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HALF YEAR REPORT

FOR THE FINANCIAL PERIOD ENDED
31 DECEMBER 2023



DMC MINING
— LIMITED —

DMC MINING LIMITED AND ITS CONTROLLED ENTITIES (ABN 25 648 372 516)

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This interim financial report does not include all the notes of the type normally included in an Annual Financial Report. Accordingly, this report is to be read in conjunction with the Annual Financial Report for the year ended 30 June 2023 and any public announcements made by DMC Mining Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

CORPORATE DIRECTORY

EXECUTIVE CHAIRMAN

David Sumich

NON-EXECUTIVE DIRECTORS

Bruce Franzen

Andrew Dawes

COMPANY SECRETARY

Bruce Franzen

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SECURITIES EXCHANGE LISTING

Shares and options are listed on the

Australian Securities Exchange

(ASX Codes: DMM, DMMO)

BANKERS

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DIRECTORS' REPORT

The Directors present their report, together with the financial statements, on the Consolidated Entity (referred to hereafter as the 'Consolidated Entity') consisting of DMC Mining Limited (referred to hereafter as the 'Company' or 'Parent Entity') and the entities it controlled at the end of the half-year ended 31 December 2023.

1. DIRECTORS

The names of Directors who held office during or since the end of the half-year are:

- **David Sumich** Executive Chairman
- **Frank Knezovic** Non-Executive Director (resigned 29 January 2024)
- **Andrew Dawes** Non-Executive Director (appointed 22 November 2023)
- **Bruce Franzen** Non-Executive Director (resigned 22 November 2023, re appointed 29 January 2024)

Directors have held office for the entire period and to the date of this report unless otherwise stated.

2. PRINCIPAL ACTIVITIES

The principal activity of the Consolidated Entity during the half-year has been exploration and evaluation of the Consolidated Entity's mineral tenement holdings.

3. RESULT OF OPERATIONS

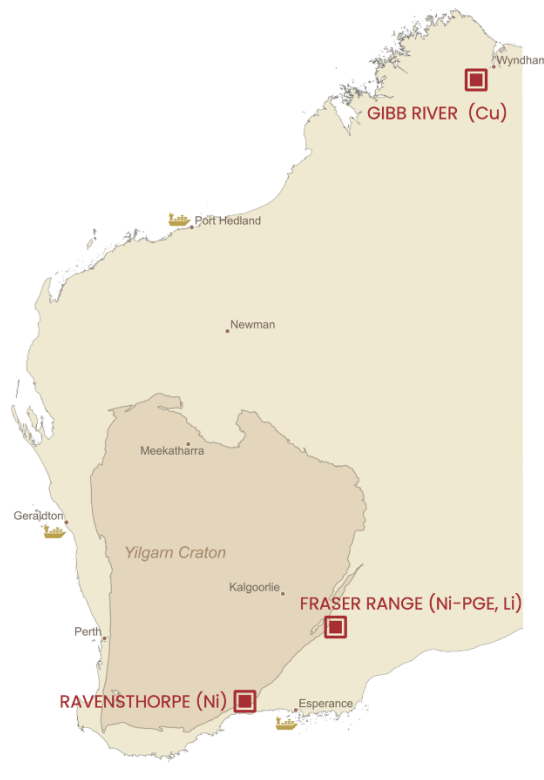
The loss after tax for the half-year ended 31 December 2023 was \$459,462 (2022: \$440,504).

4. REVIEW OF OPERATIONS

The Company is an Australian public company incorporated on 2 March 2021 for the purpose of identifying, acquiring and developing prospective critical minerals, nickel, copper, gold and other base metal assets.

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EXPLORATION ACTIVITIES DURING THE PERIOD

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.

Over past periods, the Company has undertaken systematic and methodical exploration efforts, including geochemistry, EM surveys, and ground geophysics, to assess the potential of the RAV 9 & RAV 11 targets. Both targets are now drill ready, representing a significant milestone in our exploration journey.

Following submission of our Programme of works (POW), DMIRS has requested a flora and fauna assessment over the RAV 11 area. To ensure the highest standards of environmental stewardship, the Company has engaged Rescology Environmental Consultants, who will be advising and conducting necessary assessments for our operations at Ravensthorpe. Their expertise will play a crucial role in ensuring our activities are conducted responsibly and sustainably.

The RAV 9 & RAV 11 targets are located on freehold farming ground (RAV 9) and Crown Land (RAV 11). DMC has an owner/operator access agreement and Heritage Agreement in place to facilitate completion of the planned drilling at RAV 9 & RAV 11 subject to final approvals. See Figure 1, Priority-1 Targets.

We will continue to manage the progress of this project and will keep shareholders informed of any further developments.

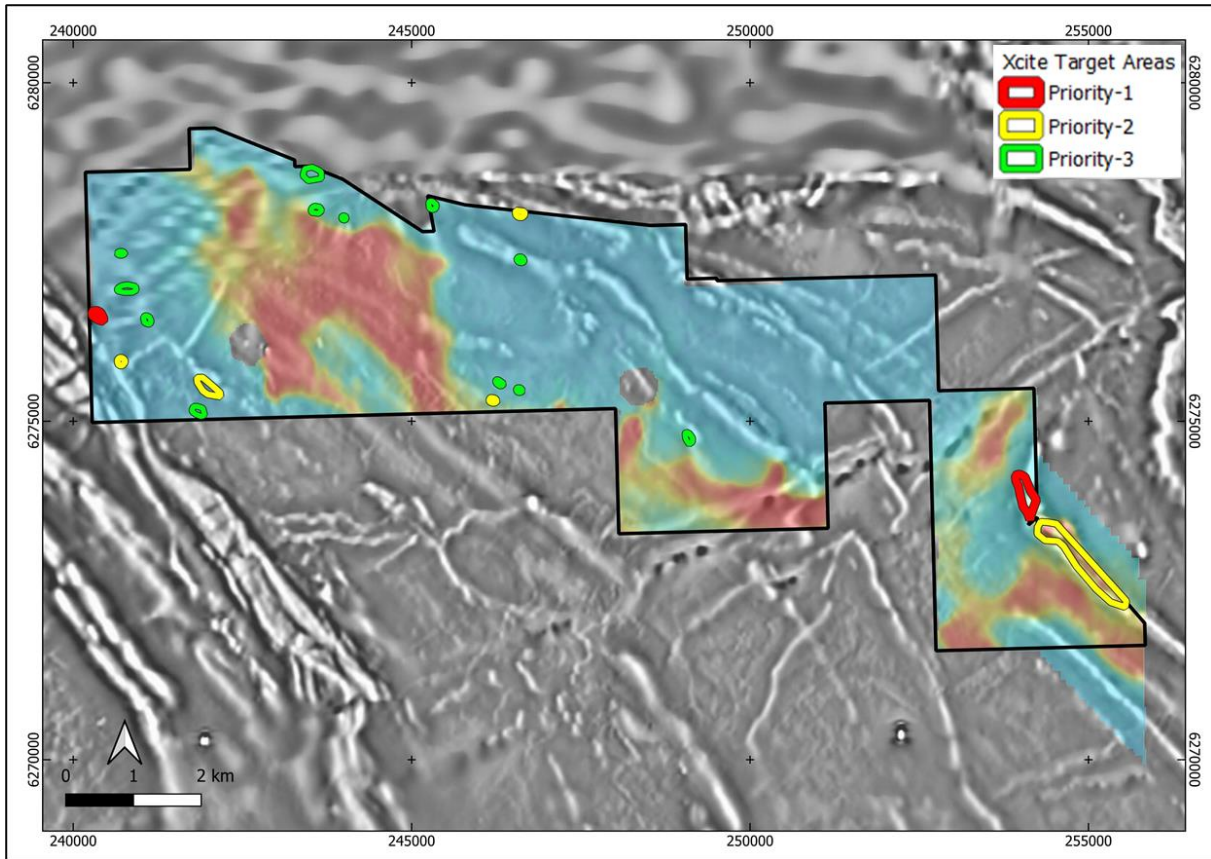


Figure 1 - Priority Conductivity Targets Identified on the Ravensthorpe Nickel Project.

