ASX Announcement

## December 2021 – Quarterly Activities Report

IPO Completed & Exploration Commenced

### Key Highlights

- DMC Mining Limited (ASX Code: DMM) commenced trading on the ASX on 22 December 2021.
- IPO raised **A\$5.0 million**, before costs.
- A high resolution helicopter-borne electromagnetic (EM) and magnetic survey over the entire 62km<sup>2</sup> Ravensthorpe Nickel Project has been completed.
- Data processing and interpretation of geophysical information due in coming weeks.
- Well capitalised and leveraged to **nickel sulphide exploration success**;
- Upcoming exploration newsflow at **Ravensthorpe Nickel Project** and **Fraser Range (Trinity Project)**.

Western Australian nickel sulphide explorer, **DMC Mining Limited (ASX: DMM) (DMC or the Company)** is please to provide its December 2021 Quarterly Activities Report.

### EXPLORATION ACTIVITIES

During the quarter the Company completed a helicopter-borne time domain electromagnetic (Xcite™) and high-resolution magnetic survey covering all the 100% owned Ravensthorpe Nickel Project (**RNP** or the **Project**).

#### DMC Mining Limited

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**Figure 1 – Squirrel helicopter with NRG's Xcite electromagnetic system on site at Ravensthorpe (January 2022)**

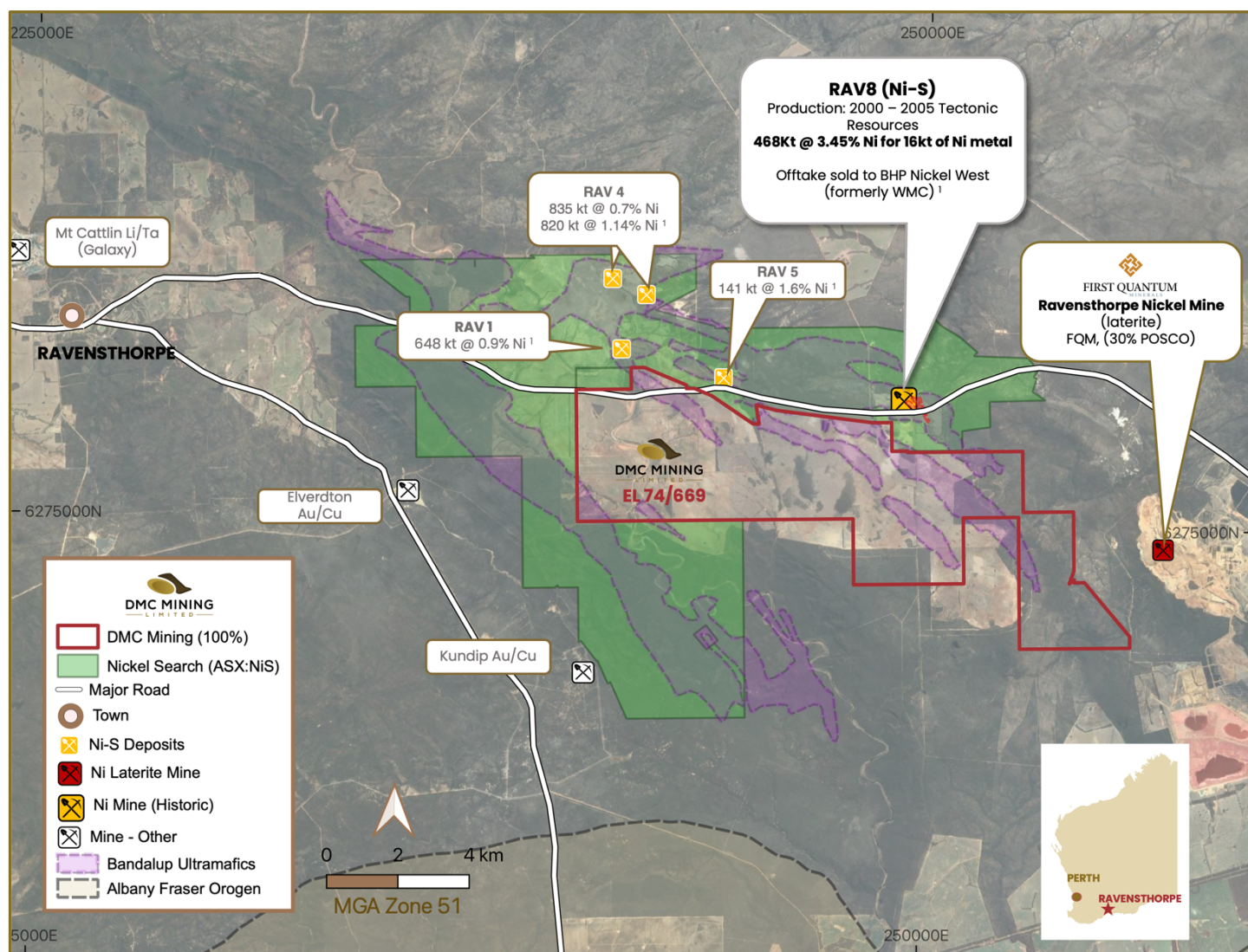
## December 2021 – Quarterly Activities Report

