27 January 2023

QUARTERLY ACTIVITIES REPORT

DECEMBER 2022

Dundas Minerals Limited

Directors

Non-Executive Chairman
Mark Chadwick

Managing Director
Shane Volk

Technical Director
Tim Hronsky

Company Secretary
Shane Volk

Issued Capital (ASX: DUN, DUNO)

Ordinary Shares:	**68,888,907**
ASX Quoted:	47,444,250
Escrow:	21,444,657
Listed Options:	**28,421,447**
Unlisted Options:	15,500,000



Highlights

- **5 diamond drill holes completed at Central exploration target**
- **Preparations for Matilda South RC drilling program**
- **3 new Exploration Licence Applications lodged**
- **$1,600,000 Share placement**

Dundas Minerals Limited (ASX: DUN) ("Dundas Minerals" or "the Company") is actively exploring for nickel, copper and gold in the prospective Albany-Fraser Orogen, Western Australia.

EXPLORATION OVERVIEW

During the quarter the primary activity of Dundas Minerals was the continuation of an inaugural diamond drilling program at the Company's Central exploration target (Central).

Central exploration target

Diamond drilling, to test for possible nickel, copper and cobalt mineralisation commenced at Central in late September 2022. Drill targets were selected based on the interpretation of various geophysical data sets that had been acquired, compiled and processed by the Company during late 2021 and 2022. The data included an airborne electromagnetic survey (AEM), ground gravity surveys, airborne magnetic surveys and ground audiomagnetotellurics surveys (AMT).

Prior to the commencement of drilling, in August 2022 the Company released the results of a comparison of the Central exploration target AMT model anomaly with an AMT model of the Nova nickel-copper-cobalt deposit that is located approximately 140km northeast of Central (see ASX release dated 2 August 2022). The comparison of the two anomalies was extremely encouraging, especially the respective model resistivity values which at Central were lower than Nova indicating a more conductive anomaly. Also, the AMT resistivity model values at Central are of a magnitude consistent with the presence of massive sulphides and/or graphite. Drilling is testing for possible mineralisation.

During the quarter, five (5) diamond drill holes were completed (Figure 1). Three of the drill holes were designed to test the two highly conductive AMT anomalies, with the other two drill holes designed to test AEM and magnetic/gravity anomalies. Assay results were received for the first two drill holes (22CEDD001 and 22CEDD002) during the quarter, however despite significant sulphides (predominantly pyrite and pyrrhotite) being encountered in the first diamond drill hole no significant

zones of mineralisation were returned from the assay of samples submitted for the hole, nor from the assay of samples submitted from the second drill hole (22CEDD002). Assay results for the remaining three diamond drill holes that were completed at Central during the quarter are expected to be received during the first quarter of 2023.