Ravensthorpe project tenement E74/669 outline (black) and target areas coloured by priority over a semi-transparent late-time Xcite EM decay image (dB/dt Z Ch45) over a residual magnetic greyscale image (TMIRTP HP500m)

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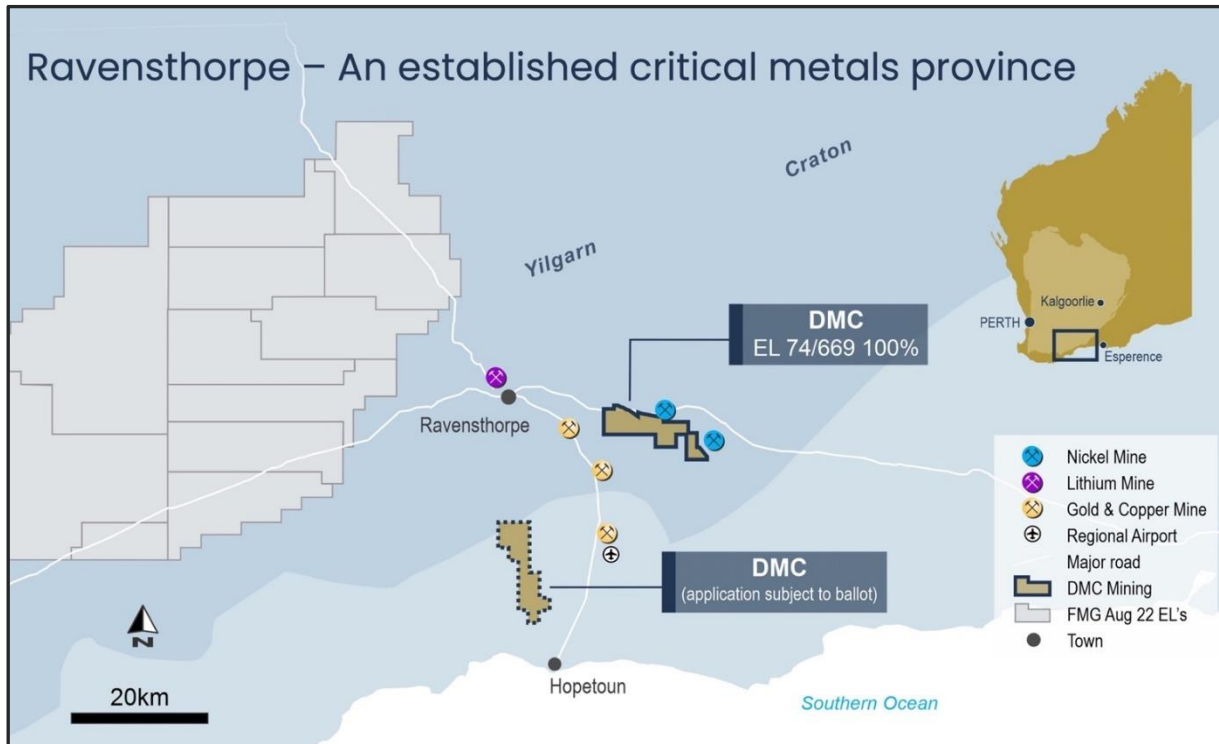


Figure 2 – Ravensthorpe Nickel Project – Regional Map

FRASER RANGE PROJECTS

The Fraser Range Projects are a consolidation of 11 granted Exploration Licences (“EL’s”) and 5 EL Applications with a combined area of approximately 1,064km², - being one of the largest strategic landholdings of held by any junior explorer in the Fraser Range. Investment by the Company is being undertaken at the Fraser Range Projects to explore for critical minerals, nickel, copper, gold and other base metals.

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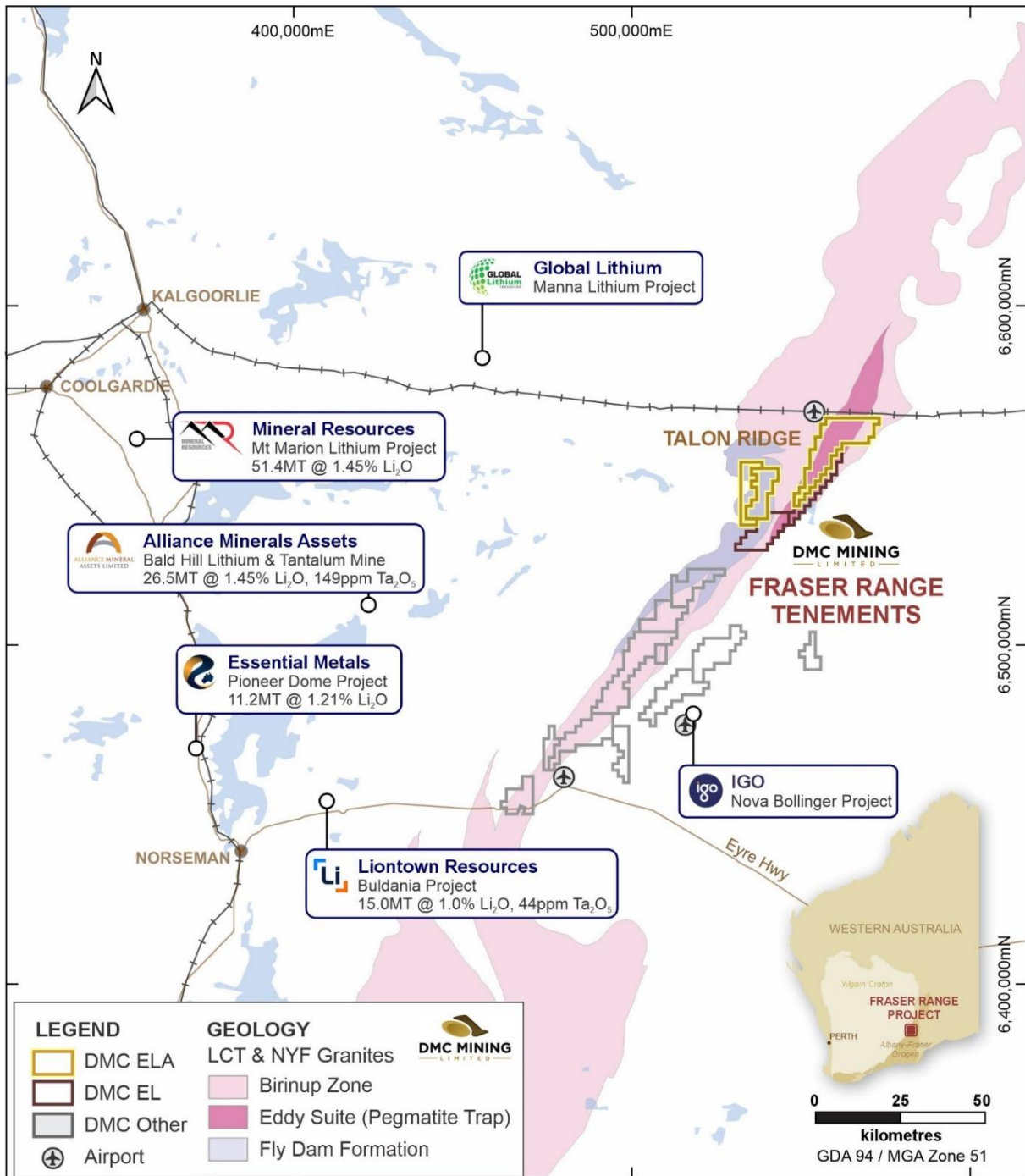


Figure 3 – Fraser Range Tenements and surrounding Li Resources

FRASER RANGE – TALON RIDGE PROJECT

During the period the Company completed on ground exploration at the Talon Ridge project, on a 27.5km anomalous lithium zone within a GSWA defined pegmatite trap ^{2,3}.