The DMC exploration programme commenced at its 100% owned Ravensthorpe Nickel Project in Western Australia. A total of 522-line kms of data at 100m line spacing was acquired.

The survey was completed by NRG Australia, and for the data processing and interpretation, DMC has engaged Resource Potentials Pty Ltd.

### Next Steps

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 2 – Ravensthorpe Nickel Project – Regional Map**

<sup>1</sup> Australasian Mining Ltd. Annual Report. WAMEX



### 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.

### Fraser Range – Trinity Project

The Trinity Project is 1 of 5 projects The Company holds within the Fraser Range.

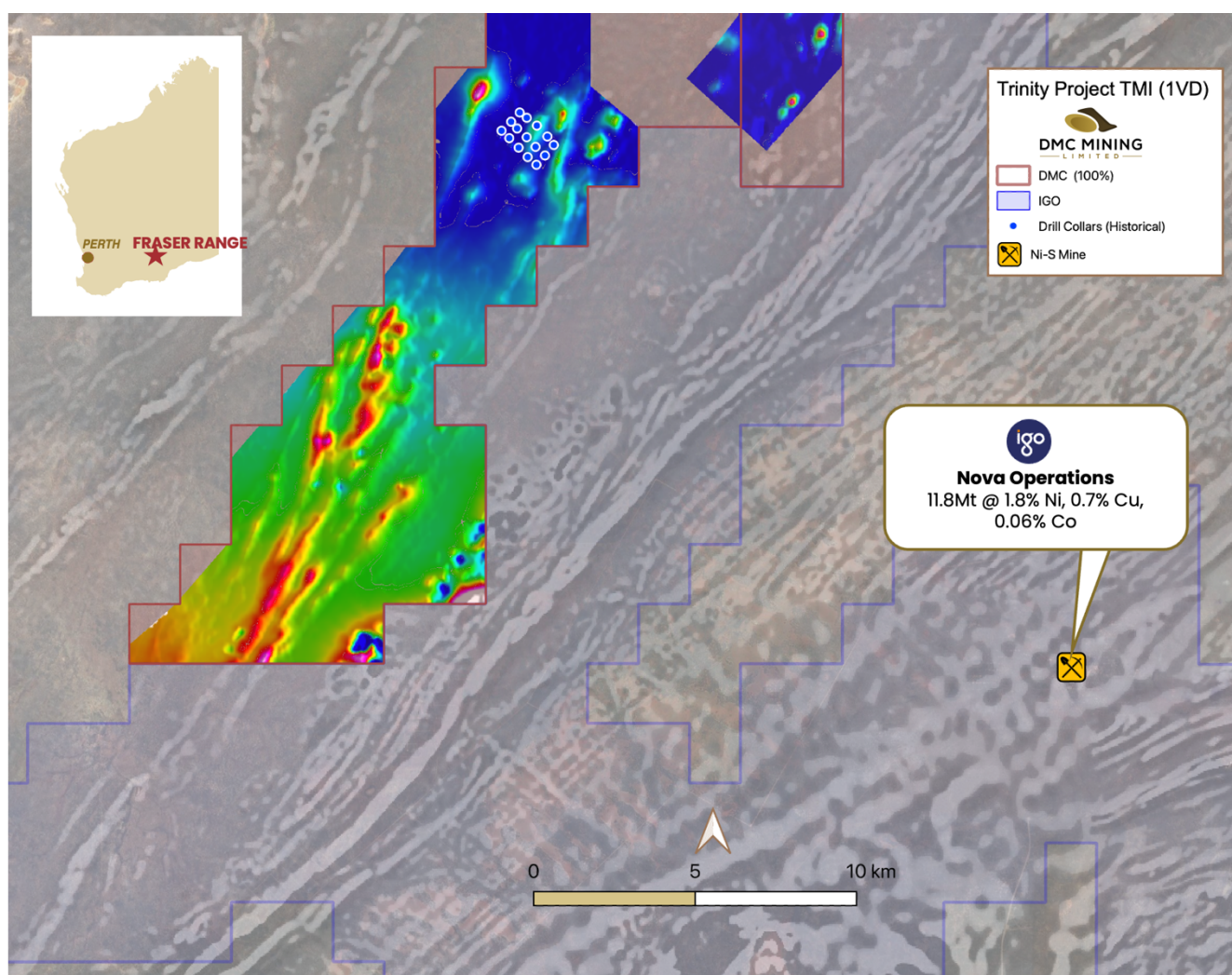


Figure 3 – Trinity Project– Location Map – Magnetics over TMI (1VD)



## December 2021 – Quarterly Activities Report

DMC is one of the largest junior explorers in the prospective Fraser Range, with a tenement area of ~880km<sup>2</sup>.

The Trinity Project is located approximately 18km from the Nova Operations, owned by IGO (ASX:IGO). The Company is targeting nickel and copper sulphide mineralisation within mafic intrusives.

Exploration is expected to commence shortly into Q1 2022.

### **Investor Relations**

DMC launched its corporate website at [www.dmcmining.com.au](http://www.dmcmining.com.au) just prior to listing on the ASX providing a greater interactive experience to keep shareholders, investors and stakeholders up to date with the Company's latest news and information. DMC also encourages shareholders and stakeholders to follow the Company's social media channels, **Twitter** and **LinkedIn** for information.