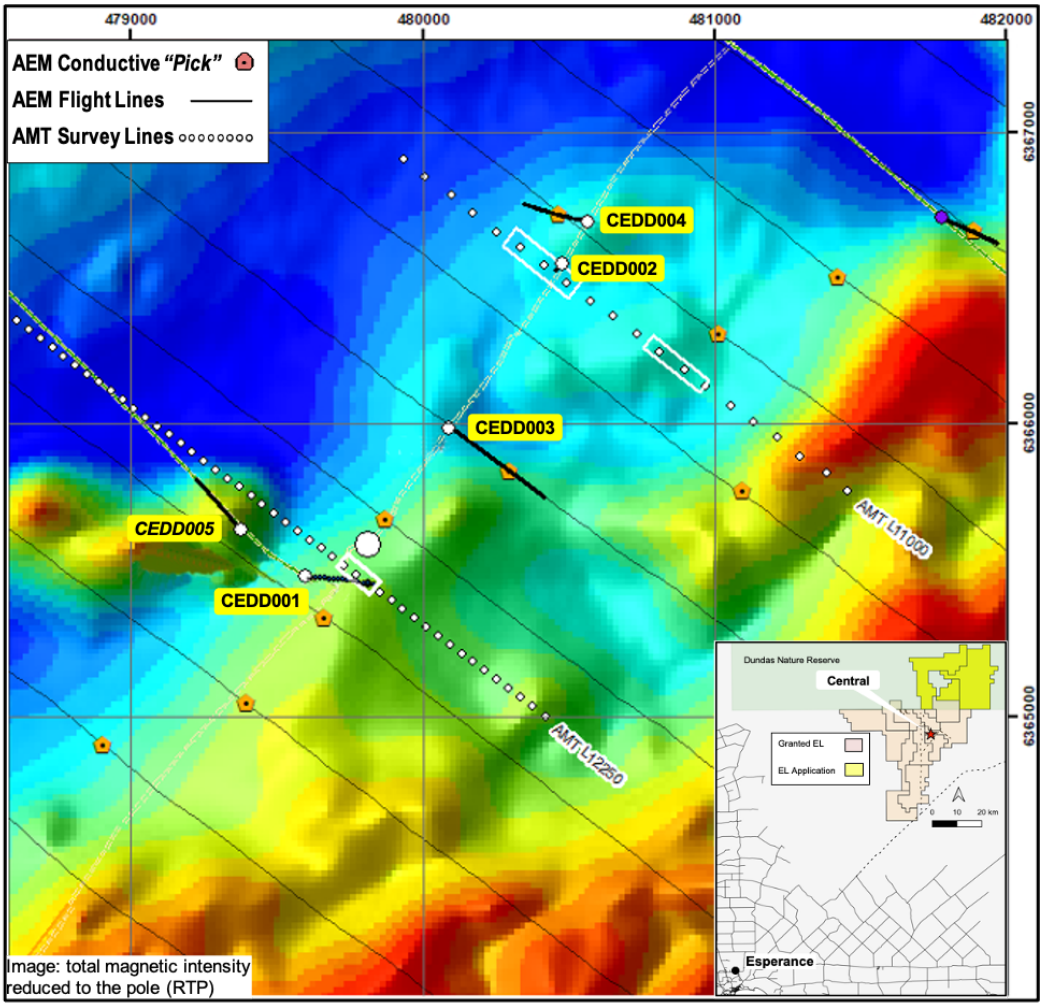

Figure 1: Location of diamond drill holes completed at the Central exploration target by the Company during the quarter ended 31 December 2022

Diamond drilling at Central recommenced in mid-January 2023. The first drill hole in the Company's 2023 drilling program (23CEDD006) is currently being drilled, and the hole is one of two diamond drill holes that were awarded co-funding (to a combined maximum of $220,000) under round 26 of the Western Australian Government Exploration Incentive Scheme (EIS). The award of the EIS co-funding for Central was announced by Dundas Minerals on 14 October 2022. Hole 23CEDD006 is planned to ~700m, and is aiming to test the centre of a very low resistivity AMT anomaly (Figure 2). The hole is located approximately 150m northeast of the first drill hole in the Central program (22CEDD001).