Several outcrop zones were identified of possible pegmatites which have been sampled. See Figure 4.

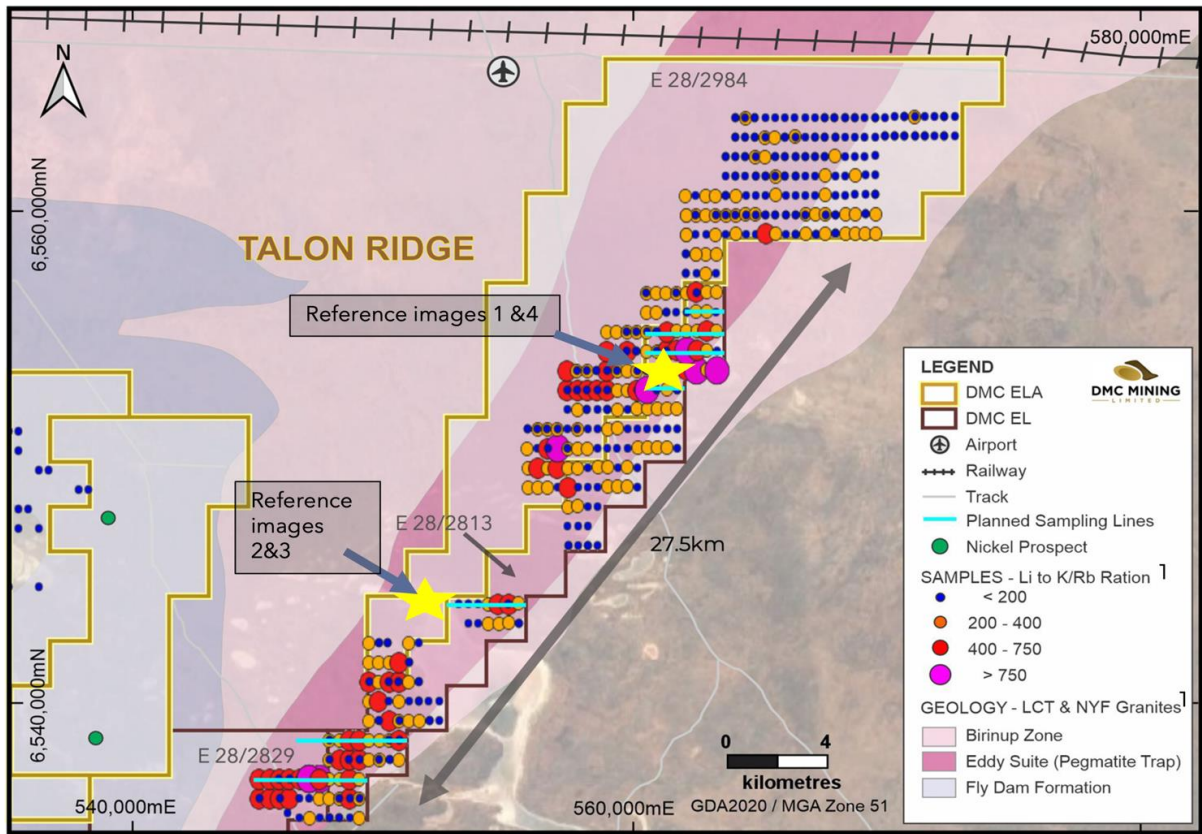


Figure 4 – Talon Ridge Project Yellow stars indicating outcrop location ³



Reference:1



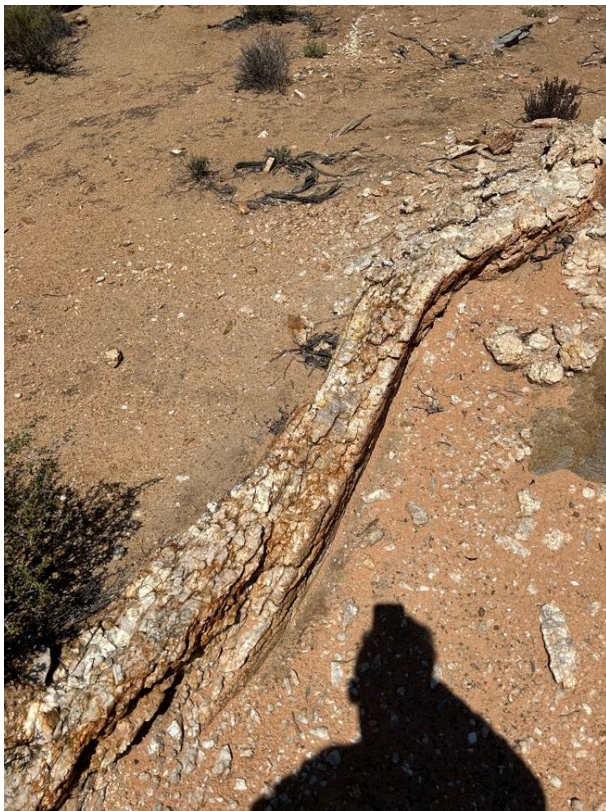
Reference:1 – close up

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Reference: 2 – Apparent thickness of exposed outcrop is ~25cm



Reference: 3 – Apparent thickness of exposed outcrop is ~35cm



*Outcrop images – Refer Figure 4 for locations **

* Visual estimates of mineral abundance should never be considered a proxy or substitute for laboratory analyses where concentrations or grades are the factor of principal economic interest. Visual estimates also potentially provide no information regarding impurities or deleterious physical properties relevant to valuations. The apparent thicknesses outlined here are of surface outcrop only. No depth extents are defined, inferred, or known at this time. Additional work is required to determine if these outcrops are mineralised (samples pending laboratory analysis) and additional on groundwork related to defining any depth extents. These thicknesses are not representative of any representation of the volume of the outcrop.

Table 1 – Visual Estimation of Abundance of Pegmatite within Samples

Sample ID	Estimated Pegmatite	Comment
Reference 1 - 4	50%	The presence of pegmatite does not necessarily indicate mineralization. DMC is not making a visual estimate of mineralization. Laboratory results will confirm if mineralization exists.

References

¹ LCT: Lithium, Caesium, Tantalum

NYF: Niobium, Yttrium, Fluorine

Li: Lithium

K: Potassium

RB: Rubidium

² Rare Element Pegmatites: A mineral System Analysis (P Duuring) Geological Survey of WA. Record 2020/7

³ ASX release 19 December 2022, DMC uncovers Lithium Potential within Fraser Range Tenements

Cautionary Statement:

Certain information in this announcement may contain references to visual results. The Company draws attention to the inherent uncertainty in reporting visual results. Visual estimates of mineral abundance should never be considered a proxy or substitute for laboratory analyses where concentrations or grades are the factor of principal economic interest. The visual estimates of apparent thickness made in this announcement are of the observed outcrops only and no depth extents (or volumes) are expressed, inferred or known at this time.

EXPLORATION RESULTS

The results from the reconnaissance orientation sample lines and outcrop rock chips were received (sample locations shown in Figure 5).

The ionic leach samples have been reviewed and their anomaly to background ratio for Li, Rb, Ta, Cs, and Nb calculated. Samples lines to the north do show over 1.5 to 2.8x anomaly ratio for Li with corresponding elevated Ta sample (see Figure 6). While the anomaly ratios have been developed against a population background, the anomaly magnitudes are low when considered in the context of 'immediate targets for follow-up work'.