## CORPORATE

### Initial Public Offering (IPO)

DMC Mining Limited (**ASX Code: DMM**) was admitted to the official list of the ASX on 20 December 2021, and official quotation of the Company's securities commenced on 22 December 2021. The IPO was strongly supported and the Company completed the issue of 25,000,000 shares at a price of \$0.20 per share, for a total of A\$5,000,000 (before costs) raised.

The key details of the listing are included in DMC's Prospectus dated 29 October 2021.

The Board has significant expertise and experience in the resources industry, and looks forward to ensuring the funds raised through the IPO will be utilised in a cost-effective manner in accordance with the use of funds outlined in the prospectus, to achieve the Company's business objectives.

### Cash Holdings

Cash on hand as the end of the quarter was \$4,389,073

### Related Party Payments:

Pursuant to item 6 in the Company's Appendix 5B – Quarterly Cashflow Report for the Quarter ended 31 December 2021, the Company made payments totalling **\$72,846** to related parties which relate to;

- a) Tirol Investments Pty Ltd (an entity controlled by Mr David Sumich) for Director consulting fees, and pre-IPO facilitation fees.
- b) Zen Magnolia Pty Ltd (an entity controlled by Mr Bruce Franzen) for Director fees, pre-IPO facilitation fees, company secretarial and accounting services.
- c) Antler Holdings Pty Ltd an (entity controlled by Mr William Witham) for Director fees and expense reimbursements.

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 \$177,593 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.