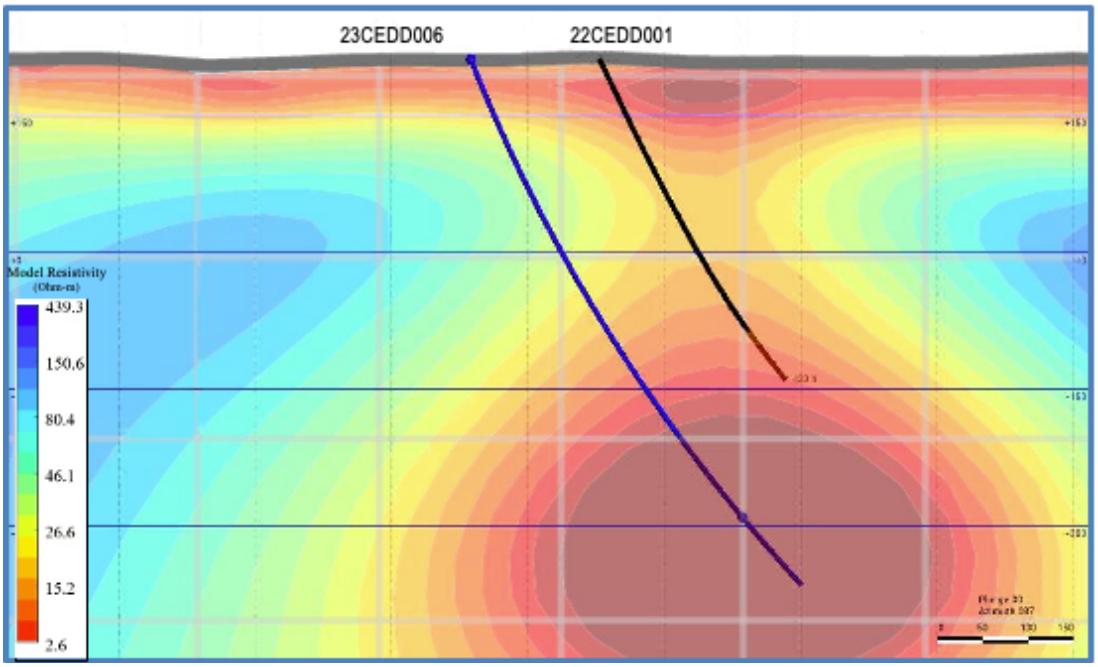

Figure 2: AMT model image (line 12250) showing the planned hole trace of (23CEDD006). The hole is planned to undercut the position of (22CEDD001).

Matilda South prospect

Preparations for the conduct of an inaugural reverse circulation (RC) drilling program at the Company's Matilda South prospect continued during the quarter. Programs of work (PoW) have been approved and drilling is expected to commence in the first quarter of 2023.

At Matilda South, Dundas Minerals is testing for potential mineralisation associated with an interpreted mafic/ultramafic intrusion and resistivity anomalies that were identified from AMT surveys conducted in March 2022 (refer ASX Announcement dated 29 March 2022 for details).

Exploration Licence Applications

In November 2022, Dundas Minerals made application for three (3) additional exploration licences in the Dundas Mineral field. The licence applications cover a combined area of 644km^2, and are located north and northeast of Central. The licence applications are contiguous to existing granted ELs held by Dundas Mineral (Figure 3).

Pre-existing third-party exploration licence applications had covered a majority of the areas that the Company made licence applications for, however agreement was reached with the third-party applicants for the withdrawal of their pre-existing EL applications allowing for the Dundas applications to prevail. Dundas acquired various historical exploration data relating to the application areas from the parties. As consideration 40,000 fully paid ordinary shares of the Company were issued (with a deemed issue price of $0.50 per share), and cash payments totalling $20,000 were made.

The new tenement applications are based on Dundas' interpretation of geological and structural trends and regional gravity and magnetic anomalies. The Company considers the new tenure as being prospective, based on similarities to Central.