The benefit is that the anomalies identified to date do suggest the sampling medium and analytical process is suited to Talon Ridge area. The sample spacing on the orientation lines are 300m apart and zones where anomalies were identified for Li, Ta, Cs, Rb, and Nb will be considered for in-fill sampling to confirm the anomaly, develop a sense of orientation, and attempt to increase anomaly magnitude. Figure 6 shows the Li anomaly to background ratio for the orientation lines.

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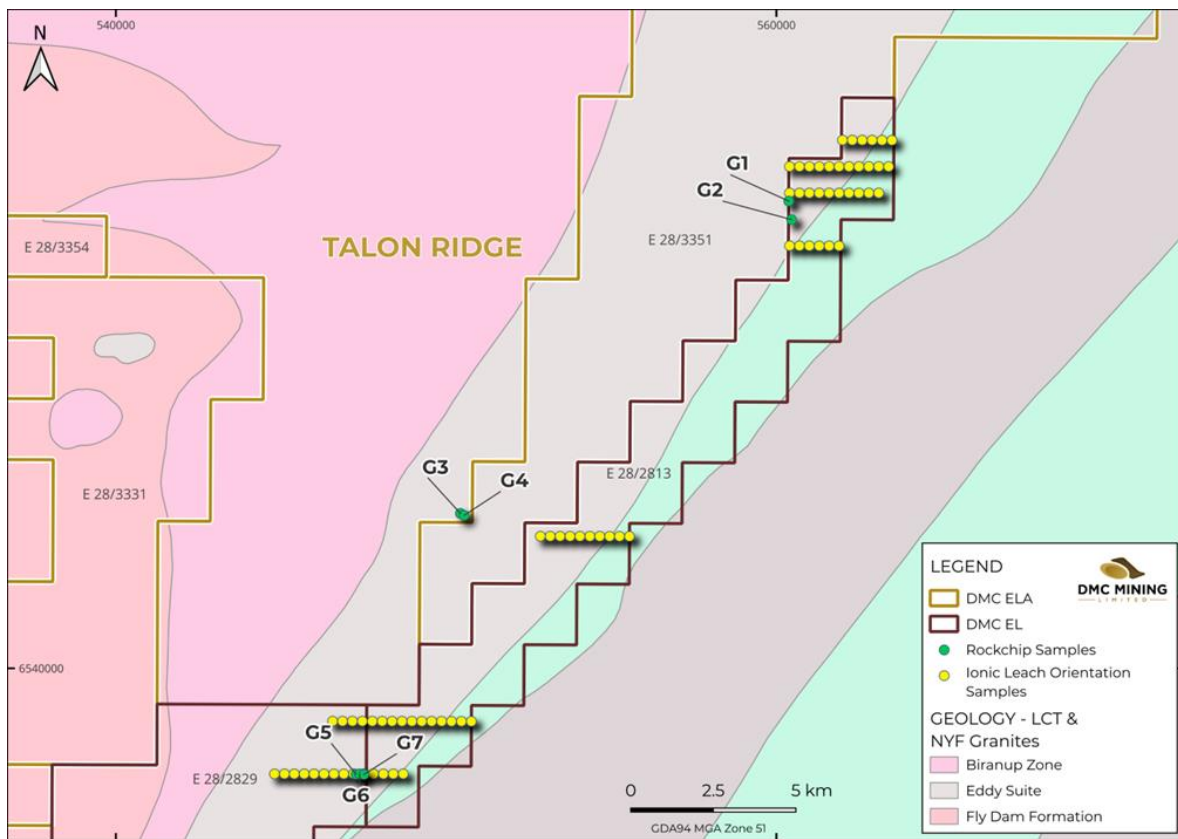


Figure 5 – Talon Ridge Project showing the orientation Ionic Leach lines and rockchips¹.

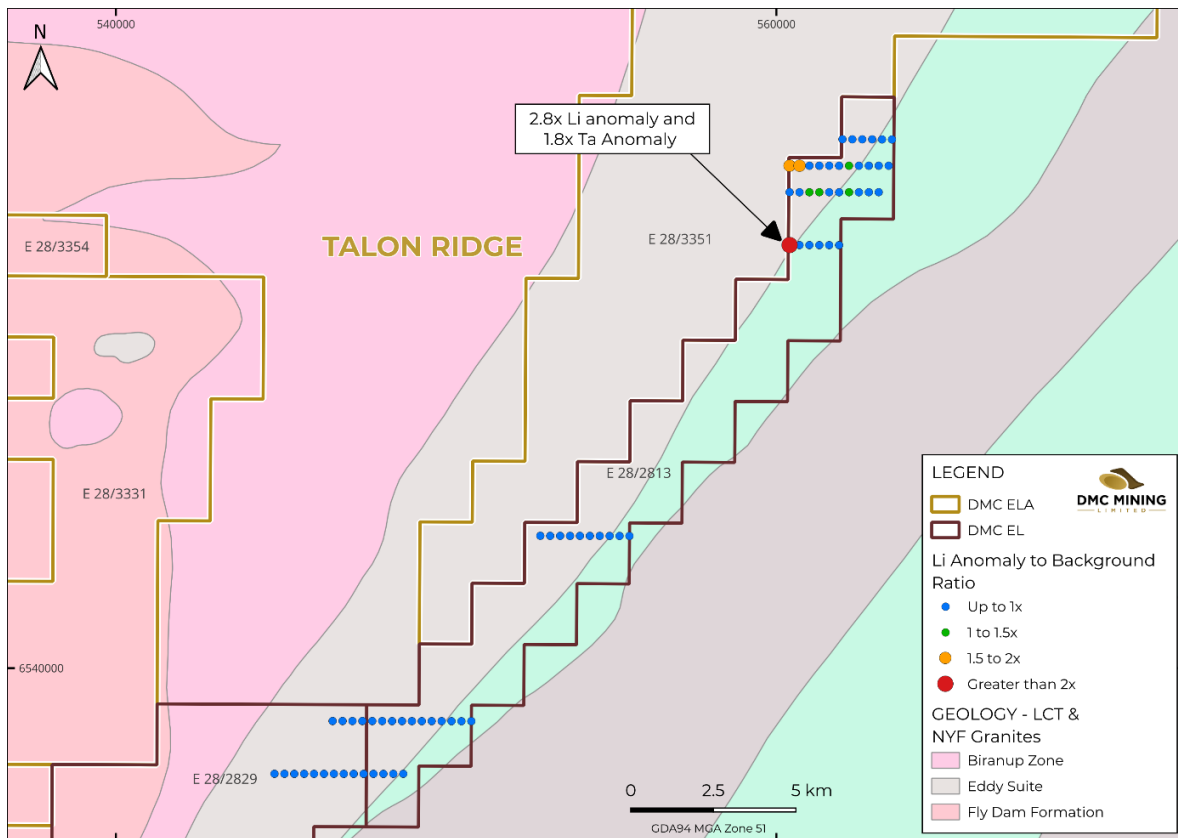


Figure 6 – Orientation line samples Li anomaly to background ratio.

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The rock chip samples collected over the outcrops did not show any elevated results. Highlight elements for the seven rock chips is shown in Table 2 below.

Table 2 – Rock chip analysis results (ME-MS61r)

Rock chip sample number	Li (ppm)	Ta (ppm)	Cs (ppm)	Rb (ppm)	Nb (ppm)
G1	1.4	<0.05	<0.05	0.5	0.2
G2	4	0.68	1.55	101	5.2
G3	2.1	0.55	3.49	147.5	1.1
G4	3.5	0.29	5.16	213	4.2
G5	1.6	<0.05	<0.05	1.5	0.2
G6	1.9	<0.05	0.11	1.1	0.3
G7	2.2	<0.05	0.21	2.3	0.2

NEXT STEPS

The Company will continue to assess the results against historical exploration results and interpretations and plan further field reconnaissance to follow up the outcrop mapping in the Talon Ridge area. In-fill sampling will be considered around the anomalous samples considering the orientation lines were spaced at 300m sample spacing (continued reconnaissance dependant). Further work will commence in December 2023 and on the successful granting of application ground to extend geological knowledge of the new tenement package.