## December 2021 – Quarterly Activities Report

### Information required by Listing Rule 5.3.2:

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

### Information required by Listing Rule 5.3.3:

Project Name	Region	Tenement Number	Status	DMC Interest as at 22 Dec 2021	DMC Interest as at 31 Dec 2021
Trinity	Fraser Range (WA)	EL 28/2831	Granted	100% <sup>2</sup>	100% <sup>2</sup>
Trinity	Fraser Range (WA)	E28/2883	Granted	100% <sup>2</sup>	100% <sup>2</sup>
Trinity	Fraser Range (WA)	E28/2816	Granted	100% <sup>1</sup>	100% <sup>1</sup>
Trinity	Fraser Range (WA)	E28/2815	Granted	100% <sup>1</sup>	100% <sup>1</sup>
Enduro	Fraser Range (WA)	E63/1918	Granted	100% <sup>2</sup>	100% <sup>2</sup>
Talon Ridge	Fraser Range (WA)	E28/2829	Granted	100% <sup>2</sup>	100% <sup>2</sup>
Talon Ridge	Fraser Range (WA)	E28/2813	Granted	100% <sup>1</sup>	100% <sup>1</sup>
Hardtail	Fraser Range (WA)	E28/2814	Granted	100% <sup>1</sup>	100% <sup>1</sup>
Propel	Fraser Range (WA)	E28/2830	Granted	100% <sup>2</sup>	100% <sup>2</sup>
Propel	Fraser Range (WA)	E69/3592	Granted	100% <sup>2</sup>	100% <sup>2</sup>
Ravensthorpe Nickel Project	Ravensthorpe (WA)	E74/669	Granted	100%	100%

<sup>1</sup> Held via DMC's 100% owned subsidiary, Romany Minerals Pty Ltd

<sup>2</sup> Held via DMC's 100% owned subsidiary, Isker Mining Pty Ltd



## December 2021 – Quarterly Activities Report

### 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.

<b>Funds Available</b>	<b>\$'000</b>		
Pre IPO funds	440		
Funds raised from the Offer	5,000		
<b>Total Funds</b>	<b>5,440</b>		
<b>Expenditure Item</b>	<b>Use of Funds \$'000 2 years – as per prospectus</b>	<b>Actual \$'000 22.12.21 – 31.12.21</b>	<b>Variance \$'000 Use of Funds Vs Actual</b>
Expenses of the Offer	(261)	(263)	(2)
Lead Manager Fee	(300)	(312)	(12)
Acquisition Costs of Tenements	(106)	(83)	24
Exploration Expenditure	(2,775)	(81)	2,694
Administration Costs	(1,655)	(101)	1,554
Working Capital	(343)	-	343
<b>TOTAL</b>	<b>(5,440)</b>	<b>(839)</b>	<b>4,601</b>

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

### 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. Accordingly, to the maximum extent permitted by law, DMC and any of its affiliates and their directors, officers, employees, agents and advisors disclaim any liability whether direct or indirect, express or limited, contractual, tortuous, statutory or otherwise, in respect of, the accuracy, reliability or completeness of the information in this document, or likelihood of fulfilment of any forward-looking statement or any event or results expressed or implied in any forward-looking statement; and do not make any representation or warranty, express or implied, as to the accuracy, reliability or completeness of the information in this document, or likelihood of fulfilment of any forward-looking statement or any event or results expressed or implied in any forward-looking statement; and disclaim all responsibility and liability for these forward-looking statements (including, without limitation, liability for negligence).

Approved for release by the Board of Directors

For further information, please contact:

#### David Sumich

Executive Chairman

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#### Eliza Gee

Investor Relations

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- eliza@asxinvestor.com.au

#### Follow us



## About DMC MINING LIMITED (ASX:DMM)

DMC Mining is a **dedicated nickel sulphide explorer in Western Australia**. The large tenement holding (**~940km<sup>2</sup>**) 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**.