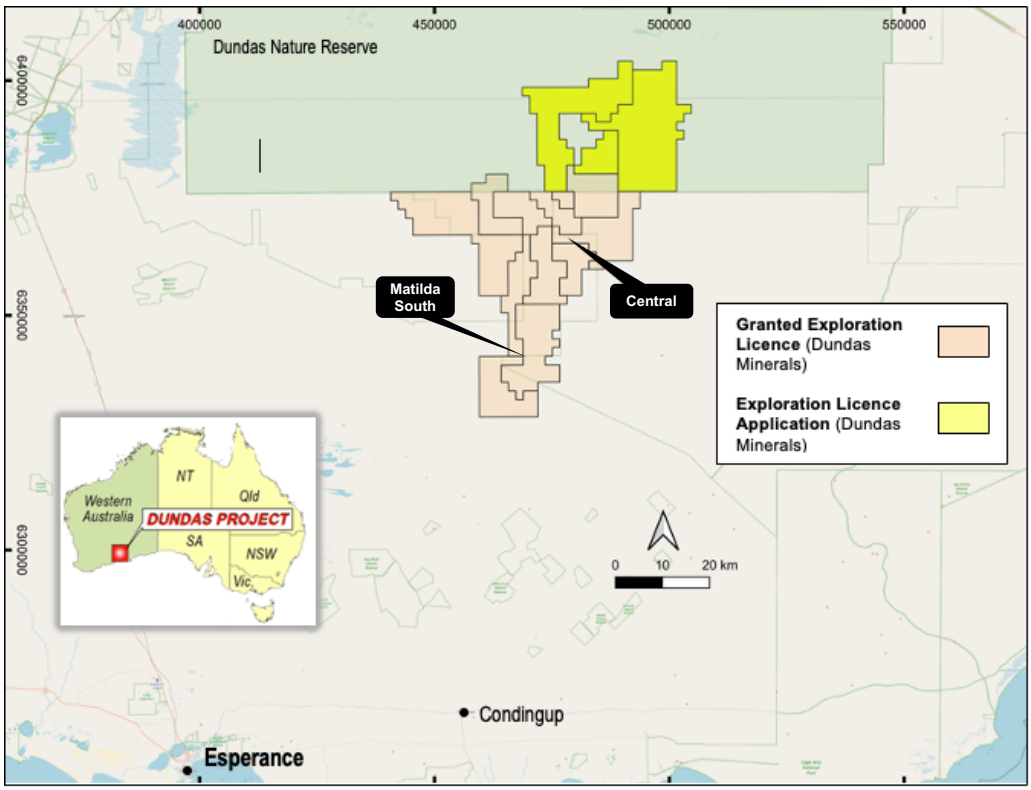

Figure 3: Exploration Licence applications (yellow) relative to existing granted licences (orange).

Corporate

In November 2022, the Company raised an additional $1,600,000 via share placement to various professional and sophisticated investors via the issue of 4,000,000 fully paid ordinary shares at a price of $0.40 per share. The funds will be used to advance exploration at Central and Matilda South. Also during the quarter 1,669,691 ASX listed options were exercised (exercise price $0.30 per option) for proceeds of $500,907, and 1,500,000 unlisted options were issued pursuant to the share placement (exercise price of $0.50 per option and expiry date of 25 February 2024).

On 25 October 2022, the Company's 2022 annual general meeting of shareholders was held. All resolutions put to the meeting were carried, by poll.

Related Party Transactions

In accordance with the requirements of ASX Listing Rule 5.3.5, the payments that were made to, or an associate of, a related party of the entity that have been included in the Appendix 5B for the quarter are: managing director remuneration (item 6.1); and director fees (item 6.2).

ASX Listing Rule 5.3.2

For the purpose of ASX Listing Rule 5.3.2, the Company confirms that there were no mining production and development activities by the Company or its subsidiaries during the quarter.

Use of Funds

Pursuant to ASX List Rule 5.3.4, a comparison between the use of funds statement in the Company's IPO Prospectus date 17 September 2021, and actual expenditure to 31 December 2022 is shown in the table below.

Category	Prospectus Amount	Actual at 31-12-22	Variance
Exploration at the Dundas Project	$3,986,000	$3,449,967	$536,033[1]
Exploration at Triton	$70,000	$0	$70,000[2]
Expenses of the Offer	$670,000	$662,154	$7,846
Administration costs	$998,000	$607,803	$390,197
Working capital	$631,000	$251,897	$379,103
Total	**$6,355,000**	**$4,971,821**	**$1,383,179**

Notes:

1. The Dundas Project budget is for a 24 month period post ASX Listing, hence the variance at 31 December 2022 is due to the Company having been admitted to the ASX Official List on 10 November 2021.
2. The tenement that comprises the Triton project has not yet been granted

Tenement Summary

Pursuant to ASX Listing Rule 5.3.3, the Company did not acquire or dispose of any mineral tenements during the quarter, however applications were lodged for 3 additional exploration licences. The Company's interests in mineral tenements as at the end of the quarter covered by this report is shown in the table below.