NEW PROJECTS

TALON RIDGE NI PROJECT (UNDER APPLICATION)

The Talon Ridge Ni Project expansion (DMC 100%) comprising 155km² of highly prospective nickel sulphide tenements, encompassing the Red Knight and T34 intrusive complexes, under EL Applications. See Figure 9.

Key Points;

- Past exploration identified cumulous serpentinised olivine rich ultramafics.
- DMC can leverage existing technical skills and expertise to advance exploration (should it proceed to granting)
- Historical shallow drilling ^{1,2,3,4,5} includes;
 - 64m @ 0.33% Ni (from 36m)
 - Inc 4m @ 0.64% Ni (from 44m)
 - 40m @ 0.33% Ni (from 36m)
 - Inc 4m @ 0.55% Ni (from 36m)
 - 100m @ 0.23% Ni (from 92m)
- Both Red Knight and T34 intrusive complex's are not fully tested and remain open. See Figures 7 and 8.
- Targeting Kambalda Style mineralisation rather than Nova Style mineralisation

- Located within the northern foreland region of the Tropicana Belt adjacent to the Fraser Range Complex approximately 60km north of Nova/Bollinger Nickel-Copper deposit.
- The drilling was considered encouraging due to the style of ultramafic lithology, former olivine rich, capable of hosting magmatic nickel sulphides. In other regional drill programs, the identification of nickel sulphide minerals, pentlandite and millerite, have shown the potential for a nickel deposit to be discovered.
- Regional geology is defined as mainly granitic, due to the near surface lithologies, that does not reflect local magnetics. This could be due to the overlying Proterozoic Albany Fraser orogeny above the Archean Yilgarn terrain therefore defining potential mineralisation below the Proterozoic cover.
- DMC will commence desktop studies into all work completed to date in order to understand the style of mineralisation with the aim of defining exploration methods to exploit the mineralisation.

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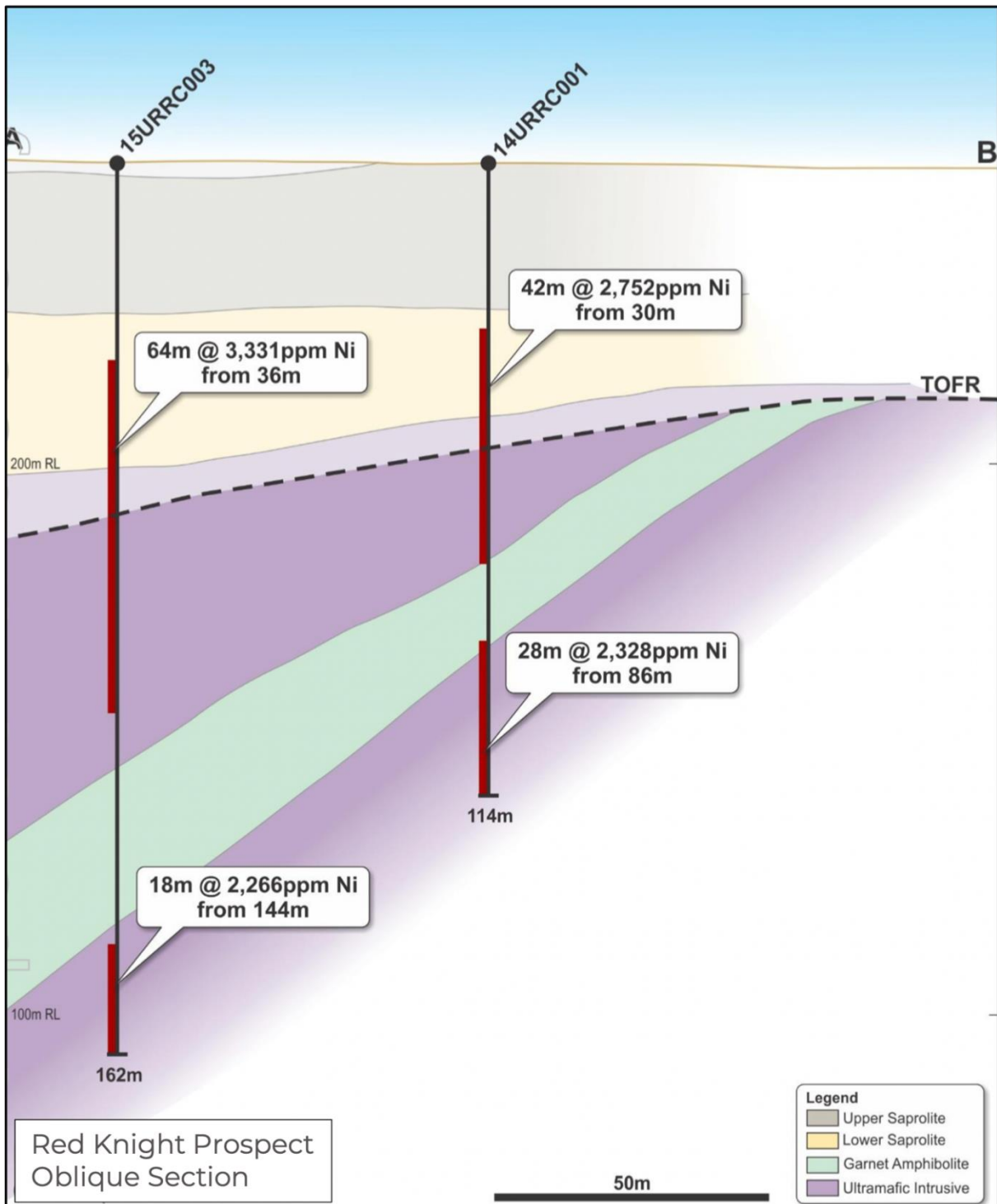