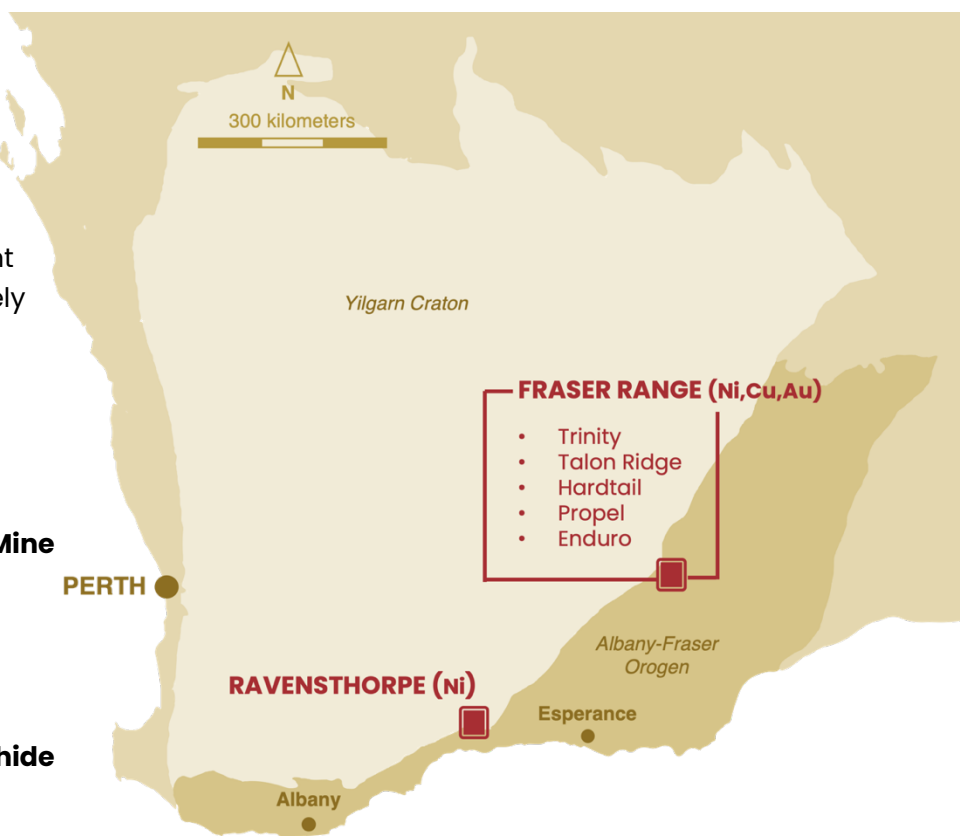
Debuted on the ASX in late 2021, the company is focused on delivering on its exploration programmes and providing tangible results for investors. Our modern approach to nickel exploration will result in a more streamlined and cost-efficient exploration process that will ultimately deliver higher returns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





## **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

## 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 December 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	(177)	(204)
	(b) development		
	(c) production		
	(d) staff costs		
	(e) administration and corporate costs	(258)	(278)
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)		
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(435)</b>	<b>(482)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements	(83)	(83)
	(c) property, plant and equipment		
	(d) exploration & evaluation		
	(e) investments		
	(f) other non-current assets		

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
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)		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(83)</b>	<b>(83)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	5,000	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	(407)	(407)
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)		
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>4,593</b>	<b>4,593</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>	<b>4,075</b>	<b>4,029</b>
4.1	Cash and cash equivalents at beginning of period	314	361
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(435)	(482)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(83)	(83)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	4,593	4,593



<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>4,389</b>	<b>4,389</b>

<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	4,389	314
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>4,389</b>	<b>314</b>

<b>6. Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1 Aggregate amount of payments to related parties and their associates included in item 1	73
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 comprises director consulting fees, and pre IPO facilitation fees paid to Tirol Investments Pty Ltd (an entity controlled by Mr David Sumich). Director fees, pre IPO facilitation fees, company secretarial and accounting services paid to Zen Magnolia Pty Ltd (an entity controlled by Mr Bruce Franzen). Director fees and expense reimbursements paid to Antler Holdings Pty Ltd an (entity controlled by Mr William Witham).

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

<b>7.</b>	<b>Financing facilities</b> <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>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	-	-
7.5	<b>Unused financing facilities available at quarter end</b>		-
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.		

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(436)
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)	(436)
8.4	Cash and cash equivalents at quarter end (item 4.6)	4,389
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	4,389
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	10.08
<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		

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 January 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.