Holder	Tenement ID	Status	Percent Held	Location
Dundas Minerals Limited	E 63/2044	Granted	100%	Western Australia
Dundas Minerals Limited	E 63/2045	Granted	100%	Western Australia
Dundas Minerals Limited	E 63/2056	Granted	100%	Western Australia
Dundas Minerals Limited	E 63/2059	Application	100%	Western Australia
Golden Camel Mining Pty Ltd	E 63/2063	Granted	100%#	Western Australia
Dundas Minerals Limited	E 63/2065	Granted	100%	Western Australia
Dundas Minerals Limited	E 63/2078	Granted	100%	Western Australia
Dundas Minerals Limited	E 63/2083	Granted	100%	Western Australia
Dundas Minerals Limited	E 63/2084	Granted	100%	Western Australia
Dundas Minerals Limited	E 63/2090	Granted	100%	Western Australia
Dundas Minerals Limited	E 63/2116	Granted	100%	Western Australia
Dundas Minerals Limited	E 63/2124	Granted	100%	Western Australia
Dundas Minerals Limited	E 63/2170	Granted	100%	Western Australia
Dundas Minerals Limited	E 63/2287	Application	100%	Western Australia
Dundas Minerals Limited	E 63/2288	Application	100%	Western Australia
Dundas Minerals Limited	E 63/2297	Application	100%	Western Australia

The Company holds an exclusive right to acquire a 100% interest in Exploration Licence E63/2063 from Golden Camel Mining Pty Ltd, which it currently intends to exercise, and is obliged to maintain the tenement in good standing until it exercises or relinquishes its right. The right may be exercised at any time following the 1st anniversary of the tenement grant date.

Capital Structure (31 December 2022)

Description	Number
Fully Paid Ordinary Shares (ASX quoted: **DUN**)	44,444,250
Fully Paid Ordinary Shares (not quoted on ASX, subject to ESCROW)	21,444,657
Total Fully Paid Ordinary Shares	**65,888,907**
ASX quoted options (ASX: **DUNO**) exercise price $0.30, expiry 25-Feb-24	28,421,881
Unlisted options exercise price $0.25, expiry 1-July-2024	2,000,000
Unlisted options exercise price $0.30, expiry 1-July-2024	2,000,000
Unlisted options exercise price $0.30, expiry 3-Nov-2024	3,000,000
Unlisted options exercise price $0.25, expiry 1-July-2026	2,500,000
Unlisted options exercise price $0.30, expiry 1-July-2026	2,500,000
Unlisted options exercise price $0.25, expiry 10-Nov-2026	1,000,000
Unlisted options exercise price $0.30, expiry 10 Nov-2026	1,000,000
Unlisted options exercise price $0.50, expiry 25-Feb-24	1,500,000
Total Unlisted Options	**15,500,000**

Financial and Corporate

The Company ended the quarter with $3.3 million in cash and no debt.

Refer to the attached Appendix 5B for an overview of the Company's use of cash during the quarter.

Authorised by: Shane Volk (Managing Director and Company Secretary)

About Dundas:	Dundas Minerals Limited (ASX: DUN) is a battery-minerals and gold focussed exploration company exploring in the highly prospective southern Albany-Fraser Orogen, Western Australia. Dundas Minerals holds 12 contiguous exploration licences (either granted or under application) covering an area of 1,845km^2. All licences are 100% owned by Dundas and are located within unallocated Crown Land. The Albany-Fraser Orogen hosts the world-class Tropicana gold mine (AngloGold Ashanti ASX: AGG / Regis Resources ASX: RRL) and the Nova nickel mine (Independence Group ASX: IGO). The Dundas granted tenements are located ~120km southwest of Nova, have not been subject to modern exploration and are deemed prospective for battery materials (nickel, copper and rare earths), and gold. Dundas Minerals listed on the ASX on 10 November 2021.
Capital Structure:	Ordinary shares on issue (DUN): 68,888,907; ASX Listed Options (DUNO): 28,421,447 (Ex: $0.30, Exp 25-02-2024) Unlisted Options: 1,500,000 (Exp. 25-02-24 Ex. $0.50); 3,000,000 (Exp. 3-11-24 Ex. $0.30); 4,000,000 (Exp. 1-7-24 Ex. $0.25 & $0.30); 5,000,000 (Exp. 1-7-26 Ex. $0.25 & $0.30); 2,000,000 (Exp. 10-11-26 Ex. $0.25 & $0.30)

COMPETENT PERSONS STATEMENTS

The information in this announcement that relates to exploration results from the Company's Central exploration target are extracted from the ASX Announcements titled *"Central: 358m of massive, semi-massive and disseminated sulphides, plus sulphidic quartz veins"* published on 11 October 2022; "*Central Exploration Target: Initial Assay Results and Drilling Update"* published on 2 December 2022; "*Exploration Update – Central Exploration Target"* published on 14 December 2022*; and* "*Recommencement of Drilling at Central"* published on 16 January 2023. The reports are available to view on the Company's web site: www.dundasminerals.com. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original ASX Announcements. The Company confirms that the form and context in which the Competent Person's findings are presented in this report, have not been materially modified from the original market announcement.