Figure 7 – Oblique Drill Section – Red Knight Prospect past completed drilling

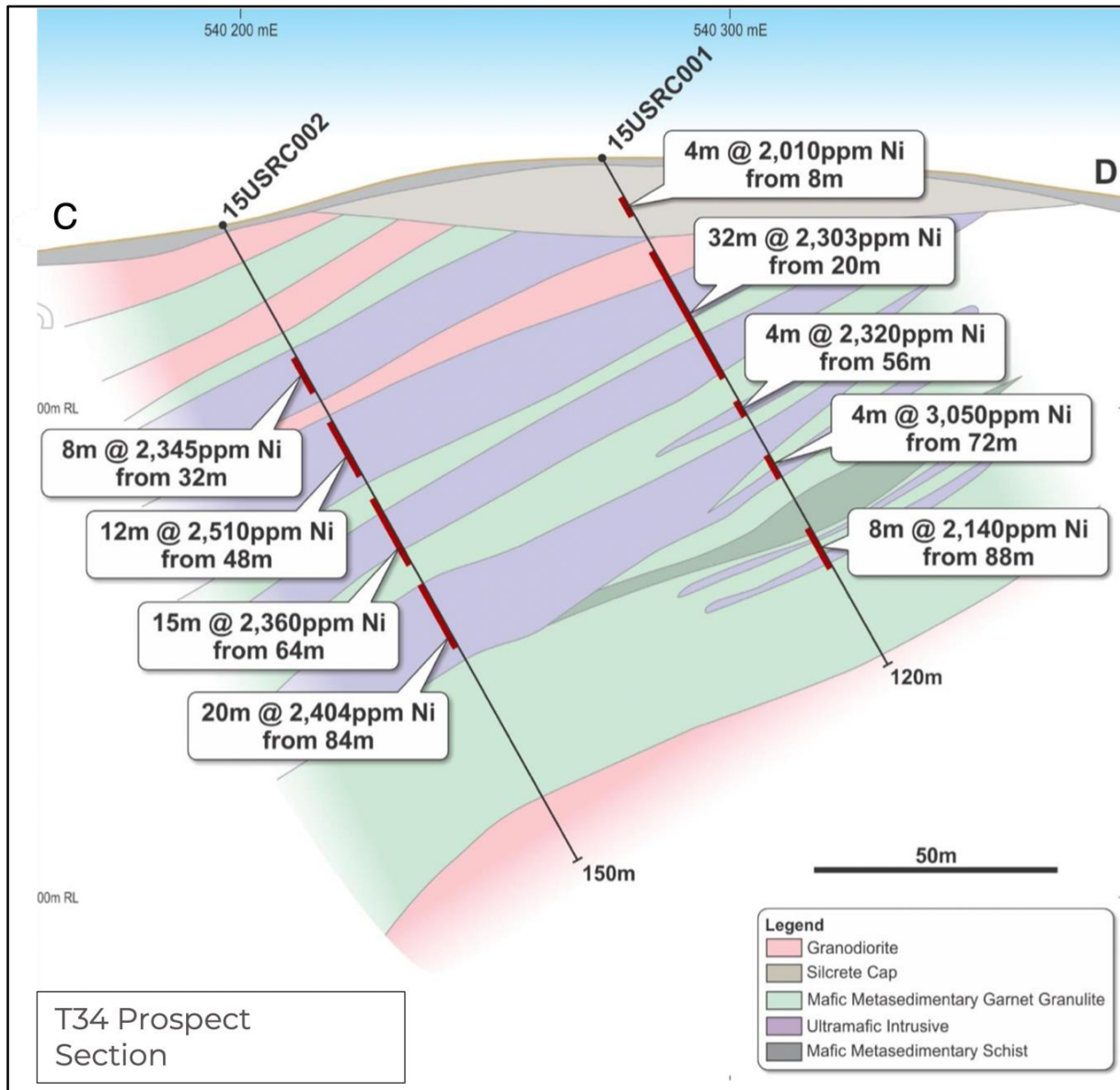


Figure 8 – Completed RC Drilling Locations. - T34 Prospect

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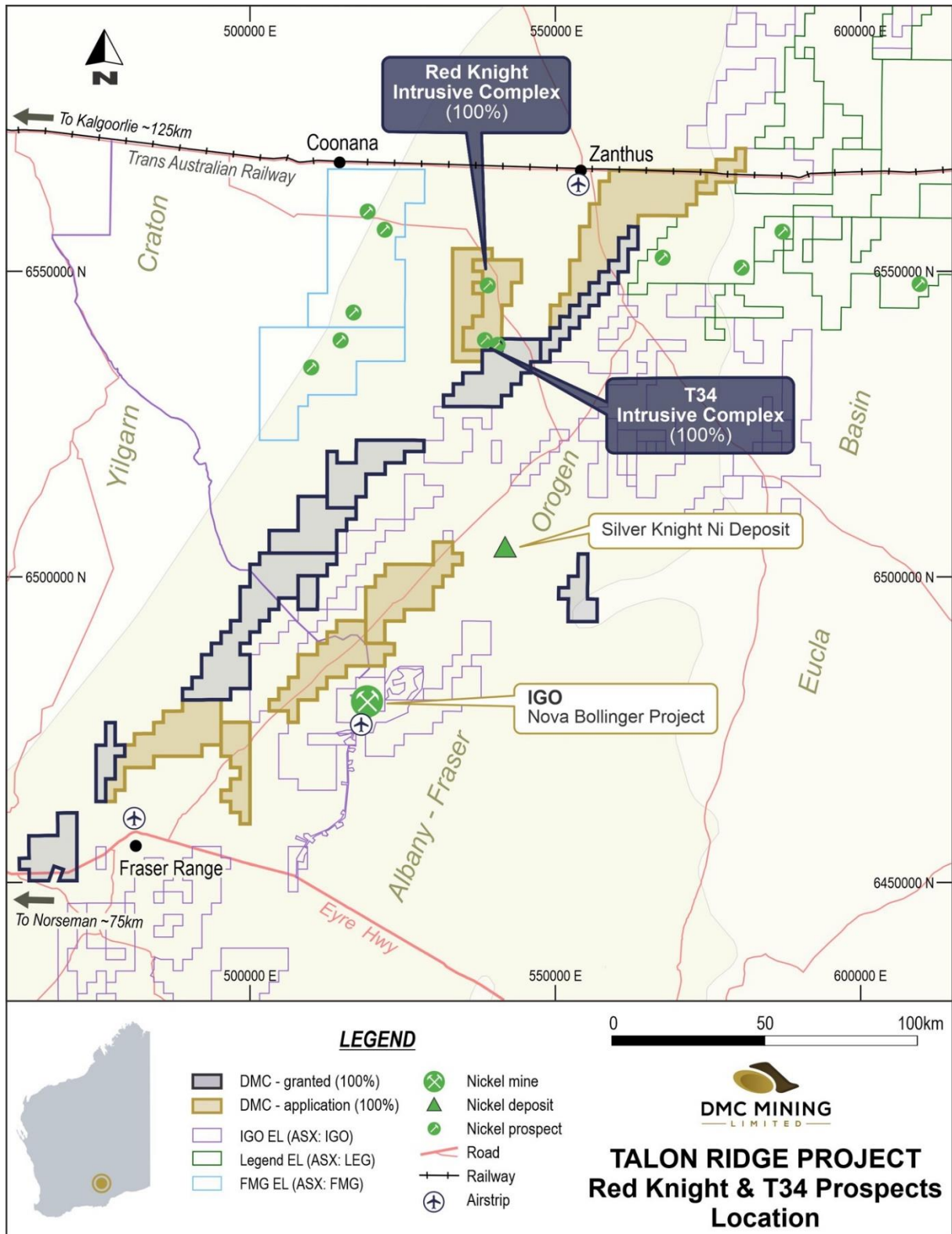


Figure 9 – Project Location Map

References

- 1 – Windward Resources (ASX:WIN) Highly Anomalous nickel values intersected in recently completed RC drilling at Uraryie and Uraryie South. 20 October 2015
- 2 – Windward Resources (ASX:WIN) Nickel Copper Anomalism – Fraser Range North. 5 February 2015
- 3 – Windward Resources (ASX:WIN) Quarterly Activities Report. 30 January 2015
- 4 – Open File WAMEX Report A107505
- 5 – Open File WAMEX Report A124915

Competent Person's Statement – Ravensthorpe Nickel Project

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.

Competent Person's Statement – Fraser Range Project

The information in this announcement that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Andrew Dawes who is a Non-executive Director of DMC Mining Limited, and a Member of the Australasian Institute of Mining and Metallurgy. Mr Dawes is also a Principal Geologist employed by AHD Resources, engaged under a consulting agreement to DMC Mining Limited. Mr Dawes 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 Dawes consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Competent Person's Statement – Talon Ridge Ni Project

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Andrew James Hawker, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy (210569), and the Australian Institute of Geoscientists (5343). Mr Hawker is the Principal Geologist employed by HGS Australia engaged under a consulting agreement to DMC Mining Limited. Mr Hawker has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Hawker consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

CORPORATE ACTIVITIES

On 22 November 2023, the Company held its Annual General Meeting of Shareholders (AGM). All resolutions put to the meeting were passed by the required majority by way of a poll.

On 22 November 2023, Non-executive Director Bruce Franzen resigned as a Director of the Company.

On 22 November 2023, Non-executive Director Andrew Dawes was appointed a Director of the Company.

On 22 December 2023, 16,400,000 ordinary fully paid shares being restricted securities were released from escrow.

On 23 January 2024, the Company's securities were suspended following its request to the ASX for the same pending the Company releasing an announcement in relation to a proposed re-compliance transaction under Listing Rule 11.1

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years.

5. EVENTS SUBSEQUENT TO REPORTING DATE

On 23 January 2024, the Company's securities were suspended following its request to the ASX for the same pending the Company releasing an announcement in relation to a proposed re-compliance transaction under Listing Rule 11.1.

On 29 January 2024, Bruce Franzen was appointed as a director and Frank Knezovic resigned as a director of the Company.

No other matters or circumstances have arisen subsequent to 31 December 2023 that has significantly affected, or may significantly affect, the state of affairs or operations of the reporting entity in future financial periods.

6. SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no other significant changes in the state of affairs of the Consolidated Entity during the financial half-year.

7. AUDITOR'S DECLARATION

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 18 for the half-year ended 31 December 2023.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the Directors.



David Sumich
Executive Chairman

Dated this day 26th February 2024

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AUDITOR'S INDEPENDENCE DECLARATION

TO THE DIRECTORS OF DMC MINING LIMITED

In relation to our review of the financial report of DMC Mining Limited for the half-year ended 31 December 2023, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

PKF Perth

PKF PERTH

Simon Fermanis

SIMON FERMANIS
PARTNER

26 February 2024
WEST PERTH,
WESTERN AUSTRALIA

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INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF DMC MINING LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of DMC Mining Limited (the company) and controlled entities (consolidated entity) which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, and notes to the financial statements, including material policy information and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at 31 December 2020, or during the half year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of DMC Mining Limited is not in accordance with the Corporations Act 2001 including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 Interim Financial Reporting and the 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.

Material Uncertainty Related to Going Concern

Without qualifying our conclusion, we draw attention to Note 1 in the half-year financial report, which indicates that the consolidated entity has incurred an operating loss of \$459,462 (2022: \$440,504) and cash outflows of \$560,275 (2022: \$1,051,103) for the half-year ended 31 December 2023. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty which may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial report.

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Independence

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 (including Independence Standards) (the Code) 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.

Directors' Responsibility for the Interim 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 the Australian Accounting Standards and the Corporations Act 2001 and for such internal controls 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.

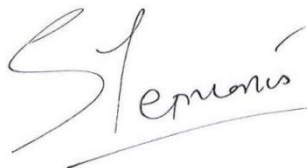
Auditor's Responsibilities for the Review of the Financial Report

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 consolidated entity's financial position as at 31 December 2023 and its performance for the half year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporation 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.

PKF Perth

PKF PERTH



SIMON FERMANIS
PARTNER

26 FEBRUARY 2024
WEST PERTH,
WESTERN AUSTRALIA

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the half year ended 31 December 2023

	Note	31-Dec-23 \$	31-Dec-22 \$
REVENUE			
Other revenue	3	9,257	8,448
EXPENSES			
Administrative expenses		(15,172)	(7,174)
Compliance and regulatory expenses		(101,434)	(75,942)
Consultancy expenses		(69,000)	(64,000)
Directors' fees		(168,117)	(159,996)
Exploration expenses	4	(28,996)	(53,855)
Marketing and Investor relations expenses		(58,519)	(62,634)
Insurance expenses		(17,129)	(16,132)
Occupancy expenses		(10,352)	(9,219)
Loss for the period before income tax expense		(459,462)	(440,504)
Income tax benefit/(expense)		-	-
LOSS FOR THE PERIOD		(459,462)	(440,504)
OTHER COMPREHENSIVE INCOME/(LOSS), NET OF INCOME TAX			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Net change in fair value of available for sale financial asset		-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(459,462)	(440,504)
LOSS PER SHARE			
Basic and diluted loss per share	5	(0.01)	(0.01)

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2023

	Note	31-Dec-23 \$	30-Jun-23 \$
CURRENT ASSETS			
Cash and cash equivalents		1,091,458	1,651,733
Trade and other receivables		39,008	43,806
Other assets		22,385	21,585
TOTAL CURRENT ASSETS		1,152,851	1,717,124
NON-CURRENT ASSETS			
Exploration and evaluation expenditure	6	1,113,130	966,169
TOTAL NON-CURRENT ASSETS		1,113,130	966,169
TOTAL ASSETS		2,265,981	2,683,293
CURRENT LIABILITIES			
Trade and other payables		131,674	89,524
TOTAL CURRENT LIABILITIES		131,674	89,524
TOTAL LIABILITIES		131,674	89,524
NET ASSETS		2,134,307	2,593,769
EQUITY			
Issued capital	7	4,839,724	4,839,724
Reserves	8, 9	469,612	469,612
Accumulated losses		(3,175,029)	(2,715,567)
TOTAL EQUITY		2,134,307	2,593,769

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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the half year ended 31 December 2023

	31-Dec-23 \$	31-Dec-22 \$
<i>CASH FLOWS FROM OPERATING ACTIVITIES</i>		
Interest received	9,257	8,448
Payments for administration and corporate expenses	(405,004)	(607,617)
Payments for exploration and evaluation expenses	(164,528)	(451,934)
<i>NET CASH USED IN OPERATING ACTIVITIES</i>	(560,275)	(1,051,103)
<i>CASH FLOWS FROM INVESTING ACTIVITIES</i>		
Payment for exploration and evaluation acquisition	-	-
<i>NET CASH USED IN INVESTING ACTIVITIES</i>	-	-
<i>CASH FLOWS FROM FINANCING ACTIVITIES</i>		
Proceeds from issue of shares	-	-
Payment for costs of share issue	-	-
<i>NET CASH FROM FINANCING ACTIVITIES</i>	-	-
Net increase/(decrease) in cash and cash equivalents	(560,275)	(1,051,103)
Cash and cash equivalents at the beginning of the reporting period	1,651,733	3,836,261
<i>CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD</i>	1,091,458	2,785,158

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

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the half year ended 31 December 2023

	Issued Capital	Options Reserve	Accumulated losses	Total
	\$	\$	\$	\$
BALANCE AT 1 JULY 2023	4,839,724	469,612	(2,715,567)	2,593,769
Loss for the period	-	-	(459,462)	(459,462)
Total comprehensive loss for the period	-	-	(459,462)	(459,462)
<i>Transactions with owners, recorded directly in equity:</i>				
Shares Issued During the Period	-	-	-	-
Share Based Payments	-	-	-	-
Cost of Share Issue	-	-	-	-
Total transactions with owners	-	-	-	-
BALANCE AT 31 DECEMBER 2023	4,839,724	469,612	(3,175,029)	2,134,307
BALANCE AT 1 JULY 2022	4,839,724	469,612	(604,494)	4,704,842
Loss for the period	-	-	(440,504)	(440,504)
Total comprehensive loss for the period	-	-	(440,504)	(440,504)
<i>Transactions with owners, recorded directly in equity:</i>				
Shares Issued During the Period	-	-	-	-
Share Based Payments	-	-	-	-
Cost of Share Issue	-	-	-	-
Total transactions with owners	-	-	-	-
BALANCE AT 31 DECEMBER 2022	4,839,724	469,612	(1,044,998)	4,264,338

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

CONDENSED NOTES TO THE FINANCIAL STATEMENTS

for the half year ended 31 December 2023

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

STATEMENT OF COMPLIANCE

DMC Mining Limited (the Company) is a public company, limited by shares, domiciled and incorporated in Australia and listed on the Australian Securities Exchange. The consolidated half-year financial report of the Company for the six months ended 31 December 2023, comprise the Company and its subsidiaries (the "Consolidated Entity" or "Group").