The information in this announcement that relates to Geophysical Survey Results and Exploration Results and Targets are extracted from the report titled "*Highly Conductive Anomalies Identified at Central Ni Cu Target"* published on 16 March 2022; *"Exploration Target Geophysical Data and Models Like Nova"* published on 2 August 2022; and *"Conductive Anomalies identified at Matilda South"* published on 29 March 2022. The reports are available to view on the Company's web site: www.dundasminerals.com. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original report. The Company confirms that the form and context in which the Competent Person's findings are presented in this report, have not been materially modified from the original market announcement.

DISCLAIMERS AND FORWARD-LOOKING STATEMENTS

This announcement contains forward looking statements. Forward looking statements are often, but not always, identified by the use of words such as "seek", "target", "anticipate", "forecast", "believe", "plan", "estimate", "expect" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions.

The forward-looking statements in this announcement are based on current expectations, estimates, forecasts and projections about Dundas and the industry in which it operates. They do, however, relate to future matters and are subject to various inherent risks and uncertainties. Actual events or results may differ materially from the events or results expressed or implied by any forward-looking statements. The past performance of Dundas is no guarantee of future performance.

None of Dundas' directors, officers, employees, agents or contractors makes any representation or warranty (either express or implied) as to the accuracy or likelihood of fulfilment of any forward-looking statement, or any events or results expressed or implied in any forward-looking statement, except to the extent required by law. You are cautioned not to place undue reliance on any forward-looking statement. The forward-looking statements in this announcement reflect views held only as at the date of this announcement.

Appendix 5B

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

Name of entity	
Dundas Minerals Limited	
ABN	**Quarter ended ("current quarter")**
14 640 432 819	December 2022

	Consolidated statement of cash flows	**Current quarter $A'000**	**Year to date (6 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(88)	(137)
	(e) administration and corporate costs	(96)	(165)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	7	7
1.5	Interest and other costs of finance paid	(1)	(1)
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**	**(178)**	**(296)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(51)	(106)
	(d) exploration & evaluation	(1,570)	(1,834)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 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**	**(1,621)**	**(1,940)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,600	1,600
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	501	501
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(99)	(99)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(3)	(6)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other	-	-
3.10	**Net cash from / (used in) financing activities**	**1,999**	**1,996**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**	**(440)**	**(241)**
4.1	Cash and cash equivalents at beginning of period	3,116	3,556
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(178)	(296)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,621)	(1,940)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,999	1,996

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**3,316**	**3,316**

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	866	866
5.2	Call deposits	2,450	2,250
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)**	**3,316**	**3,116**

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	(68)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	(41)
	Repayment of shareholder loans and accrued interest (included in item 3.6)	-

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.

7.	**Financing facilities** *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.*	**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)	178
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	1,621
8.3	Total relevant outgoings (item 8.1 + item 8.2)	**1,799**
8.4	Cash and cash equivalents at quarter end (item 4.6)	3,316
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	**3,316**
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	**1.84**

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.

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: No, because exploration drilling expenditure is expected to be materially less than in the preceding quarter due to smaller planned programs, combined with programs that are 50% co-funded (direct drilling costs) via the WA Government EIS program.

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: Yes, on 6 January 2023 the Company announced the establishment of a $4 million "at the money" (ATM) securities placement facility which has a term of 4 years.

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:	Yes, the Company has adequate funding to meet the minimum annual expenditure requirements for all of its exploration tenements, and will plan and implement exploration work programs accordingly.

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.

27 JANUARY 2023

Date: .....

SHANE VOLK – Managing Director & Company Secretary

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.