The half-year consolidated financial report is a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001* and *AASB 134 Interim Financial Reporting* as appropriate for for-profit orientated entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard *IAS 34 Interim Financial Reporting*.

The half-year consolidated financial report does not include full disclosures of the type normally included in an annual financial report. Accordingly, it is recommended that this half-year financial report be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by DMC Mining Limited and its controlled entities during the half-year reporting period in accordance with the continuous disclosure requirements arising under the *Corporations Act 2001*.

These consolidated half year financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 26 February 2024.

BASIS OF PREPARATION

The half-year consolidated financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied. The presentation and functional currency is Australian Dollars.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's annual financial report for the financial year ended 30 June 2023. Those accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Going concern basis

The half-year consolidated financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and the

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settlement of liabilities in the normal course of business. Cash outflow from operating activities was \$560,275 for the half-year to 31 December 2023 (31 December 2022: outflow of \$1,051,103), and the loss for the half-year to 31 December 2023 was \$459,462 (31 December 2022: loss of \$440,504).

The ability of the Company to continue to pay its debts as and when they fall due is dependent upon the Company raising funds as and when required. The Directors believe that this will occur and the Company will continue to be able to pay its debts as and when they fall due. However, there is the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and whether the Company is able to realise its assets and discharge its liabilities in the normal course of business.

New, revised or amending Accounting Standards and Interpretations adopted

The Consolidated Entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are relevant to their operations and mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Consolidated Entity and are consistent with those of the previous financial years and corresponding interim reporting period.

Impact of new standards and interpretations issued but not yet adopted

There are no new standards that have been issued since 30 June 2023 that have been applied by the Consolidated Entity. The 30 June 2023 annual report disclosed that the Consolidated Entity anticipated no new material impacts arising from initial application of those standards issued but not yet applied at that date, and this remains the assessment as at 31 December 2023.

SIGNIFICANT ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS

The preparation of financial statements requires management to make judgments and estimates relating to the carrying amounts of certain assets and liabilities. Actual results may differ from the estimates made. Estimates and assumptions are reviewed on an ongoing basis.

The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next accounting period are:

(i) *Share based payment transactions*

The Consolidated Entity measures the cost of equity settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of share options is determined by an external valuer using an appropriate valuation model.

(ii) *Income tax expenses*

Judgement is required in assessing whether deferred tax assets and liabilities are recognised on the statement of financial position. Deferred tax assets, including those arising from temporary differences, are recognised only when it is considered more likely than not that they will be recovered, which is dependent on the generation of future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised.

(iii) *Impairment of exploration and evaluation assets*

The ultimate recoupment of the value of exploration and evaluation assets is dependent on the successful development and commercial exploitation, or alternatively, sale, of the exploration and evaluation assets.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. There is significant estimation and judgement in determining the inputs and assumptions used in determining the recoverable amounts.

The key areas of judgement and estimation include:

- Recent exploration and evaluation results and resource estimates;
- Environmental issues that may impact on the underlying tenements;
- Fundamental economic factors that have an impact on the operations and carrying values of assets and liabilities.

2. SEGMENT INFORMATION

IDENTIFICATION OF REPORTABLE SEGMENTS

The consolidated entity is organised into one operating segment, being exploration operations. This operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

The reportable segment is represented by the primary statements forming these financial statements.

3. OTHER REVENUE	31 December 2023	31 December 2022
	\$	\$
OPERATING ACTIVITIES		
Interest received	9,257	8,448
Total Other Revenue	9,257	8,448

4. EXPENSES	31 December 2023	31 December 2022
	\$	\$
Operating activities		
Exploration Expenses	28,996	53,855
Total exploration costs	28,996	53,855

During the period, the consolidated group incurred costs related to the application of new tenements which often included limited technical evaluation prior to grant. At the time of the expenditure on the tenements, the group did not have the rights to these tenements and is subsequently unable to capitalise these costs under AASB 6. Therefore, these costs have been expensed for the period.

5. (LOSS) PER SHARE	31 December 2023	31 December 2022
	\$	\$
(loss) from continuing operations used in the calculation of basic and diluted EPS	(459,462)	(440,504)
Weighted average number of ordinary shares outstanding during the year used in calculating the basic and dilutive EPS	46,350,000	46,350,000

There are 26,575,000 share options excluded from the calculation of diluted earnings per share (that could potentially dilute basic earnings per share in the future) because they are anti-dilutive for each of the periods presented.

6. EXPLORATION EXPENDITURE	31 December 2023	30 June 2023
	\$	\$
Exploration project expenditure	1,113,130	966,169
MOVEMENT IN CARRYING VALUE:		
Brought forward – 1 July	966,169	1,013,640
Exploration project expenditure – Ravensthorpe Nickel	23,840	326,648
Exploration project expenditure – Fraser Range	123,121	868,913
Impairment Expenses – Fraser Range Project	-	(1,243,032)
Acquisition– Isker Mining Pty Ltd	-	-
Acquisition – Romany Minerals Pty Ltd	-	-
Acquisition – Tenement Ravensthorpe Nickel	-	-
Exploration Asset at reporting date – 31 December	1,113,130	966,169

7. ISSUED CAPITAL	31 December 2023	30 June 2023
	\$	\$
Fully paid ordinary shares	5,710,140	5,710,140
Less: capital issue costs net of tax	(870,416)	(870,416)
	<u>4,839,724</u>	<u>4,839,724</u>

As at 31 December 2023 there were 46,350,000 shares on issue (30 June 2023: 46,350,000).

8. RESERVES	31 December 2023	30 June 2023
	\$	\$
Options reserve	<u>469,612</u>	<u>469,612</u>

9. SHARE BASED PAYMENTS

SHARE OPTIONS ISSUED

	Number of Options	Exercise Price \$
Exercisable at 1 July 2023	26,575,000	**
Issued during the period	-	-
Exercisable at 31 December 2023	<u>26,575,000</u>	<u>**</u>

** 25,575,000 options exercisable at 20 cents and 1,000,000 options exercisable at 30 cents.

10. CONTINGENT LIABILITIES

There has been no change to contingent liabilities since the last annual reporting date.

11. EVENTS SUBSEQUENT TO REPORTING DATE

On 23 January 2024, the Company's securities were suspended following its request to the ASX for the same pending the Company releasing an announcement in relation to a proposed re-compliance transaction under Listing Rule 11.1

On 29 January 2024, Bruce Franzen was appointed as a director and Frank Knezovic resigned as a director of the Company.

No other matters or circumstances have arisen subsequent to 31 December 2023 that has significantly affected, or may significantly affect, the state of affairs or operations of the reporting entity in future financial periods.

12. DIVIDENDS

No dividends have been declared or paid during the half-year ended 31 December 2023.

13. COMMITMENTS

In order to maintain current rights of tenure to exploration tenements the Company is required to perform minimum exploration work to meet the minimum expenditure requirements specified by the government of Western Australia. These obligations can be reduced by selective relinquishment of exploration tenure or renegotiation.

	31 December 2023	30 June 2023
	\$	\$
<i>EXPENDITURE REQUIRED ON EXPLORATION LICENCES</i>		
Within one year	262,500	159,500
More than one year but less than five years	476,280	239,250
Greater than five years	-	-
Total commitments	<u>738,780</u>	<u>398,750</u>

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DIRECTOR'S DECLARATION

The Directors' of the Company declare that: -

1. The financial statements and notes, as set out on pages 21 to 30 are in accordance with the Corporations Act 2001, including:
 - (a) complying with Accounting Standard AASB 134: Interim Financial Reporting, and Corporation Regulations 2001; and
 - (b) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date.

In the Directors' opinion there are reasonable grounds to believe that the Company 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 directors made pursuant to s.303 (5) of the *Corporations Act 2001*.



David Sumich
Executive Chairman

Dated this day 26th February 2024

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